الشركة الوطنية للتربية والتعليم
NATIONAL COMPANY FOR LEARNING & EDUCATION

Earning Release

30 April 2026

NCLE Releases Results for the Nine-month Period Ended 30 April 2026

10 June 2026, Riyadh (Saudi Arabia) – National Company for Learning & Education "NCLE", announced its financial results for the (3Q 2025/2026) for the three and nine-month period ended 30 April 2026. During the period, the Company reviewed the methodology for recognizing revenue from educational services (tuition fees), whereby **revenue is now recognized over the academic year rather than the financial year,** in accordance with the requirements of IFRS 15 "Revenue from Contracts with Customers" as adopted in the Kingdom of Saudi Arabia and the explanatory notes issued by SOCPA on 16 July 2025. The review also included recalculating and allocating vacation costs related to the teaching staff to the educational service contracts in accordance with that interpretative guidance. This review resulted in identifying a financial impact related to the revenue re-measurement, and this impact was adjusted in the interim condensed consolidated financial statements for the three and nine-month period ended 30 April 2025. **It should be noted that the methodology for recognizing tuition fee revenues based on the academic year period is affected by differences in the start and end dates of the academic year, as well as the number of school days from year to year. However, this impact is limited to interim quarterly periods in terms of the timing of revenue recognition and does not have any effect on the Company's annual financial results, as the total tuition-fees revenue for the academic year is recognized in full without any change.**

Revenue for the nine-month period ended 30 April 2026 reached SAR 610 million, increasing by 12% compared to the same period of the previous year. The growth in revenues is mainly due to the increase in the number of students enrolled in the company's schools by 10% from 31.9 thousand students in the same period of the previous year to 35.2 thousand students during the current period.

However, revenue growth was impacted by the difference in the number of days recognized for revenue between the two periods; revenue for the current period was recognized based on 259 days out of the total 314 days of the 2025/2026 academic year, whereas revenue for the same period of the previous year was recognized based on 265 days out of the total 321 days of the 2024/2025 academic year. This variance resulted from differences in the academic year start dates and the total number of school days in each period, which reduced the positive impact of the increase in student enrollment on the revenue growth rate.

Although revenue increased by 12% during the current period compared to the same period of the previous year, net profit increased by 9% compared to the same period of the previous year. This is attributable to the difference in the number of days recognized for tuition-fees revenue between the two periods. In contrast, operating costs and expenses are fully charged to the period of (270 days) irrespective of the number of days recognized for tuition-fees revenue, which affected the growth rate of net profit for the current period.

35.2 K
Enrolled students
+10% Growth
Compared to 31.9 K in the same period of the previous year

SAR 609.8 M
Revenue
+12% Growth
Compared to 542.1 M from the same period of the previous year

SAR 168.2M
Net profit
+9% Growth
Compared to 155 M from the same period of the previous year

SAR 247.5 M
EBITDA
+11.3% Growth
Compared to 222.3 M the same period of the previous year

27.6%
Net profit margin
(1%) Decline
Compared to 28.6% from the same period of the previous year

3.91 SAR
EPS
+9% Growth
Compared to 3.61 riyal from the same period of the previous year

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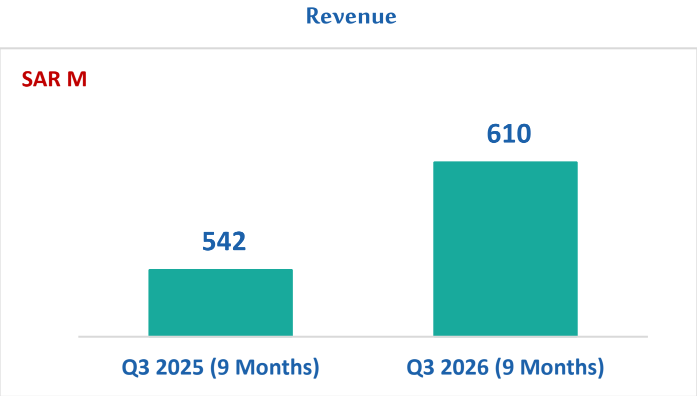

