

Alef Education Sustains Strong Financial Performance in 9M 2025 with a 73% EBITDA Margin, Reinforcing the Strength of its Core UAE Portfolio and Advancing Global Expansion

- 9M 2025 Revenues up 4% Year-on-Year (YoY) to AED 572.8 million, driven by the continued strength of the core UAE portfolio, expanding B2B operations, and growing contributions from international markets.
- 9M 2025 EBITDA up 5% YoY to AED 418.0 million, with a strong 73% margin (+90 basis points) supported by higher revenues and disciplined cost management; Net Profit increased 6% YoY to AED 364.7 million with a 64% margin (+110 basis points).
- AED 492.8 million cash and zero debt as of 30 September 2025, providing a strong foundation to support disciplined global expansion and sustain attractive shareholder returns.
- A guaranteed dividend payout of AED 135 million for FY 2025 for the public shareholders, paid in two equal installments. The first installment of AED 67.5 million was distributed as an interim dividend in August 2025, implying an interim dividend per share of ~ 5 Fils.
- Miqyas Al Dhad is on track for launch in Q4 2025, supported by positive field-testing feedback and strong interest from regional education authorities. It has also secured its first commercial contract.
- Strategic collaboration with Liquid AI to enhance AI-powered learning capabilities and drive scalable, privacy-focused innovation across new markets.

Abu Dhabi, UAE – 29 October 2025: Alef Education Holding Plc (the “Company” or “Alef Education” or “ADX: ALEFEDT”), an award-winning AI-powered learning solutions provider redefining the educational experience for K-12 students, based in Abu Dhabi, today announced its financial results for the nine-month period ending 30 September 2025 (“9M 2025”).

Alef Education delivered a solid performance in the first nine months of 2025, reporting revenues of AED 572.8 million, up 4% YoY, driven by continued strength in the core UAE portfolio and growing contributions from non-school B2B/B2G, private schools and international initiatives. Disciplined cost management resulted in a relatively stable 73% EBITDA margin, up 90 basis points compared to 9M 2024 demonstrating the Company’s strength in achieving sustainable growth alongside continued investment in innovation and international expansion.

Geoffrey Alphonso, Chief Executive Officer of Alef Education, stated:

“Alef Education’s results for the first nine months of 2025 highlight the continued strength of our UAE core foundation and the growing momentum of our non-school B2B/B2G, private schools and international initiatives. Alef Education maintained sector-leading profitability, while advancing key strategic priorities such as the launch of Miqyas Al Dhad, the expansion of its Pathways and Arabic assessment offerings, and the progress of its international portfolio in markets like Indonesia and Senegal. Supported by a debt-free balance sheet, strong cash flows, and disciplined execution, Alef Education is well positioned to scale its impact globally and continue redefining the K-12 learning experience through AI-powered solutions.”

Sustained 9M 2025 Growth Driven by Leading Margins & Strong Cash Position

Alef Education delivered a robust financial performance in the first nine months of 2025, reflecting the continued strength of its long-term partnership with the Abu Dhabi Department of Education and Knowledge (ADEK) as well as growing contributions from its non-school B2B/B2G, private schools segment and international initiatives. Revenues increased 4% YoY to AED 572.8 million, supported by the resilience of the

core ADEK portfolio, non-school B2B/B2G, the ramp-up of private school operations in the UAE, and early traction in select international markets.

Disciplined cost management drove a 5% increase in EBITDA to AED 418.0 million, resulting in a sector-leading EBITDA margin of 73%, up 90 basis points YoY. Net Profit rose 6% YoY to AED 364.7 million, with the net profit margin expanding to 64% (+110 bps YoY), highlighting Alef Education’s ability to deliver profitable growth alongside strategic investments in innovation and global expansion.

Alef Education maintained a healthy cash position of AED 492.8 million as of 30 September 2025, with zero debt, providing a strong foundation to fund its ongoing partnership with ADEK, drive product innovation, and sustain attractive shareholder returns.

Reliable and Attractive Dividend Policy

Beyond driving growth, Alef Education’s strong financial position and guaranteed ADEK payments enable the Company to deliver consistent value to shareholders through a clear and dependable dividend policy. In line with its IPO commitment, Alef Education guarantees a minimum annual dividend payout of AED 135 million to its 20% public shareholders for FY 2025, distributed in two equal installments.

The first installment of AED 67.5 million was paid as the interim dividend in August 2025, with the second installment of AED 67.5 million scheduled post AGM in 2026. Looking ahead, the Board intends to maintain a policy of distributing approximately 90% of annual profits. A debt-free balance sheet, a healthy cash position and continued strong cash flows reinforce management’s confidence in the sustainability of these payouts.

Expanding Global Reach Through Partnerships and Innovation

Alef Education launched a partnership with UNICEF and the Kenya Institute of Curriculum Development (KICD) to strengthen access to digital learning in Africa, reinforcing its commitment to advancing inclusive education on a global scale.

