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Q3 2026 revenue up 38% YoY to AED 4.9 billion, with 9M 2026 revenue up 56% YoY to AED 13.9 billion

Q3 2026 EBITDA increased 88% YoY to AED 519 million, with EBITDA margin expanding to 10.6% as Energy Services returned to profitability

Q3 Net Profit nearly doubling YoY to AED 375 million and up 37% YoY to AED 589 million during 9M 2026

Backlog of AED 29.4 billion, representing 1.7x trailing twelve-month revenue and providing continued visibility

Dubai, United Arab Emirates – 11 November 2026 – ALEC Holdings PJSC ("ALEC" or the "Company"), the market-leading diversified engineering and construction group with operations focused on large-scale, complex and iconic buildings and energy projects in the UAE and the KSA, announced today its financial results for the three-month and nine-month periods ended 30 September 2026 ("Q3 2026" and "9M 2026"). ALEC delivered a record quarter of continued top-line growth and sustained project execution, with revenue increasing 38.4% Year-on-Year ("YoY") to AED 4.9 billion in Q3 2026 and 56.0% YoY to AED 13.9 billion in 9M 2026. Q3 2026 Net Profit increased 94.9% YoY to AED 375.3 million, supported by an 88% YoY increase in EBITDA to AED 519.4 million, with EBITDA margin expanding to 10.6% as Energy Services returned to profitability. Closing backlog stood at AED 29.4 billion.

Key Highlights

	Revenue	EBITDA [1]	EBITDA Margin [2]	Net Profit	Net Profit Margin [3]
9M 2026	**AED 13,896 million** +56% YoY	**AED 960 million** +36% YoY	**6.9%** vs. 7.9% 9M 2025	**AED 589 million** +37% YoY	**4.2%** vs. 4.8% 9M 2025
Q3 2026	**AED 4,906 million** +38% YoY	**AED 519 million** +88% YoY	**10.6%** vs. 7.8% Q3 2025	**AED 375 million** +95% YoY	**7.6%** vs. 5.4% Q3 2025

As at 30 September 2026

Backlog [4]	Backlog Coverage [5]	Free Cash Flow to Firm [6]	Net Cash / EBITDA [7]
AED 29.4 billion	1.7x	AED 163 million	0.5x

[1] EBITDA is calculated as profit for the period before income tax, net finance costs, depreciation of property, plant and equipment and right-of-use assets and amortization of intangible assets.
[2] EBITDA divided by revenue
[3] Profit for the period after-tax divided *by* revenue.
[4] Backlog is the estimated revenue yet to be delivered from secured projects.
[5] Backlog divided by the last twelve months' revenue.
[6] Calculated cash from operations minus capital expenditures (payment for purchases of property, plant and equipment, and purchase of property, plant and equipment which is right-of-use asset with corresponding lease liability).
[7] Net Cash divided by trailing twelve months EBITDA

Chief Executive Officer, Barry Lewis said:

“Q3 2026 was a record quarter for ALEC, with revenue, EBITDA and Net Profit reaching their highest quarterly levels to date. During 9M 2026, revenue grew 56.0% year-on-year to AED 13.9 billion. Q3 Net Profit reached AED 375.3 million, nearly doubling compared to Q3 2025. This strong performance reflects Energy Services’ return to profitability and continued execution across Building & Construction and Related Businesses.

The regional conflict that began in late February continues to affect the wider operating environment, including supply chains and logistics. We continue to reflect the expected impact on our project estimates, and our teams have adapted well to new timelines and challenges for managing logistics, with all awarded projects continuing to be delivered to the timelines agreed with our clients. We also continue to engage collaboratively with our clients and supply chain partners to address the challenges of this new operating environment, jointly re-planning logistics, sourcing and delivery schedules to keep projects on track.

As the pace of project awards across the market has slowed, we are seeing a more competitive and selective tendering environment. Nonetheless, we remain disciplined in pursuing complex, iconic and large-scale opportunities, focusing on those where our integrated capabilities create the greatest value for clients. During the nine-month period, we also broadened our capabilities through the establishment of new subsidiaries in tunnelling and drainage as well as manufacturing and equipment rental, further enhancing our integrated platform across the UAE.”

Chief Financial Officer, John Deeb commented:

“The first nine months of 2026 witnessed strong growth in both revenue and earnings, with EBITDA increasing 36.0% to AED 959.8 million and Net Profit increasing 36.5% to AED 589.1 million. Taking a closer look at Q3 particularly, EBITDA margin improved to 10.6%, from 7.8% in Q3 2025, primarily reflecting top-line ramp up and enhanced profitability in Energy Services and Building & Construction.

