Intelligent Investments,
Shaping a Shared Future.

Kingdom Holding Company
Integrated Annual Report 2025

HRH King Salman bin Abdulaziz Al Saud
Custodian of the Two Holy Mosques

HRH Prince Mohammed bin Salman Al Saud
Crown Prince and Prime Minister

بسم الله الرحمن الرحيم

In The Name Of Allah,
The Merciful, The Compassionate

Intelligent Investments,
Shaping a Shared Future

After more than four decades, Kingdom Holding Company has become a landmark in global investment, advancing a shared future through insight-driven investments. From powering established industries to backing breakthroughs in AI, we partner with leading businesses to turn bold vision into real-world progress and lasting value.

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Kingdom Holding Company: At a Glance

A snapshot of our performance, portfolio, and progress in 2025: highlighting the key figures and milestones that define Kingdom Holding Company today.

About this Report

This Annual Report presents the business activities and performance of Kingdom Holding Company (KHC) and its diversified investment portfolio within the Kingdom of Saudi Arabia and across global markets for the financial year from 1 January 2025 to 31 December 2025. It provides a detailed review of KHC's operational and financial performance across all sectors in which it operates.

The report also provides an in-depth analysis of KHC's strategic objectives and positions them within the broader macroeconomic landscape and global investment environment, and outlines the results and key developments for the year. The Company's approach to value creation, portfolio diversification, and long-term growth, reflecting its commitment to sustainable and responsible investment practices, is also highlighted.

This report has been prepared in accordance with the disclosure requirements of the Capital Market Authority (CMA) and includes both financial and non-financial information. This information is intended to provide an insight into the Company's history, governance framework, business model, and investment strategy, ensuring transparency and accountability for all its stakeholders, including shareholders, investors, regulatory bodies, employees, and the wider local and global community.

KHC recognizes the significant impact its business activities have on its stakeholders as well as the vital role they play in advancing the Company's strategic decisions. Ongoing engagement with these stakeholders provides KHC with invaluable guidance in steering toward sustainable growth and shared value creation. The aim of this report is to effectively communicate the progress made and changes implemented by the Company during the year, reaffirming its commitment to delivering long-term value across all facets of the business.

Scan the QR code with your smart device or login to **https://kingdom.com.sa**

Our Holdings: A Snapshot

Kingdom Holding Company is an iconic global investment brand

Gross Asset Value (FV Basis) ⃁ Bn.	
89.9	26.1% YoY
	USD 24 Bn.

Profit Attributable to Shareholders ⃁ Bn.	
2.1	73.3% YoY
	USD 0.6 Bn.

Equity Accounted Investees ⃁ Bn.	
19.6	7.8% YoY
	USD 5.2 Bn.

Debt ⃁ Bn.	
12.8	1.4% YoY
	USD 3.4 Bn.

Gross Asset Value Composition by Portfolio (⃁ Bn.)

49.8	21.5	15.1	3.5
55.4% Equity Portfolio	23.9% Hospitality Portfolio	16.8% Land Portfolio	3.9% Real Estate Portfolio

Total Revenue Composition by Segment (⃁ Mn.)

948.0	1,053.0	583.0	108.0
35.2%	39.1%	21.7%	4.0%

Kingdom Holding Company, based in the Kingdom of Saudi Arabia (KSA), is a holding company created and majority-owned by HRH Prince AlWaleed bin Talal Al Saud and listed on Tadawul since 2007.

KHC comprises a domestic KSA portfolio and an international portfolio of equities and hospitality holdings valued at USD 18 Bn., capitalizing on unique growth opportunities.

Market Segments

A truly global investment holding company

Fair Value Net Asset Value	Fair Value NAV Per Share	Total Dividends Declared	Annual Dividend Per Share
⃁ 78 Bn.	⃁ 21.05	⃁ 1.04 Bn.	⃁ 0.28
30.3% YoY	30.3% YoY		

Kingdom Holding Company's Journey

More than 40 years of global investment experience

1980
- Kingdom Establishment for Commerce and Trade

1982
- First construction project in Riyadh

1988
- Controlling stake in United Saudi Commercial Bank, 20x in share value

1989
- Investment in Citigroup

1991
- Investments in Citigroup increased

1993
- A stake in Saks Fifth Avenue, flagship store in Riyadh

1994
- Stakes in Fairmont and Four Seasons

1996
- Acquisition of George V and renovation of the hotel

1997
- A stake in Mövenpick Hotels and Resorts

1998
- Reorganized as Kingdom Holding Company
- Construction of Kingdom Centre, Kingdom Hospital, Kingdom Schools, and Kingdom City announced

2002
- Kingdom Centre opens

2007
- Kingdom Holding Company IPO
- Kingdom Holding Company acquires 47.5% stake, takes Four Seasons private at USD 3.8 Bn. EV

2010-11
- Kingdom Hotel Investments taken private
- KHC invests in Twitter ahead of its IPO

2016
- KHC acquires 5.8% stake in Accor Hotels

2017
- KHC acquires 7% stake in Careem for USD 62 Mn. and 16% stake in Banque Saudi Fransi

2020
- Uber acquires KHC-backed Careem for USD 3.1 Bn.

