

Al Masar Al Shamil Education Company
(A Saudi Joint Stock Company)

UNAUDITED INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2026

REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

To the shareholders
Al Masar Al Shamil Education Company
(A Saudi Joint Stock Company)
Riyadh, Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Al Masar Al Shamil Education Company (“the Company”) and its subsidiaries (together “the Group”) as at 31 March 2026, and the related interim condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the three-month period then ended, and other explanatory notes (“the interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 – Interim Financial Reporting (IAS 34) that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this interim financial information 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” that is endorsed in the Kingdom of Saudi Arabia. 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 endorsed in the Kingdom of Saudi Arabia 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 financial information is not prepared, in all material respects, in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

Deloitte and Touche & Co.
Chartered Accountants



A handwritten signature in blue ink, appearing to read 'Waleed bin Moh'd Sobahi'.

Waleed bin Moh'd Sobahi
Certified Public Accountant
License No. 378
24 Dhu al-Qiedah 1447H
11 May 2026

Al Masar Al Shamil Education Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three-month period ended 31 March 2026

| | Notes | Three months ended | |
|--|-------|--------------------|-------------|
| | | 31 March | |
| | | 2026 | 2025 |
| | | SAR'000 | SAR'000 |
| | | (Unaudited) | (Unaudited) |
| Revenues | 5.1 | 187,659 | 153,797 |
| Cost of revenues | 5.2 | (98,280) | (80,918) |
| GROSS PROFIT | | 89,379 | 72,879 |
| General, selling and administrative expenses | 5.3 | (44,298) | (33,989) |
| Share of results of an associate | 7 | 15,247 | 5,425 |
| Other operating income | | 9,630 | 9,486 |
| OPERATING PROFIT | | 69,958 | 53,801 |
| Finance income | 9 | 2,754 | 1,200 |
| Finance costs | | (3,657) | (2,263) |
| PROFIT FOR THE PERIOD BEFORE ZAKAT AND INCOME TAX | | 69,055 | 52,738 |
| Zakat and income tax | 15 | (6,098) | (3,968) |
| PROFIT FOR THE PERIOD | | 62,957 | 48,770 |
| Attributable to: | | | |
| Equity holders of the Company | | 53,906 | 40,245 |
| Non-controlling interests | | 9,051 | 8,525 |
| | | 62,957 | 48,770 |
| Basic and diluted earnings per share (SAR) | 11 | 0.53 | 0.39 |
| Alternative Performance Measures | 16 | | |
| Earnings before interest, tax, depreciation & amortization (EBITDA) | | 87,062 | 66,738 |
| Adjusted earnings before interest, tax, depreciation & amortization (EBITDA) | | 86,574 | 66,738 |
| Adjusted profit before zakat & income tax | | 68,567 | 52,738 |
| Adjusted profit | | 62,469 | 48,770 |
| Attributable to the equity holders of the Company | | | |
| Adjusted profit | | 53,418 | 40,245 |

The attached notes 1 to 19 form part of these interim condensed consolidated financial statements.

Al Masar Al Shamil Education Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the three-month period ended 31 March 2026

| | Three months ended | |
|--|--------------------|-------------|
| | 31 March | |
| | 2026 | 2025 |
| | SAR'000 | SAR'000 |
| | (Unaudited) | (Unaudited) |
| PROFIT FOR THE PERIOD | 62,957 | 48,770 |
| Other comprehensive income | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | 62,957 | 48,770 |
| Attributable to: | | |
| Equity holders of the Company | 53,906 | 40,245 |
| Non-controlling interests | 9,051 | 8,525 |
| | 62,957 | 48,770 |

Al Masar Al Shamil Education Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2026

| | Notes | 31 March 2026 SAR'000 (Unaudited) | 31 December 2025 SAR'000 (Audited) |
|---|-------|--|---|
| ASSETS | | | |
| Non-current assets | | | |
| Property and equipment | | 161,099 | 155,339 |
| Right-of-use assets | | 138,790 | 140,245 |
| Goodwill and intangible assets | 6 | 607,847 | 609,284 |
| Investment in an associate | 7 | 430,005 | 427,236 |
| Total non-current assets | | 1,337,741 | 1,332,104 |
| Current assets | | | |
| Inventories | | 1,592 | 1,618 |
| Trade and other receivables | | 259,408 | 198,777 |
| Cash and bank balances | 9 | 366,013 | 339,200 |
| Total current assets | | 627,013 | 539,595 |
| TOTAL ASSETS | | 1,964,754 | 1,871,699 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Share capital | 10 | 1,024,013 | 1,024,013 |
| Statutory reserve | | 12,011 | 12,011 |
| Other reserves | | (17,824) | (17,824) |
| Retained earnings | | 323,578 | 269,672 |
| Total equity attributable to the equity holders of the Company | | 1,341,778 | 1,287,872 |
| Non-controlling interests | | 85,133 | 76,082 |
| Total equity | | 1,426,911 | 1,363,954 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Lease liabilities | | 127,768 | 122,737 |
| Deferred tax liability | 15 | 49,515 | 49,686 |
| Employees' defined benefit obligations | | 28,756 | 27,199 |
| Financing from banks | | 50,181 | 42,187 |
| Total non-current liabilities | | 256,220 | 241,809 |
| Current liabilities | | | |
| Financing from banks | | 78,114 | 54,989 |
| Lease liabilities | | 16,670 | 23,382 |
| Trade and other payables | | 111,644 | 107,875 |
| Contract liabilities | | 75,195 | 79,690 |
| Total current liabilities | | 281,623 | 265,936 |
| Total liabilities | | 537,843 | 507,745 |
| TOTAL EQUITY AND LIABILITIES | | 1,964,754 | 1,871,699 |

