

Earnings Release

Kingdom Holding Company Reports Net Profit of **ﷲ 269 Million in 1Q 2026**

Riyadh, 23 April 2026 – Kingdom Holding Company (TASI: 4280), one of the world's leading diversified investment holding companies, is pleased to announce its results for the period ended 31 March 2026.

1Q 2026 Highlights

- Net profit attributable to shareholders of **ﷲ 269 million**, down 38% YoY due to a high base in from a one off within overall dividend income in 1Q 2025
- Hotels & other operating revenues of **ﷲ 391 million**, up 11% YoY
- General, administrative and marketing expenses decreased by 3% YoY to **ﷲ 119 million**
- Financial charges declined further by 14% YoY to **ﷲ 206 million** in line with reduced gearing
- Net Debt decreased by 11% to reach **ﷲ 10.5 billion**

Eng. Talal Ibrahim Almaiman, CEO of Kingdom Holding Company:

"We began 2026 with a solid operational performance across our core business segments, supported by the resilience of our diversified portfolio and the strength of our underlying assets.

Our hospitality platform continued to deliver growth, while our equity investments maintained strong contributions, reflecting the quality and breadth of our portfolio. At the same time, we continued to strengthen our financial position, enhancing our ability to navigate volatility and act selectively on emerging opportunities.

Subsequent to the quarter, we announced one key strategic transaction, the agreement to acquire a majority stake in Al Hilal Football Club Company, which boasts one of the largest fan bases in the Middle East and remains one of the region's most influential sports brands, reinforcing our focus on accessing differentiated opportunities and further diversifying our investment platform.

We remain confident in our long-term strategy and well positioned to navigate the current environment while delivering sustainable value for our shareholders."

Mr. Adel Abdulaziz Alabdulsalam, CFO of Kingdom Holding Company:

"In 1Q 2026, we delivered a net profit of **ﷲ 269 million**, supported by stable contributions from our core portfolio and continued financial discipline.

A key highlight for the quarter was the further strengthening of our balance sheet, with a reduction in net debt by SAR 1.4 billion driven by strong cash generation and proceeds from investment activities. This was accompanied by a continued decline in financial charges, which decreased by 14% year-on-year, reflecting our ongoing focus on optimizing the Group's funding structure.

Overall, we believe the Company is well positioned to maintain a strong financial position, supported by reduced leverage, and a disciplined approach to capital allocation."

1Q 2026 Financial Highlights

Kingdom Holding Company (KHC) reported net profit attributable to shareholders of $\text{SAR } 269$ million for the first quarter of 2026, compared to $\text{SAR } 432$ million in the same period last year. The year-on-year decline was primarily driven by lower dividend income, as 1Q 2025 included the realization of certain historical entitlements, resulting in a high base effect, while underlying operating performance remained stable. Earnings per share (EPS) stood at $\text{SAR } 0.07$.

- Hotels & other operating revenues grew by 11% to reach $\text{SAR } 391$ million, reflecting continued strength in hospitality operations.
- Gross profit came at $\text{SAR } 304$ million and decreased by 39% year-over-year, primarily reflecting lower dividend income following a high base in 1Q 2025, which benefited from favorable timing and the realization of certain historical entitlements.
- Share of results from equity-accounted investees amounted to $\text{SAR } 296$ million, demonstrating continued resilience across the portfolio.
- General, administrative, and other expenses declined by 3% YoY to $\text{SAR } 119$ million, reflecting continued cost discipline.
- KHC continues to prioritize deleveraging and reducing financing costs: net debt decreased by 11% YTD to $\text{SAR } 10.5$ billion, supported by strong liquidity generation, including proceeds from the sale of investments ($\text{SAR } 1.1$ billion).
- Financial charges decreased by 14% YoY to $\text{SAR } 206$ million, supported by ongoing deleveraging and funding optimization.
- Financial assets at fair value through other comprehensive income decreased by 7% during 1Q 2026 to $\text{SAR } 36.6$ billion, primarily reflecting negative revaluation of public equities amid broad-based market volatility.
- Net assets decreased by 2% year-to-date to $\text{SAR } 57.9$ billion, while book value per share stood at $\text{SAR } 15.34$.
- Net Asset Value (Fair Value Basis) reached $\text{SAR } 78$ billion and NAV per share (FV Basis) amounted to SAR 21.05 as of 31 December 2025, as the Company conducts asset revaluations on a semi-annual basis, this reflects the most recent valuation at year-end.