Cash generation before working-capital movements increased 24.7% year-on-year to AED 1.0 billion. Net cash from operating activities was AED 505.6 million for the period, reflecting stable collections in line with the scale of our project activity, and capital expenditure of 2.9% of revenue remained within our guided range.

We ended September with a favorable cash balance of AED 1.4 billion, a further AED 470.9 million readily redeemable liquidity fund and a net cash position of AED 165.3 million. Additionally, for a post period update, we paid our AED 100 million interim dividend for H1 2026 on 29 October 2026, in line with our dividend policy.”

Financial Overview

Revenue

ALEC recorded topline growth in 9M 2026, with revenue **reaching AED 13.9 billion, up 56.0% YoY**, with growth recorded across all three operating segments. Q3 2026 revenue increased 38.4% YoY to AED 4.9 billion and 12.0% Quarter-on-Quarter (“QoQ”), the highest quarterly revenue recorded by the Group to date.

Inter-segment eliminations increased to AED 3.3 billion from AED 1.1 billion in 9M 2025, reflecting a higher volume of integrated services across the Group.

Segmental Overview

- **Building & Construction** revenue increased **85.9% YoY to AED 8.9 billion in 9M 2026**, remaining the Group’s largest revenue contributor, reflecting continued execution across all

major projects. Gross profit more than doubled to AED 609.4 million, with gross profit margin improving by 67 basis points YoY to 6.8%, reflecting a more favourable project mix and the increasing contribution from more recent projects with higher margins.

In addition, Q3 2026 revenue increased 54.5% YoY to nearly AED 3.1 billion, while gross profit grew 80.3% YoY yielding an improved margin of 6.6% vs. 5.6% in Q3 2025.

- **Energy Services** revenue increased **36.4% YoY to AED 4.4 billion in 9M 2026.** The segment recorded gross profit of AED 28.6 million, yielding a gross margin of 0.7% compared with 8.6% in 9M 2025, as the gross loss recognized in the second quarter of the year in connection with regional geopolitical developments weighed on nine-month profitability.

  Q3 2026 Energy Services revenue increased 35.6% YoY to AED 1.7 billion. Gross profit more than doubled to AED 186.1 million, with gross margin recovering to 11.3%, from 7.1% in Q3 2025 and a negative 16.1% in Q2 2026, as operations resumed following the disruption experienced in the previous quarter.

- **Related Businesses** generated revenue of **AED 3.9 billion in 9M 2026, an increase of 96.3% YoY**, while gross profit margin remained broadly stable at 12.5% vs. 12.6% recorded in the prior year. Q3 2026 revenue increased 56.9% YoY to AED 1.3 billion, while gross profit margin moderated to 12.7% from 13.8% in Q3 2025.

Profitability

The Company's gross profit grew **25.2% YoY to AED 1,075.8 million** in 9M 2026, with **gross profit margin at 7.7%**, down 190 basis points YoY, on the back of gross loss recognized in Energy Services during the previous quarter.

Q3 2026 gross profit increased 74.5% YoY to AED 562.7 million, with strong growth in gross profit margin by 237 basis points YoY to 11.5%, driven primarily by the recovery in Energy Services margin and an improved Building & Construction margin.

Group **EBITDA increased 36.0% YoY to AED 959.8 million**, with an EBITDA margin at 6.9% versus 7.9% in the prior year. Administrative expenses increased 13.9% YoY to AED 356.1 million, well below revenue growth of 56.0%, declining to 2.6% of revenue from 3.5% in 9M 2025 and reflecting ALEC's measured approach to scaling overheads. Q3 2026 EBITDA increased 87.5% YoY to AED 519.4 million, with the margin expanding to 10.6% from 7.8% in Q3 2025, primarily reflecting higher gross profit.

Income tax expense increased to AED 82.5 million in 9M 2026 from AED 55.7 million, reflecting higher profit before tax, with the effective tax rate at 12.3% (vs. 11.4% in the prior year).

Net Profit for the nine months increased 36.5% YoY to AED 589.1 million, representing a Net Profit margin of 4.2%, slightly below the 4.8% margin recorded in 9M 2025. **Q3 2026 Net Profit increased 94.9% YoY to AED 375.3 million**, compared with AED 192.5 million in Q3 2025 and a Net Loss of AED 16.6 million in Q2 2026, with the Net Profit margin expanding to 7.6% from 5.4% in Q3 2025.

Balance Sheet Analysis

Total assets reached AED 12.8 billion as at 30 September 2026, up 20.9% from year-end 2025, mainly reflecting higher contract and other receivables, which rose to AED 4.5 billion from AED 3.3 billion in line with increased project activity.