These interim condensed consolidated financial statements were approved by the Board of Directors on 11 May 2026 and signed on its behalf by:

Dr. Shamsheer Vayalil Parambath
Chairman

Majed Al Mutairi
Chief Executive Officer

Ahmed Gamal
Chief Financial Officer

The attached notes 1 to 19 form part of these interim condensed consolidated financial statements.

Al Masar Al Shamil Education Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three-month period ended 31 March 2026

Attributable to equity holders of the Company

| | Share capital SAR'000 | Statutory reserve SAR'000 | Other reserves SAR'000 | Retained earnings SAR'000 | Total SAR'000 | Non- Controlling interests SAR'000 | Total equity SAR'000 |
|--|-----------------------------|---------------------------------|------------------------------|---------------------------------|------------------|---|----------------------------|
| As at 31 December 2025 (Audited) | 1,024,013 | 12,011 | (17,824) | 269,672 | 1,287,872 | 76,082 | 1,363,954 |
| Profit for the period | - | - | - | 53,906 | 53,906 | 9,051 | 62,957 |
| Other comprehensive income | - | - | - | - | - | - | - |
| Total comprehensive income | - | - | - | 53,906 | 53,906 | 9,051 | 62,957 |
| As at 31 March 2026 (Unaudited) | 1,024,013 | 12,011 | (17,824) | 323,578 | 1,341,778 | 85,133 | 1,426,911 |
| As at 31 December 2024 (Audited) | 1,024,013 | 12,011 | (17,016) | 139,244 | 1,158,252 | 64,167 | 1,222,419 |
| Profit for the period | - | - | - | 40,245 | 40,245 | 8,525 | 48,770 |
| Other comprehensive income | - | - | - | - | - | - | - |
| Total comprehensive income | - | - | - | 40,245 | 40,245 | 8,525 | 48,770 |
| As at 31 March 2025 (Unaudited) | 1,024,013 | 12,011 | (17,016) | 179,489 | 1,198,497 | 72,692 | 1,271,189 |

The attached notes 1 to 19 form part of these interim condensed consolidated financial statements.

Al Masar Al Shamil Education Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the three-month period ended 31 March 2026

| | | Three months ended 31 March | |
|--|---|--------------------------------|--------------------------------|
| | | 2026 SAR'000 (Unaudited) | 2025 SAR'000 (Unaudited) |
| OPERATING ACTIVITIES | | | |
| | Profit before Zakat and income tax | 69,055 | 52,738 |
| | <i>Adjustments for:</i> | | |
| | Share of results of an associate | (15,247) | (5,425) |
| | Depreciation of property and equipment | 5,588 | 3,906 |
| | Depreciation of right-of-use assets | 9,321 | 6,836 |
| | Amortisation of intangible assets | 1,437 | 1,437 |
| | Expected credit losses on trade and other receivables, net of reversals | 5,106 | 1,771 |
| | Provision for employees' defined benefit obligations | 2,020 | 1,709 |
| | Finance income | (2,754) | (1,200) |
| | Finance costs | 3,657 | 2,263 |
| | | 78,183 | 64,035 |
| | <i>Working capital changes</i> | | |
| | Inventories | 26 | - |
| | Trade and other receivables | (63,991) | (66,020) |
| | Trade and other payables and contract liabilities | (6,978) | 38,373 |
| | Due to a related party | - | (2,880) |
| | Cash from operations | 7,240 | 33,508 |
| | Employees' defined benefit obligations paid | (463) | - |
| | Payment of lease liabilities | (12,120) | (9,010) |
| | Net cash flows (used in) / generated from operating activities | (5,343) | 24,498 |
| INVESTING ACTIVITIES | | | |
| | Acquisition of property and equipment | (10,902) | (12,473) |
| | Dividends received from an associate | 12,478 | 8,847 |
| | Interest received on bank deposits | 1,008 | 1,188 |
| | Net cash flows generated from / (used in) investing activities | 2,584 | (2,438) |
| FINANCING ACTIVITIES | | | |
| | Proceeds from financing from banks | 31,119 | 10,472 |
| | Repayment of bank financing | - | (10,000) |
| | Finance costs paid | (1,547) | (651) |
| | Net cash flows generated from / (used in) financing activities | 29,572 | (179) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | | 26,813 | 21,881 |
| | Cash and cash equivalents at the beginning of the period | 259,018 | 174,172 |
| | CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 285,831 | 196,053 |
| | Non-cash transactions | | |
| | Accrued interest income | 1,746 | 12 |
| | Additions to right-of-use assets | 7,867 | 14,936 |
| | Additions to lease liabilities | 7,867 | 14,936 |

