

## Company

# Etihad Etisalat Company 1Q26 Result Review

## Rating

Buy

## Bloomberg Ticker

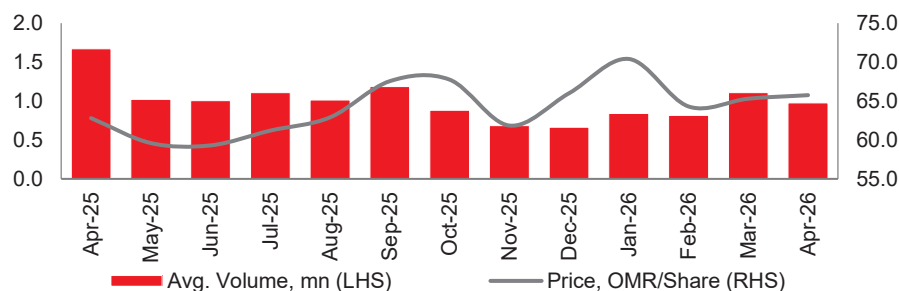
EEC AB

## Date

27 April 2026

## Results

Target Price (SAR)	83.3
Total Return	31.2%



## Revenue growth and margin expansion by subscriber gains

Mobily's revenue grew by 5% YoY to SAR 5bn in 1Q26, largely in line with our estimates. This is attributable to a 16% YoY increase in overall subscribers, coupled with increases across all revenue streams. Gross profit increased by 11% YoY due to a change in revenue mix, and gross margins expanded by 257bps YoY.

## Earnings growth driven by operational efficiency

Net profit increased by 15% YoY to SAR 880mn, driven by a 16% YoY growth in operating profit. EBITDA margin increased to 39.1% from 37.1% in 1Q25, supported by revenue growth and operational efficiency.

## U-Capital View

We hold a strong outlook on Mobily backed by robust revenue and earnings growth. Given the evolving needs of diverse sectors and increasing demand from large giga projects, the business segment has strengthened its ICT portfolio. Furthermore, its Wholesale division is expanding its international footprint through strategic partnerships and significant investments in submarine cables. Accordingly, we maintain a Buy rating on the stock with a target price of SAR 83.3/share.

## Financial Summary

SAR mn	1Q25	2Q25	3Q25	4Q25	1Q26	1Q26e	YoY	QoQ	Var.
<b>P&amp;L</b>									
Revenue	4,777	4,828	4,849	5,186	5,040	5,255	5%	-3%	-4%
Gross Profit	2,554	2,623	2,691	2,874	2,824	2,783	11%	-2%	1%
Operational Profit	850	891	1,038	1,068	988	960	16%	-7%	3%
Net Profit	767	830	916	953	880	862	15%	-8%	2%
<b>BS</b>									
Shareholders' Equity	18,637	19,451	19,285	20,328	19,963		7%	-2%	
<b>Ratios</b>									
Gross Margin	53.5%	54.3%	55.5%	55.4%	56.0%	53.0%			
Operating Margin	17.8%	18.5%	21.4%	20.6%	19.6%	18.3%			
Net Profit Margin	16.0%	17.2%	18.9%	18.4%	17.5%	16.4%			
EPS, SAR	1.0	1.1	1.2	1.2	1.1				
RoE (TTM)					17.8%				
P/E (TTM)					14.1				
P/Bv					2.5				

Source: Financials, TASI, Bloomberg, U Capital Research

Current Market Price (SAR)	65.8
52wk High / Low (SAR)	71.6/54.6
12m Average Vol. (m)	908.6
Mkt. Cap. (USD/SAR bn)	13.5/50.6
Shares Outstanding (mn)	770.0
Free Float (%)	72%
3M ADTV (SAR mn)	58.7
6M ADTV (SAR mn)	52.1
P/E'26e (x)	13.4
EV/EBITDA'26e (x)	2.3
Dividend Yield '26e (%)	4.5%
Price Perf. (1m/3m) (%)	-0.9/-6.9

## Research Department

Email: [ubhar-research@u-capital.net](mailto:ubhar-research@u-capital.net)

For our  
last report





# Investment Research

[Ubhar-Research@u-capital.net](mailto:Ubhar-Research@u-capital.net)

## Head of Research

**Tahir Abbas**

 +968 2494 9036 |  [tahir@u-capital.net](mailto:tahir@u-capital.net)

## Research Team

**Ahlam Al Harthi**

 +968 2494 9024 |  [ahlam.harthi@u-capital.net](mailto:ahlam.harthi@u-capital.net)

**Rao Aamir Ali**

 +968 2494 9066 |  [rao@u-capital.net](mailto:rao@u-capital.net)

**Sandesh Shetty**

 +968 2494 9059 |  [sandesh@u-capital.net](mailto:sandesh@u-capital.net)

**Amira Al Alawi**

 +968 2494 9012 |  [amira.alalawi@u-capital.net](mailto:amira.alalawi@u-capital.net)

## Head of Brokerage

**Talal Al Balushi**

 +968 2494 9051 |  [talal@u-capital.net](mailto:talal@u-capital.net)

Visit us at

[www.u-capital.net](http://www.u-capital.net)

## Disclaimer

### Recommendation

BUY

Greater than 10%

HOLD

Between  
0% and +10%

SELL

Lower than 0%

### Ubhar Capital SAOC (U Capital)

**Website:** [www.u-capital.net](http://www.u-capital.net)

PO Box 1137, PC 111, Sultanate of Oman

**Tel:** +968 2494 9036 | **Fax:** +968 2494 9099 | **Email:** [research@u-capital.net](mailto:research@u-capital.net)

**Disclaimer:** This report has been prepared by Ubhar Capital (U Capital) Research and is provided for information purposes only. Under no circumstances is it to be used or considered as an offer to sell or solicitation of any offer to buy. While all reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. The company accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents. All opinions and estimates included in this document constitute U Capital Research team's judgment as at the date of production of this report and are subject to change without notice. This report may not be reproduced, distributed or published by any recipient for any other purpose.