Net working capital stood at AED 1.4 billion, or 8.0% of trailing-twelve-month revenue, compared with AED 856.2 million at year-end 2025. The increase largely reflects the placement of AED 470.9

million in a readily redeemable liquidity fund during the period, alongside higher receivables and gross amounts due from customers, partially offset by higher contract and other payables.

Including the liquidity fund**, ALEC's liquidity amounted to AED 1.9 billion,** comprising AED 1.4 billion in cash and bank balances and the AED 470.9 million fund investment. **Total borrowings stood at AED 974.1 million as at 30 September 2026**, down from AED 1.1 billion at 30 June 2026 but up from AED 429.3 million at year-end 2025, reflecting drawdowns on new term facilities, including an AED 150 million facility for upcoming data centre projects. ALEC remained in a **net cash position of AED 636.2 million** (0.5x trailing-twelve-month EBITDA), with g**ross leverage of 0.9x**, within its FY 2026 guidance of approximately 1.0x.

Cash Flow Analysis

Cash generated from operating activities before working-capital movements increased 24.7% YoY to AED 1.0 billion in 9M 2026, from AED 812.3 million in 9M 2025. Net cash generated from operating activities was AED 505.6 million, compared with AED 1.1 billion in 9M 2025, reflecting a higher investment in working capital, mainly an increase of AED 1.3 billion in contract and other receivables.

In Q3 2026, the Group recorded a net operating cash outflow of AED 189.0 million, as an increase of AED 836.1 million in contract and other receivables more than offset cash generation before working-capital movements of AED 534.7 million.

Capital expenditure increased by 34.7% YoY to AED 408.7 million in 9M 2026, from AED 303.5 million in 9M 2025, and represented 2.9% of revenue, within the Group's FY 2026 guidance range. Free Cash Flow to Firm was AED 162.8 million, compared with AED 656.2 million in 9M 2025, reflecting the higher working-capital investment and capital expenditure during the period.

Key Operational Highlights

Opening backlog[8]	Closing backlog	Backlog coverage
AED 30.3 billion	AED 29.4 billion	1.7x

- **Backlog conversion:** As at 30 September 2026, ALEC's backlog stood at AED 29.4 billion, representing 1.7x coverage of trailing twelve-month revenue. Backlog decreased 9.3% from AED 32.5 billion at the end of Q2 2026 and 2.8% from AED 30.3 billion at year-end 2025, as revenue conversion during the quarter exceeded the value of new awards. Approximately 20% of the closing backlog, or AED 5.9 billion, is expected to be recognised as revenue in Q4 2026, with the remainder expected to be recognised between 2027 and 2030.
- **Diverse and high-quality backlog:** Building & Construction represented approximately 52.1% of closing backlog, followed by Energy Services at 46.9% and Related Businesses at approximately 1.0%. Geographically, the UAE accounted for 93.9% of backlog, with the remaining 6.1% attributable to KSA. This composition provides balanced exposure across ALEC's core segments and markets, while maintaining a focus on complex, large-scale projects aligned with the Group's capabilities and target returns.
- **Expansion of integrated capabilities**: During the period, ALEC continued to broaden its business offering organically, establishing new subsidiaries in tunnelling and drainage, manufacturing, and equipment rental. These additions extend the Group's in-house capabilities and strengthen its integrated platform, positioning ALEC to address a wider range of infrastructure opportunities across the UAE.

[8] Opening date of backlog – 31 Dec 2025

- **Interim Dividend Paid:** ALEC paid an interim cash dividend of AED 100 million (AED 0.02 per share) in respect of H1 2026 on 29 October 2026, in line with its dividend policy.
- **Health & Safety Enhanced Performance:** ALEC continues to operate to the highest international standards, certified to ISO 45001/14001/9001 and OSHAD, with a Group Lost-Time-Injury-Frequency-Rate ("LTIFR") of 0.087 per million manhours worked year-to-date, improving from 0.114 at H1 2026.
- **Workforce:** ALEC's total workforce across the UAE and KSA stood at 65,363 staff and labour as at 30 September 2026, which increased by 13.5% since 31 Dec 2025.

Outlook and Guidance

Demand conditions in the UAE remained constructive during 9M 2026, supported by continued investment across aviation, energy, hospitality and digital infrastructure. While the regional conflict may moderate the pace of project awards in the near term, the investment programmes underpinning ALEC's pipeline, including Al Maktoum International Airport, ADNOC's capital expansion programme and data-centre capacity growth, remain in place.

In Saudi Arabia, Vision 2030 continues to generate opportunities across giga-projects in tourism, energy and urban development. ALEC remains selective in pursuing these opportunities, prioritising projects with appropriate pricing, risk allocation and return characteristics.