Al Masar Al Shamil Education Company (A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the three-month period ended 31 March 2026

1 CORPORATE INFORMATION

Al Masar Al Shamil Education Company (the “Company”) is a Saudi Public Joint Stock Company registered in Riyadh, Kingdom of Saudi Arabia under commercial registration number 1010831769 dated 10 Rabi Al-Awal 1444H (corresponding to 6 October 2022) and under the Saudi Arabian Ministry of Investment license number 102114402166741 dated 4 Safar 1444H (corresponding to 1 September 2022). The unified number of the Company is 7031169365. The registered address of the Company is Tawuniya Towers, King Fahad Road, Al Olaya District, Riyadh, Kingdom of Saudi Arabia.

The Company is a subsidiary of Amanat Special Education and Care Holdings Ltd, registered as a private company limited by shares within the Abu Dhabi Global Market in the United Arab Emirates, and is ultimately controlled by Amanat Holdings PJSC (the “Ultimate Parent Company” or “Amanat”). The principal activities of Amanat are to invest in companies and enterprises in the fields of education and healthcare, as well as to manage, develop and operate such companies and enterprises. Amanat Holdings PJSC is a joint stock company listed on the Dubai Financial Market, United Arab Emirates. The registered office of the Ultimate Parent Company is One Central, The Offices 5, Level 1, Units 107 and 108, Dubai, United Arab Emirates.

The principal activities of the Company are to invest in companies and enterprises in the field of education, as well as managing, developing and operating such companies and enterprises.

On 2 December 2025, following the required regulatory approvals (obtained on 29 September 2025), the Company completed its Initial Public Offering (IPO) of 30,720,400 of its shares (representing 30% of the Company’s share capital) and listed them on the main market of the Saudi Exchange, Tadawul (Trading symbol – 6019). Accordingly, converted to a Saudi Public Joint Stock Company. The Company has initiated the process of amending its bylaws and completing the necessary legal procedures to update its legal documents as per regulatory requirements to reflect its conversion to a Saudi Public Joint Stock Company.

Subsidiaries of the Group

| Name | Equity interest | | Country of incorporation | Principal activities |
|--|-----------------|------|--------------------------|--|
| | 2026 | 2025 | | |
| Middlesex Associates FZ-LLC (“Middlesex University”) * | 100% | 100% | United Arab Emirates | Leading university providing tertiary education |
| Human Development Company LLC (“HDC”) | 60% | 60% | Kingdom of Saudi Arabia | Special education needs and care and rehabilitation services |
| Human Rehabilitation Company LLC** | 60% | 60% | Kingdom of Saudi Arabia | Special education needs and care and rehabilitation services |

The Group holds several other subsidiaries with a 100% (2025: 100%) equity interest in the United Arab Emirates, both directly and indirectly, which primarily act as investment vehicles and are non-operational in nature, listed as follows:

- AHE Alpha Ltd
- AH Alpha Investments Holdings 1 Ltd
- AH Alpha Investments Holdings 2 Ltd
- AH Alpha Investments Holdings 3 Ltd
- HDC for Investments LLC**

* Investment held via AHE Alpha Ltd.

**Investment held via Human Development Company LLC.

Al Masar Al Shamil Education Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three-month period ended 31 March 2026

1 CORPORATE INFORMATION (CONTINUED)

Associate of the Group

| Name | Equity interest | | Country of incorporation | Principal Activities |
|-----------------------------------|-----------------|------|--------------------------|-------------------------------------|
| | 2026 | 2025 | | |
| NEMA Holding Company LLC ("NEMA") | 35% | 35% | United Arab Emirates | Leading tertiary education provider |

During June 2025, NEMA completed the acquisition of a 51% equity stake in Biz Group which has been accounted for as a subsidiary and consolidated in NEMA consolidated financial statements from the acquisition date.

2 BASIS OF PREPARATION

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" (IAS 34) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants (SOCPA) and should be read in conjunction with the Group's latest annual audited consolidated financial statements for the year ended 31 December 2025.