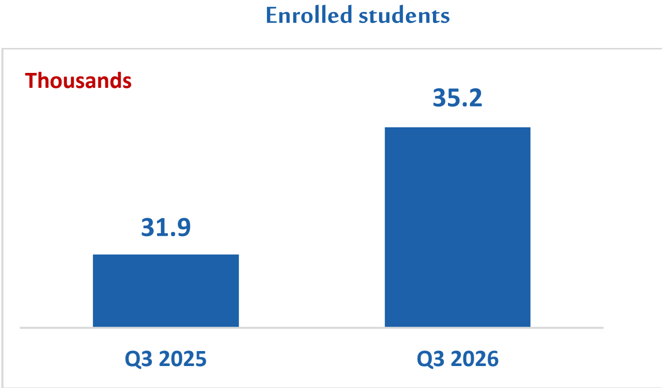

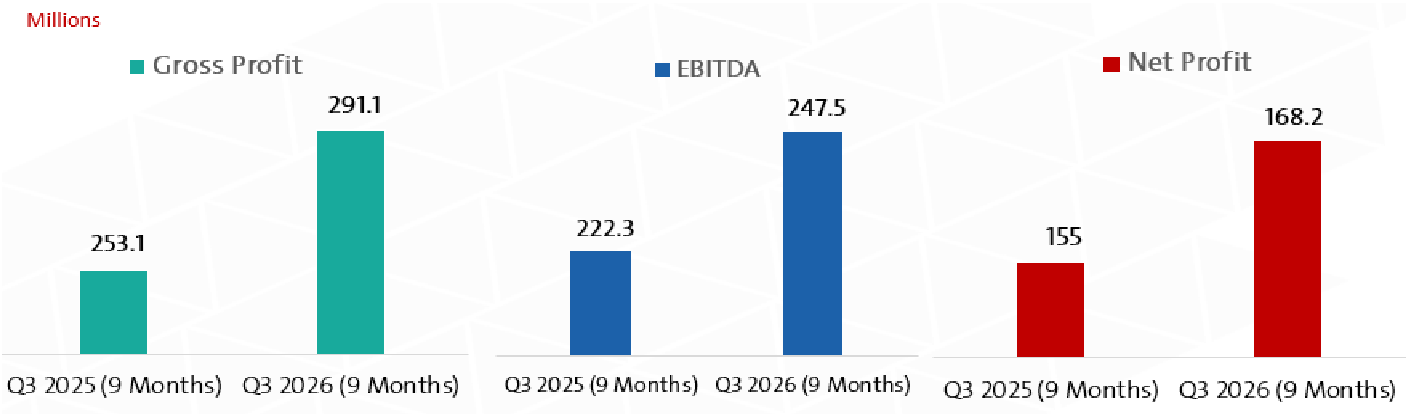

Profit & Loss Statement 3Q-2026

(SAR 000s)	Nine-Month period ended 30 April 2026	Nine-Month period ended 30 April 2025	Three-Month period ended 30 April 2026	Three-Month period ended 30 April 2025	Change % Period compared to the same period	Change % Quarter compared to the same quarter
Revenues	609,816	542,087	212,271	184,812	12.5%	14.9%
Government grants and subsidies	8,061	9,920	2,605	2,372	-18.7%	9.8%
Cost of Revenues	(326,754)	(298,904)	(109,204)	(97,884)	9.3%	11.6%
Gross Profit	**291,122**	253,103	105,672	89,300	15%	18.3%
Gross Profit Margin	47.7%	46.7%	49.8%	48.3%	1%	1.5%
Marketing and advertising expenses	(10,192)	(7,045)	(874)	(834)	44.7%	4.9%
General and administrative expenses	(90,091)	(78,156)	(30,654)	(24,980)	15.3%	22.7%
(Allowance) / reversal of allowance for expected credit loss	(2,800)	5,025	-	1,000	-155.7%	-100%
Other income	4,027	2,939	1,988	783	37%	153.9%
Operating profit	**192,066**	175,867	76,132	65,269	9.2%	16.6%
Finance cost and returns, net	(20,095)	(16,988)	(7,408)	(7,032)	18.3%	5.3%
Net profit for the period before Zakat	171,971	158,879	68,723	58,237	8.2%	18%
Zakat expense	(3,739)	(3,864)	(1,120)	(1,205)	-3.2%	-7.1%
Net profit for the period	**168,232**	155,015	67,603	57,032	8.5%	18.5%
Net Profit Margin	27.6%	28.6%	31.8%	30.9%	-1%	1%

Key Performance Highlights for the nine-month period

Revenues: NCLE recorded SAR 610 million in revenue for the current period of the financial year 2025/26, representing an increase of 12% in revenue compared to the same period of the previous year, which is mainly due to the increase in the number of students enrolled in the company's schools by 10% from 31.9 thousand students to 35.2 thousand students during the current period. However, revenue growth was impacted by the difference in the number of days recognized for revenue between the two periods; revenue for the current period was recognized based on 259 days out of the total 314 days of the 2025/2026 academic year, whereas revenue for the same period of the previous year was recognized based on 265 days out of the total 321 days of the 2024/2025 academic year. This variance resulted from differences in the academic year start dates and the total number of school days in each period, which reduced the positive impact of the increase in student enrollment on the revenue growth rate.