KHC remains committed to balancing growth and capital distribution. The Board of Directors has recommended a cash dividend of $\text{SAR } 0.28$ per share for the full year 2025 (representing 2.8% of the nominal value), which will be presented for shareholder approval at the Ordinary General Meeting scheduled for May 11, 2026.

2026 Key Developments

On 16 April 2026, KHC signed a share sale and purchase agreement with the Public Investment Fund (PIF) to acquire a 70% stake in Al Hilal Club Company for a consideration of ﷲ 840 million, implying an enterprise value of approximately ﷲ 1.4 billion.

- Al Hilal is one of the most successful and commercially advanced sports franchises in the region, having generated approximately ﷲ 1.27 billion in revenue in the 2024–2025 season, representing double-digit growth year-on-year and the highest revenue recorded by a Saudi sports organization.
- The club has also demonstrated strong historical growth, with revenues increasing from ﷲ 413 million in 2023 to ﷲ 842 million in 2025, supported by its leading position in the Saudi Pro League and significant commercial expansion.
- The transaction represents a strategic entry into the rapidly growing sports and entertainment sector in Saudi Arabia, aligned with Vision 2030, and is expected to support long-term value creation through enhanced commercial partnerships, global brand expansion, and continued development of the sports ecosystem.

In addition, subsequent to the reporting period, KHC's subsidiaries, Kingdom Real Estate Development Company Limited and Trade Center Company Limited, signed an agreement with Sumou Real Estate Company to act as the exclusive development manager for a large-scale land development project in Riyadh, covering approximately 3 million sqm.

- The agreement includes infrastructure development, as well as the marketing and sale of residential and commercial land plots.
- The project is expected to be executed over a 36-month period and represents a key step in unlocking value from KHC's land portfolio, with financial impact to be reflected progressively over the development cycle.

Selected Income Statement Items
 For the period ending 31 March 2026

ﷲ Mn	1Q 2026	1Q 2025	YoY % Change
Hotels & other operating revenues	391	353	11%
Dividends income	182	388	-53%
Total revenues	573	742	-23%
Hotels & other operating costs	(269)	(243)	11%
Gross profit	304	499	-39%
General, administration & other expenses	(119)	(123)	-3%
Share of results from equity accounted investees	296	312	-5%
Income from main operations	494	695	-29%
Financial charges	(206)	(240)	-14%
Income before zakat & tax	287	455	-37%
Withholding and income tax	4	(8)	-149%
Zakat	(31)	(31)	0%
Profit for the year	261	416	-37%
Owners of the Company	269	432	-38%
Non-controlling interests	(8)	(15)	-48%
Basic & diluted earnings per share	0.07	0.12	-42%

Selected Balance Sheet Items
 For the period ending 31 March 2026

₹ Mn	1Q 2026	4Q 2025	YTD Change
Total current assets	4,192	2,841	48%
Cash & cash equivalents	2,659	1,525	74%
Total non-current assets	69,128	72,093	-4%
Financial assets at fair value through other comprehensive income	36,638	39,536	-7%
Equity-accounted investees	19,540	19,618	0%
Property, plant & equipment	7,394	7,422	0%
Total assets	73,319	74,934	-2%
Total current liabilities	3,153	3,475	-9%
Total non-current liabilities	12,187	12,441	-2%
Borrowings	13,068	12,769	2%
Total liabilities	15,340	15,916	-4%
Net assets	57,980	59,018	-2%
Equity attributable to shareholders of the Company	56,864	58,404	-3%
Non-controlling interests	1,115	615	81%
Total equity	57,980	59,018	-2%

Earnings Call

The Company is holding an earnings call to discuss 1Q 2026 financial results with analysts and investors on Tuesday, 28 April 2026, at 4:00 pm Riyadh time (2:00 pm London, 5:00 pm Dubai, 9:00 am New York).

[Webcast link](#)

For any further questions or queries, please reach out to Investor Relations.

Additional Information

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