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for employees' defined benefit obligations which are stated at present value of their obligation using the projected unit credit method. The interim condensed consolidated financial statements are presented in Saudi Riyal (SAR) and all values are rounded to the nearest thousand (SAR'000), except where otherwise indicated.

In making the going concern assessment, the Group has considered a wide range of information relating to present and future projections of profitability, cash flows and other capital resources etc. Management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the interim condensed consolidated financial statements have been prepared on a going concern basis.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies, estimates and assumptions including critical judgements used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the preparation of the annual audited consolidated financial statements as at and for the year ended 31 December 2025.

Fair value measurement

All financial assets and liabilities are stated at amortised cost or historical cost except for employee defined benefit obligations which are stated at present value of their obligation using the projected unit credit method. The fair values of other financial assets and liabilities are not materially different from their carrying values at the reporting date.

4 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS OF ACCOUNTING STANDARDS

New and amended IFRS Accounting Standards that are effective for the current period

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual audited consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective 1 January 2026.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The below amendments apply for the first time in 2026, but do not have a significant impact on the interim condensed consolidated financial statements of the Group.

Al Masar Al Shamil Education Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three-month period ended 31 March 2026

**4 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS OF ACCOUNTING STANDARDS
(CONTINUED)**

| Standard, interpretation and amendments | Description | Effective date |
|--|--|----------------|
| Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments | <p>Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.</p> <p>The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system</p> | 1 January 2026 |
| Amendments to IFRS 9 and IFRS 7 Contracts referencing Nature-dependent Electricity | Contracts Referencing Nature-dependent Electricity amends IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to more faithfully reflect the effects of contracts referencing nature-dependent electricity on an entity's financial statements. | 1 January 2026 |
| Annual improvements to IFRS – Volume 11 | <p>Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The amendments that have introduced in 2026 are to the following standards:</p> <ul style="list-style-type: none"> - IFRS 1 First-time Adoption of International Financial Reporting Standards; - IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing - IFRS 7; IFRS 9 Financial Instruments; - IFRS 10 Consolidated Financial Statements; and - IAS 7 Statement of Cash Flows | 1 January 2026 |

Other than the above, there are no other significant IFRS Accounting Standards and amendments that were effective for the first time for the financial period beginning on or after 1 January 2026.

Al Masar Al Shamil Education Company
(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three-month period ended 31 March 2026

4 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS OF ACCOUNTING STANDARDS (CONTINUED)

New standards and interpretations issued but not yet effective

At the date of authorisation of these interim condensed consolidated financial statements, the following new and revised IFRS Accounting Standards have been issued but are not yet effective or early adopted by the Group during the period:

| Standard, interpretation and amendments | Description | Effective date |
|--|--|--------------------------------------|
| Amendments to IFRS 10 and IAS 28-Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full. | Effective date deferred indefinitely |
| IFRS 18, Presentation and Disclosure in Financial Statements | IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations. It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ("MPMs"). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences. | 1 January 2027 |
| IFRS 19, Subsidiaries without Public Accountability: Disclosures | IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that; at the reporting date it does not have public accountability and its parent produces consolidated financial statements under IFRS Accounting Standards. | 1 January 2027 |

The Group anticipates that these new standards, interpretations and amendments will be adopted in the Group's interim condensed consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments may have no material impact on the interim condensed consolidated financial statements of Group in the period of initial application.

Al Masar Al Shamil Education Company
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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three-month period ended 31 March 2026

5 PROFIT OR LOSS

5.1 REVENUES

Revenues are related to education services rendered in the Kingdom of Saudi Arabia and the United Arab Emirates.

| | Three months ended 31 March | |
|---|--------------------------------|--------------------------------|
| | 2026 SAR'000 (Unaudited) | 2025 SAR'000 (Unaudited) |
| Type of service | | |
| Tuition fees, net of scholarships awarded | 105,307 | 85,530 |
| Special education and care needs services | 67,576 | 53,754 |
| Administrative and other service fees from students | 10,926 | 10,691 |
| Share of revenues from joint services agreements | 3,850 | 3,822 |
| Total revenues | 187,659 | 153,797 |
| Timing of revenue recognition | | |
| Services transferred over time | 185,480 | 151,634 |
| Services transferred at a point in time | 2,179 | 2,163 |
| Total revenues | 187,659 | 153,797 |

5.2 COST OF REVENUES

| | Three months ended 31 March | |
|---|--------------------------------|--------------------------------|
| | 2026 SAR'000 (Unaudited) | 2025 SAR'000 (Unaudited) |
| Salaries and employee related costs | 52,334 | 46,032 |
| Royalty and profit-sharing arrangements for academic services | 15,423 | 12,849 |
| Student related costs | 12,859 | 9,377 |
| Depreciation of right-of-use assets | 9,174 | 6,836 |
| Depreciation of property and equipment | 3,499 | 2,386 |
| Share of costs from joint services agreements | 2,052 | 1,844 |
| Other direct costs | 2,939 | 1,594 |
| | 98,280 | 80,918 |