ALEC's backlog includes flagship projects extending to 2029 and 2030, including The Sphere Abu Dhabi and ADNOC Offshore Zakum, supporting activity well beyond the current year. Around three-quarters of the contract value awarded in 9M 2026 was secured through bilateral negotiation, reflecting the strength of ALEC's client relationships.

The Company's updated guidance for FY 2026 and the medium term is set out below:

	2026	Medium Term
Backlog	100% of Revenue Covered	~2.0x-2.5x Revenue
Revenue Growth	~45-50%	~CAGR of 7-8% for the period
Gross Profit Margin	~7.5-9.5%	~10-11%
EBITDA Margin	~6.5-8.5%	~8-10%
Capex	~3% of revenue	Gradually decline to ~1% of revenue
Gross Leverage	~1x	below 1x

- Backlog provides **100% coverage of FY 2026** revenue and is expected to be maintained at approximately **2.0x–2.5x revenue** over the medium term, supported by a healthy pipeline of projects and anticipated future awards.
- **Revenue growth in FY 2026** is expected to be approximately **45%–50%, with medium-term growth anticipated at an implied CAGR of approximately 7%–8%.**
- **Gross Profit margin** is expected to be approximately **7.5%–9.5% in FY 2026**, improving to approximately 10%–11% over the medium term**. EBITDA margin** is expected to be approximately **6.5%–8.5% in FY 2026**, improving to approximately 8%–10% over the medium term.
- **Capex** is expected to remain at **approximately 3% of revenue in FY 2026** before gradually declining to approximately 1% over the medium term, consistent with the Company's capex-light operating model.
- **Gross leverage** is expected to be approximately **1.0x in FY 2026** and to remain below 1.0x over the medium term.
- In line with its previously announced dividend policy, the Company paid an **interim dividend of AED 100 million on 29 October 2026**.

Financial Summary

AED mn (unless noted otherwise)	Q3 2026	Q3 2025	% Δ YoY	9M 2026	9M 2025	% Δ YoY
Backlog	**-**	**-**	**-**	**29,435**	**32,921**	**-10.6%**
Revenue	**4,906**	**3,544**	**38.4%**	**13,896**	**8,906**	**56.0%**
Building & Construction	*3,065*	*1,984*	*54.5%*	*8,902*	*4,789*	*85.9%*
Energy	*1,651*	*1,218*	*35.6%*	*4,406*	*3,230*	*36.4%*
Related Business	*1,347*	*858*	*56.9%*	*3,933*	*2,004*	*96.3%*
Eliminations and Others	*(1,157)*	*(516)*	*124.3%*	*(3,345)*	*(1,116)*	*199.8%*
Gross profit	**563**	**323**	**74.5%**	**1,076**	**859**	**25.2%**
Gross Profit margin	*11.5%*	*9.1%*	*+237 bps*	*7.7%*	*9.6%*	*-190 bps*
EBITDA	**519**	**277**	**87.5%**	**960**	**706**	**36.0%**
EBITDA margin	*10.6%*	*7.8%*	*+277 bps*	*6.9%*	*7.9%*	*-102 bps*
Net Profit after Tax	**375**	**193**	**94.9%**	**589**	**432**	**36.5%**
Net Profit margin	*7.6%*	*5.4%*	*+222 bps*	*4.2%*	*4.8%*	*-61 bps*

Note: Q3 2025 segmental revenue figures are as presented in the reviewed condensed consolidated interim financial information for the period ended 30 September 2026.

- ENDS -

Note to Readers:

Revenue Recognition
ALEC allocates revenue over time as conditions are met, using the percentage of completion as the input method, according to IFRS 15. Of note, project execution is slower during Ramadan and summer resulting in lower revenue and profits being recognized in those periods.

Net Working Capital
Given the nature of the sector and ALEC's focus on large projects, resulting in sizeable periodic payments, there might be volatility in working capital depending on the exact timing of such payments and the phase of the project.

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About ALEC Holdings PJSC

ALEC Holdings PJSC, part of the Investment Corporation of Dubai, is a leading diversified engineering and construction group operating in the UAE and KSA. The Company builds and provides construction solutions that set industry benchmarks for innovation, quality, reliability and operational excellence.

ALEC offers its clients complete turnkey solutions in construction, MEP, fitout, marine, oil & gas, modular construction, energy efficiency and solar projects, heavy equipment rental, technology systems and asset maintenance. With these capabilities, the Company successfully serves a diverse range of sectors including airports, data centres, retail, hotels & resorts, high-rise buildings, and themed projects.

For more information, please visit https://alec.ae/.

Disclaimer

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