Domestically, Alef Education continued to strengthen its core foundation with ADEK through the migration of approximately 4,000 students under the charter-school initiative, increasing the total number of students on the Alef Platform in Abu Dhabi public schools to more than 73,000. Meanwhile, the private school segment achieved strong momentum with a YoY revenue increase of AED 2.3 million, now serving 180 schools and 122,000 paying students and capturing approximately 35% of the UAE private-school market. Combining its strong local presence with an expanding international reach, Alef Education signed six new contracts across its non-school B2B/B2G segment during 9M 2025, with a total contract value of AED 57 million. The Company continues to build a robust pipeline of domestic and international opportunities expected to translate into future commercial signings.

To drive innovation and deepen its AI-driven capabilities, Alef Education entered a strategic collaboration with Liquid AI to deploy on-device generative AI models, enabling more personalized and efficient learning experiences while safeguarding privacy and performance at scale. These advancements reflect Alef Education’s continued progress in expanding its global presence, strengthening its product ecosystem, and supporting sustainable long-term growth. Alef Education further enhanced its product suite with new Pathways variants for Arabic reading (Grades 3–10) and additional Math, Science, and English offerings, as well as the launch of a comprehensive Arabic test assessment covering reading, writing, listening, and

speaking skills. Supplementary platforms like Arabits and Abjadiyat also saw new updates to support a richer learning experience.

Miqyas Al Dhad Set for Rollout

Backed by positive feedback from extensive field testing, Miqyas Al Dhad, the region's first Arabic reading proficiency scale designed for Grades 1–12 Arabic speakers, remains on track for launch in Q4 2025. Alef Education has already signed its first commercial contract in the UAE and continues to build a strong pipeline, positioning the platform for strong growth in 2026. Developed in collaboration with education ministries across the Arab world, the initiative aims to strengthen Arabic literacy and create a new, sustainable revenue stream for Alef Education.

Outlook

Alef Education enters the final quarter of 2025 on solid ground, supported by the continued strength of its long term ADEK partnership, growing momentum in the non-school B2B/B2G segment, UAE private schools and promising expansion opportunities in international markets. The upcoming launch of Miqyas Al Dhad, alongside the continued rollout of enhanced Pathways offerings, Arabic assessments, and supplementary solutions such as Arabits and Abjadiyat, is expected to support further product adoption and revenue diversification. Strategic collaborations like the joining of forces with Liquid AI strengthens Alef Education's capabilities to deliver impactful, AI-powered learning solutions in new geographies.

Looking ahead, Alef Education remains on track to deliver on its FY 2025 guidance of 3–4% revenue growth and 8–9% EBITDA growth YoY. Similarly, Net Profit is expected to increase by 7-8% resulting in a strong margin of over 60%. Management remains focused on disciplined execution, expanding the Company's global footprint, and advancing innovations to redefine the K-12 learning experience.

With a strong financial foundation, a debt free balance sheet, and a commitment to innovation, Alef Education is well positioned to sustain its leadership in AI-powered K-12 learning and continue delivering long-term value to both students and shareholders.

<i>AED millions</i>	9M 2025	9M 2024	% Change
Revenues	572.8	551.5	4%
Total Expenses	154.8	153.6	+1%
EBITDA*	418.0	397.7	5%
<i>EBITDA Margin</i>	73.0%	72.1%	+90bps
Net Profit	364.7	345.3	6%
<i>Net Profit margin</i>	63.7%	62.6%	+110bps

* EBITDA is earnings before interest, tax, depreciation, amortization and lease expenses (interest and depreciation on right of use assets).

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About Alef Education

Founded in 2016, Alef Education (ALEFEDT on the Abu Dhabi Stock Exchange) is an award-winning AI-powered learning solutions provider that is redefining the educational experience for K-12 students. The Company has established a strong presence in the education technology sector, operating in approximately 16,000 schools across the UAE, Indonesia and Morocco. Its flagship AI-integrated Alef Platform offers personalised learning experiences to approximately 1.6 million registered students, enabling them to work at their own pace and reach their full potential anytime, anywhere. With a 100% penetration rate in Cycle 2 (Grades 5-8) and Cycle 3 (Grades 9-12), Alef Education has a proven track record of improving student engagement and achievement, with test scores in Indonesia increasing by 8.5% in Arabic and maths.

The award-winning Alef Platform provides AI-powered learning and teaching solutions that use real-time data to drive improvements across the education system. Alef Pathways is a student-centred, self-paced supplemental math program. Abjadiyat is an Arabic language learning platform that provides engaging and interactive content from kindergarten to Grade 4. Arabits is a complete Arabic learning system for non-native speakers that helps students of all ages learn, practice, and improve their Arabic language skills using AI.

Alongside supporting students throughout their educational journey, Alef Education supports 65,000 educators with tools that enrich instruction and enable high-impact interventions to improve student learning outcomes. Alef Education promotes engagement, achievement and equity in learning, preparing students for success in an ever-evolving world.

For more information, visit www.alefeducation.com.

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