Al Masar Al Shamil Education Company
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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three-month period ended 31 March 2026

5 PROFIT OR LOSS (CONTINUED)

5.3 GENERAL, SELLING AND ADMINISTRATIVE EXPENSES

| | Three months ended 31 March | |
|---|--------------------------------|--------------------------------|
| | 2026 SAR'000 (Unaudited) | 2025 SAR'000 (Unaudited) |
| Employee related expenses | 16,233 | 13,164 |
| Marketing and student recruitment costs | 7,992 | 4,627 |
| Expected credit losses on trade receivables | 5,106 | 3,722 |
| Legal and professional fees * | 2,644 | 2,301 |
| Depreciation of property and equipment | 2,089 | 1,520 |
| IT expenses | 1,582 | 1,191 |
| Amortization of intangible assets (Note 6) | 1,437 | 1,437 |
| Short-term leases | 899 | 1,302 |
| Board and Committee remuneration | 708 | 708 |
| Depreciation of right-of-use assets | 147 | - |
| Other expenses | 5,461 | 4,017 |
| | 44,298 | 33,989 |

* During the period ended 31 March 2026, certain external costs related to student recruitment previously presented within legal and professional fee in the prior period were reclassified to Marketing & student recruitment costs.

6 GOODWILL AND INTANGIBLE ASSETS

Intangible assets acquired through business combinations are as follows:

| | Goodwill SAR'000 | Agreements & Student relationships with definite useful lives SAR'000 | Brand names with definite useful lives SAR'000 | Total SAR'000 |
|--|---------------------|--|--|------------------|
| Cost: | | | | |
| At 31 December 2025 (Audited) & 31 March 2026 (Unaudited) | 500,267 | 142,583 | 3,840 | 646,690 |
| Amortisation: | | | | |
| At 1 January 2025 (Audited) | - | 31,208 | 448 | 31,656 |
| Amortisation for the year | - | 5,526 | 224 | 5,750 |
| At 31 December 2025 (Audited) | - | 36,734 | 672 | 37,406 |
| Amortisation for the period (Note 5) | - | 1,381 | 56 | 1,437 |
| At 31 March 2026 (Unaudited) | - | 38,115 | 728 | 38,843 |
| Carrying amounts | | | | |
| At 31 March 2026 (Unaudited) | 500,267 | 104,468 | 3,112 | 607,847 |
| At 31 December 2025 (Audited) | 500,267 | 105,849 | 3,168 | 609,284 |

Al Masar Al Shamil Education Company
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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three-month period ended 31 March 2026

6 GOODWILL AND INTANGIBLE ASSETS (CONTINUED)

The Group performs its annual impairment test of goodwill at year-end and when circumstances indicate that the carrying value may be impaired, whereby the impairment test is based on value-in-use calculations. The key assumptions used to determine the recoverable amount of the Group's cash generating units were disclosed in the annual audited consolidated financial statements referred to in Note 2.

As at 31 March 2026, management has not identified any circumstances that may indicate that the carrying value of goodwill may be impaired.

7 INVESTMENT IN AN ASSOCIATE

The carrying value of the Group's investment in associate is as follows:

| | 31 March 2026 SAR'000 (unaudited) | 31 December 2025 SAR'000 (Audited) |
|-----------------------------------|--|---|
| NEMA Holding Company LLC ("NEMA") | 430,005 | 427,236 |

The movement in the carrying value of the investment in associate is as follows:

| | 31 March 2026 SAR'000 (Unaudited) | 31 December 2025 SAR'000 (Audited) |
|---------------------------------------|--|---|
| At the beginning of the period / year | 427,236 | 401,893 |
| Share of results | 16,005 | 55,115 |
| Amortization of PPA assets | (758) | (3,033) |
| Share of results in profit or loss | 15,247 | 52,082 |
| Dividends | (12,478) | (26,739) |
| At the end of the period / year | 430,005 | 427,236 |

As at 31 March 2026, management has not identified any circumstances that may indicate that the carrying value of the investment in an associate may be impaired.