Net Profit: NCLE reported SAR 168 million in net profit for the nine-month period Q3 2025/2026. Although revenue increased by 12% during the current period compared to the same period of the previous year, net profit increased by 9% compared to the same period of the previous year. This is attributable to the difference in the number of days recognized for tuition-fees revenue between the two periods. In contrast, operating costs and expenses are fully charged to the period of (270 days) irrespective of the number of days recognized for tuition-fees revenue, which affected the growth rate on net profit for the current period.

Additionally, government grants and subsidies decreased during the current period compared to the same period of the previous year. This was due to the decrease in the wage subsidies provided by the Human Resources Development Fund.

The advertising and marketing expenses increased during the current period, as marketing campaigns for the current academic year were concentrated mainly in August, while the prior year's campaigns were distributed between July and August, causing their impact to extend across two financial periods.

Furthermore, an expected credit loss provision was recorded during the current period, driven by a higher proportion of receivables falling within older aging brackets compared to the same period of the previous year.

Financing costs also increased during the current period compared to the same period of the previous year. The increase was driven by borrowings used to finance part of the purchase cost of Al-Rabie land in Riyadh and North Obhur land in Jeddah, the impact of which was not reflected over the entire corresponding period of the previous year, in addition to the impact of the land lease contracts related to the projects in progress of Khuzam Suburb and Dhahrat Laban in Riyadh.

Balance Sheet Highlights

Summary Balance Sheet (SAR 000)	30 April 2026	31 July 2025
Total Assets	1,707,559	1,489,297
Property and equipment	1,032,848	909,441
Goodwill & other intangible assets	89,273	87,967
Right of use assets	334,922	325,167
Cash & cash equivalents	26,020	26,527
Capital advances & other debit balances	95,084	55,307
Inventory	10,708	9,604
Accounts receivable	118,704	75,285
Total Liabilities	786,369	627,306
Lease liabilities	364,701	351,537
Employee benefits	76,210	69,750
Advance from customers	95,255	71,998
Islamic Murabaha	192,545	88,744
Other credit balances	53,655	41,535
Zakat provision	4,003	3,742
Shareholders' Equity	921,190	861,991

Total assets: the total assets as of 30 April 2026 increased compared to the end of the previous financial year, mainly due to the increase in property and equipment, which is attributable to the progress in projects under construction amounting to SAR 109 million during the current period. Accounts receivable also increased as of 30 April 2026 compared to the end of the previous financial year, in line with the growth in revenue, in addition to changes in collection seasons resulting from the transition of the academic year from three semesters to two semesters.

Total liabilities: the increase in total liabilities as 30 April 2026 compared to the end of the previous financial year is mainly due to in Islamic Murabaha as a result of borrowings used to finance projects under construction. Moreover, the advance payments from customers have increased by SAR 23 million. This balance represents tuition fees received in advance for educational services for the remaining period of the current academic year.

Chief Executive's Review

I am pleased to present NCLE's results for the nine-month period ending 30 April 2026, which highlight the continued strength of our operations and the solid demand for our educational services. While the revised revenue-recognition mechanism and the delayed start of the academic year temporarily affected the current period's profitability, our underlying performance remains strong, supported by a 10% increase in student enrollment and sustained operational efficiency. These fundamentals reinforce our confidence in the Company's strategic direction and our ability to deliver consistent value. As we navigate this transitional period in reporting standards, we remain focused on expanding capacity, elevating educational quality, and investing in initiatives that support long-term, sustainable growth for our students, partners, and shareholders.

Mohammad AlKhudair
Chief Executive Officer

About National Company for Learning & Education

NCLE started an ambitious pioneering Journey by Sheikh Mohammed bin Ibrahim Al-Khudair in 1378 AH/ 1958, establishing the "Tarbya Namouthajiya Schools", which served both kindergarten and primary school for boys and girls and was the first school for girls in Riyadh, and had only 50 students in a rented building at its first headquarters in Al-Malaz neighborhood on 60th St. and then on Jarir St., until the construction of the first educational buildings in Al-Rayyan neighborhood in the year 1400 AH/1980. And what made the jewel in the crown of the company's fruitful journey is the qualitative shift that took place in the year 1423 AH/ 2002 by transforming this educational entity into the first closed joint stock company in the educational sector under the name of "National Company for Learning & Education" registered in the Kingdom of Saudi Arabia under Ministerial Resolution No. 346.

Contact

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