8 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

8.1 Financial assets

| | 31 March 2026 SAR'000 (unaudited) | 31 December 2025 SAR'000 (Audited) |
|--|--|---|
| Debt instruments at amortised cost | | |
| Trade and other receivables (excluding prepayments & advances) | 241,474 | 182,022 |
| Total financial assets (current) * | 241,474 | 182,022 |

* Financial assets, other than cash and bank balances

8 FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

8.2 Financial liabilities

| | 31 March 2026 SAR'000 (unaudited) | 31 December 2025 SAR'000 (Audited) |
|---|--|---|
| Interest-bearing borrowings & leases | | |
| Lease liabilities | 144,438 | 146,119 |
| Financing from banks * | 128,295 | 97,176 |
| | 272,733 | 243,295 |
| Financial liabilities at amortised cost | | |
| Trade and other payables (excluding staff related accruals and taxes) | 78,276 | 77,414 |
| | 78,276 | 77,414 |
| Total financial liabilities | 351,009 | 320,709 |
| Total current | 173,060 | 155,785 |
| Total non-current | 177,949 | 164,924 |

* Financing from banks comprises the following:

- (1) Revolving bank facilities that are utilized by the Group's subsidiary, HDC, to finance short-term working capital requirements, where required, with a maturity ranging between 6 – 12 months and accrue profit at competitive rates.
- (2) Shariah-compliant financing facilities availed by HDC, amounting to SAR 28.8 million, to acquire land and building in relation to its on-going expansion projects in the Kingdom of Saudi Arabia. These facilities carry a profit mark-up in line with market rates and are repayable in quarterly installments over a period of three years. As of 31 March 2026, SAR 16.8 million has been drawn down from this facility.
- (3) During 2025, HDC obtained a long-term Shariah-compliant financing facility of SAR 50 million to finance its expansion projects. The facility carries a profit mark-up in line with prevailing market rates and is repayable in semi-annual installments over a period of five years. As at 31 March 2026, SAR 41.7 million has been drawn down from this facility. The facility is subject to certain financial and non-financial covenants, which are required to be maintained and tested annually.

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9 CASH AND BANK BALANCES

| | 31 March 2026 SAR'000 (unaudited) | 31 December 2025 SAR'000 (Audited) |
|-----------------------------|--|---|
| Cash on hand | 845 | 10 |
| Current accounts with banks | 124,486 | 78,674 |
| Bank term deposits | 240,682 | 260,516 |
| | 366,013 | 339,200 |

Cash and cash equivalents in the interim condensed consolidated statement of cash flows comprise the following:

| | 31 March 2026 SAR'000 (unaudited) | 31 December 2025 SAR'000 (Audited) |
|--|--|---|
| Cash and bank balances | 366,013 | 339,200 |
| Less: | | |
| Bank term deposits (with initial maturity of more than 3 months) | (80,182) | (80,182) |
| | 285,831 | 259,018 |

During the three-month period ended 31 March 2026, the Group earned an aggregate profit of SAR 2,754 thousand on its term deposits (31 March 2025: SAR 1,200 thousand). The term deposits earn a profit rate ranging between 4.35% to 5.15% annually.

Cash and bank balances are subject to the impairment assessment requirements of IFRS 9 and no such impairment has been identified.

10 SHARE CAPITAL

10.1 Share Capital

The share capital of the Company as of 31 March 2026 is SAR 1,024 million (2025: SAR 1,024 million) represented by 102,401 thousand ordinary shares (2025: 102,401 thousand) in issuance of SAR 10 each.

In December 2025, the Company completed its initial public offering, whereby 30% of the Company's share capital was listed on the Saudi Exchange "Tadawul". Following the listing, Amanat holds a 70% ownership interest, while the remaining 30% is held by public shareholders.

10.2 Statutory reserve

The Company previously established a statutory reserve in accordance with the requirements of the former Companies Law; however, this reserve is no longer required under current legislation.

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11 BASIC AND DILUTED EARNINGS PER SHARE

The calculation of basic and diluted earnings per share has been based on the profit for the period attributable to the equity holders of the Company and weighted average number of ordinary shares issued by the Company as follows:

| | Three months ended | |
|---|---------------------------|----------------|
| | 31-March | |
| | 2026 | 2025 |
| | (Unaudited) | (Unaudited) |
| Profit for the period attributable to the equity holders of the Company (SAR'000) | <u>53,906</u> | <u>40,245</u> |
| Weighted average number of ordinary shares (000) | <u>102,401</u> | <u>102,401</u> |
| Basic and diluted earnings per share (SAR) | <u>0.53</u> | <u>0.39</u> |

12 COMMITMENTS AND CONTINGENCIES

12.1 Bank guarantees

| | 31 March 2026 SAR'000 (unaudited) | 31 December 2025 SAR'000 (Audited) |
|-----------------|--|---|
| Bank guarantees | <u>3,817</u> | <u>3,877</u> |

Below are details of the Group's share of an associate's bank guarantees at the reporting date:

| | 31 March 2026 SAR'000 (unaudited) | 31 December 2025 SAR'000 (Audited) |
|-----------------|--|---|
| Bank guarantees | <u>34,405</u> | <u>35,722</u> |

12.2 Litigations

During the normal course of business, the Group enters into legal proceedings of a routine nature. The Group engages professional external legal advisors in relation to any such cases and based on legal advice received, the possibility of any adverse outcome has been assessed to be remote.

12.3 Capital commitments

The Group has capital commitments of SAR 27,195 thousand at 31 March 2026 (SAR 31,795 thousand at 31 December 2025) related to expansion projects undertaken in the Kingdom of Saudi Arabia by the Group's subsidiary, HDC.

13 RELATED PARTY BALANCES AND TRANSACTIONS

Related parties represent the shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by the Group and such parties. Pricing policies and terms of these transactions are approved by the Group's management.

Balances with related parties

The Group had no outstanding balances with related parties as at the reporting date (2025: nil).

Transactions with related parties

| | Three months ended 31 March | |
|----------------------------|---|---|
| | 2026 SAR'000 (Unaudited) | 2025 SAR'000 (Unaudited) |
| Management fee | | |
| Key management personnel * | 1,646 | 872 |

* Management fee expense is included under share of results of an associate for services provided by a key management member of the Company to the associate. The above management fee represents the Group's share of the expenses.

Key management personnel remunerations

Group key management personnel compensation comprises the following:

| | Three months ended 31 March | |
|----------------------------|---|---|
| | 2026 SAR'000 (Unaudited) | 2025 SAR'000 (Unaudited) |
| Short - term benefits | 4,644 | 3,051 |
| Post - employment benefits | 138 | 194 |

The amounts disclosed above are the amounts recognised as expense during the periods presented above related to key management personnel.

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14 SEGMENT INFORMATION

The Group operates in the single reporting segment of education. All the relevant information relating to this reporting/operating segment is disclosed in the interim condensed consolidated statements of financial position, profit or loss, and comprehensive income and notes to the interim condensed consolidated financial statements.

Information about revenues by geographical area in which the Group operates are as follows:

| | Three months ended | |
|-------------------------|---------------------------|-------------|
| | 31 March | |
| | 2026 | 2025 |
| | SAR'000 | SAR'000 |
| | (Unaudited) | (Unaudited) |
| Country | | |
| Kingdom of Saudi Arabia | 83,702 | 69,568 |
| United Arab Emirates | 103,957 | 84,229 |
| Total revenues | 187,659 | 153,797 |

Information about non-current operating assets by geographical area in which the Group operates are as follows:

| | 31 March | 31 December |
|-------------------------|--------------------|-------------|
| | 2026 | 2025 |
| | SAR'000 | SAR'000 |
| | (unaudited) | (Audited) |
| Country | | |
| Kingdom of Saudi Arabia | 492,354 | 484,889 |
| United Arab Emirates | 415,382 | 419,979 |
| | 907,736 | 904,868 |

Non-current assets above consist of property and equipment, right-of-use assets, and goodwill and intangible assets.

15 ZAKAT AND INCOME TAX

The Group's subsidiaries in the UAE, are subject to UAE Corporation Tax ("CT") Law with effect from 1 January 2024 and the related current taxes are accounted for in the interim condensed consolidated statements from the period beginning 1 January 2024, with the first corporate tax filing due on 30 September 2025. However, the related deferred tax accounting impact was assessed for the financial year ended 31 December 2023 resulting in the Group recording a deferred tax liability of SAR 51,051 thousand as at 31 December 2023. This related to the initial recognition of a deferred tax liability in respect of Purchase Price Allocation (PPA) adjustments recognized in the Group's consolidated statement of financial position and attributable to certain UAE-based Group entities. While the PPA adjustments relate to corporate transactions completed in prior accounting periods, the deferred tax liability arises due to the introduction of the UAE CT Law, and on the basis that the UAE-based entities to which those PPA adjustments are attributed should be subject to UAE CT in the future.

Income tax for the current period is provided on the basis of estimated taxable income computed by the Group using tax rates, enacted or substantially enacted at the reporting date, applicable in the UAE.

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15 ZAKAT AND INCOME TAX (CONTINUED)

In addition to UAE CT, The Group's subsidiaries in the Kingdom of Saudi Arabia are subject to the regulations of the General Authority of Zakat, Tax and Customs Authority ("ZATCA"). Zakat is provided on an accrual basis. The Zakat charge is computed at 2.5% of the Zakat base or the adjusted net income, whichever is higher. Zakat is charged to the interim condensed consolidated statement of profit or loss. Any difference in the estimate is recorded when the final assessment is approved.

The Zakat and income tax expense of the Group comprises of the following:

| | Three months ended | |
|---|---------------------------|-------------|
| | 31 March | |
| | 2026 | 2025 |
| | SAR'000 | SAR'000 |
| | (Unaudited) | (Unaudited) |
| Current Zakat & income tax * | 6,269 | 4,821 |
| Deferred Tax – unwinding of temporary differences | (171) | (853) |
| | 6,098 | 3,968 |

*The current zakat and income tax (current and deferred) arising from the Group's operations pertain to the following regions:

| | Three months ended | |
|-------------------------|---------------------------|-------------|
| | 31 March | |
| | 2026 | 2025 |
| | SAR'000 | SAR'000 |
| | (Unaudited) | (Unaudited) |
| United Arab Emirates | 3,290 | 3,611 |
| Kingdom of Saudi Arabia | 2,808 | 357 |
| | 6,098 | 3,968 |

16 ALTERNATIVE PERFORMANCE MEASURES

Management considers the use of non-IFRS Alternative Performance Measures (APMs) to be key in understanding the Group's financial performance as well as assisting in forecasting the performance of future periods.

The presentation of APMs has limitations as analytical tools and should not be considered in isolation or as a substitute for related financial measures prepared in accordance with IFRS.

In presenting the APMs, management adjusts for certain items that vary between periods and for which the adjustment facilitates comparability between periods.

A reconciliation of the APMs utilised to the most directly reconcilable line items in the interim condensed consolidated statement of profit or loss is provided below and may differ from similarly titled measures used by other entities.

(a) Adjusted profit before Zakat and income tax

This APM represents the reported profit before Zakat and income tax adjusted for income/expense related to one-off non-recurring items.

(b) Adjusted profit

This APM represents adjusted profit before Zakat and income tax adjusted for Zakat and Income taxes and one-off non-recurring items.

(c) Adjusted profit attributable to equity holders

This APM represents adjusted profit adjusted for non-controlling interest's share of income/expenses.

(d) Earnings before interest, tax, depreciation and amortization (EBITDA)

This APM represents the reported profit before Tax and Zakat adjusted for :

- depreciation and amortization;
- purchase price amortisation of an associate;
- finance costs and income;
- Non-controlling interests;
- One-off non-recurring items.

(e) Adjusted earnings before interest, tax, depreciation and amortisation (EBITDA)

This APM represents the reported EBITDA adjusted for income/expenses related to one-off non-recurring items.

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16 ALTERNATIVE PERFORMANCE MEASURES (CONTINUED)

(f) Reconciliation

The APMs and their reconciliations to the measures reported in the interim condensed consolidated statement of profit or loss are as follows:

| | Three months ended | |
|---|---------------------------|--------------------|
| | 31 March | |
| | 2026 | 2025 |
| | SAR'000 | SAR'000 |
| | (Unaudited) | (Unaudited) |
| Profit before Zakat & income tax | 69,055 | 52,738 |
| <i>Add/(deduct):</i> | | |
| One-off non-recurring items | (488) | - |
| Adjusted Profit before Zakat & income tax | 68,567 | 52,738 |
| <i>Add/(deduct):</i> | | |
| Zakat & Income tax | (6,098) | (3,968) |
| Adjusted Profit | 62,469 | 48,770 |
| <i>Add/(deduct):</i> | | |
| Non-controlling interests | (9,051) | (8,525) |
| Adjusted Profit attributable to equity holders | 53,418 | 40,245 |
| Depreciation and amortization | 16,346 | 12,179 |
| Purchase price amortisation of an associate | 758 | 758 |
| Finance income | (2,754) | (1,200) |
| Finance costs | 3,657 | 2,263 |
| Zakat & income tax | 6,098 | 3,968 |
| Non-controlling interests | 9,051 | 8,525 |
| One-off non-recurring items | 488 | - |
| EBITDA | 87,062 | 66,738 |
| <i>Add/(deduct):</i> | | |
| One-off non-recurring items | (488) | - |
| Adjusted EBITDA | 86,574 | 66,738 |

17 SUBSEQUENT EVENTS

On 6 May 2026, the Company's first Extraordinary General Assembly approved the Board of Director's recommendation to distribute cash dividends amounting to SAR 75 million (SAR 0.7324 per share) for the financial year ended 31 December 2025 and amendment of the Company's bylaws in relation to its conversion to a Saudi Public Joint Stock Company. As the approval occurred after the reporting period, no associated liability has been recognized in relation to the approved dividends in these interim condensed consolidated financial statements.

Other than the event mentioned above, no event has occurred after the reporting date and up to the date of issuance of these interim condensed consolidated financial statements that would require adjustment or disclosure in these interim condensed consolidated financial statements.

18 GEO-POLITICAL CONFLICT SITUATION

The prevailing geopolitical situation in the Middle East has driven economic uncertainties across the region including the Kingdom of Saudi Arabia and the United Arab Emirates where the Group operates.

As of the date of the issuance of these interim condensed consolidated financial statements, the duration of the conflict and ultimate impact remains uncertain and the Group continues to closely monitor the situation and assess its impact on the Group's future financial and operating performance. Adjustments related to expected credit losses and impairment of assets carrying value as per IFRS, if required, will be made in subsequent reporting periods once more reliable information becomes available.

19 APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved and authorized for issuance by the Board of Directors on 24 Dhu-al-Qiedah 1447H (corresponding to 11 May 2026).