2022
- 23.75% Four Seasons stake sale at USD 10 Bn. EV
- PIF acquires 16.87% stake in Kingdom Holding Company

2023
- Joint Venture with Red Sea Global to develop and own the Four Seasons Resort Red Sea at Shura Island

2024
- Jeddah Economic Company Tower is on track to become the tallest building in the world
- KHC invests in xAI (rounds B and C)

2025
- Strategic Acquisition of X by xAI
- Progress in Jeddah Economic Company
- Flynas IPO

Kingdom Holding Company

Kingdom Holding Company is one of the world's leading investment companies, enjoying the unique position of bridging international reach with deep-rooted integration in the Kingdom of Saudi Arabia's economic foundations.

Founded in 1980 under the leadership of His Royal Highness, Prince AlWaleed bin Talal Al Saud, the Company prioritizes long-term, sustained value creation for its stakeholders. This is evidenced by KHC's strategy of combining foundational holdings in marquee assets with stakes in carefully engineered growth pillars. The Company operates as a single investment committee that follows a cohesive blueprint with the emphasis on long-term capital deployment and active involvement with portfolio companies. This approach ensures performance maximization and drives sustainable returns.

Within the Kingdom, KHC's ventures continue to play a landmark role within the national economy, with key projects such as the Kingdom Tower in Riyadh, Jeddah Economic City, and the highly anticipated Jeddah Economic Company Tower showcasing the Company's commitment to innovation and excellence. KHC also takes great pride in the role in promoting Saudi Arabia's growth agenda through Saudi Vision 2030.

KHC's current portfolio is designed around three structural pillars:

- *Equity investments – a robust framework of established blue-chip enterprises with dynamic growth potential.*
- *Hospitality investments – partnerships with the world's most prestigious hotel brands, each an icon in experiential luxury.*
- *Real estate and land investments – a portfolio that spans 9.6 million square metres, forming the spatial foundation of the Company's tangible legacy.*

These investments, both domestic and international, form a diversified portfolio with a total net book value of approximately ⃁ 59 Bn. (USD 15.7 Bn.).

KHC's international investments are global in scope, targeting high-growth sectors such as ride-sharing, e-commerce, digital services, social media, and artificial intelligence (AI). This includes strategic stakes in leading firms such as Lyft, Uber and xAI.

The Company also remains a global leader in luxury hospitality, with either ownership or management interests in iconic properties such as the George V, Paris, and the Savoy Hotel, London, and internationally recognised hotel chains such as Four Seasons and the Accor Group. The Accor Group is the parent company of over 40 popular brands, including Fairmont, Raffles, Mövenpick, Swissôtel, Sofitel, and others.

In addition to these investments, KHC holds substantial interests in key industries such as banking and financial services (Citigroup, Banque Saudi Fransi), aviation (Flynas), education (Kingdom Schools Company), petrochemicals (Tasnee), and real estate development, with landmark projects including Jeddah Economic City, Kingdom Centre, and Land Bank.

Together, these ventures form a cohesive ecosystem that collectively shapes KHC's enduring legacy.

2025 Highlights

The year 2025 marked a significant year for Kingdom Holding Company as it advanced its long-term investment strategy within an evolving global landscape. Despite continued market volatility and shifting macroeconomic conditions, the Company maintained a clear focus on prudent capital allocation, balance sheet strength and long-term value creation.

During the year, KHC reported total revenues of ⃁ 1.68 Bn. from its hotel and operating businesses, alongside dividend income of ⃁ 948 Mn. and gains from investments, reflecting the strength and diversification of its income streams. Profitability improved significantly, with profit for the year reaching ⃁ 2.11 Bn., compared to ⃁ 1.21 Bn. the previous year.

The Company's financial position strengthened materially over the period. Total assets increased to ⃁ 74.9 Bn., while shareholders' equity rose to ⃁ 58.4 Bn., supported in part by substantial unrealised fair value gains on strategic investments recognised through other comprehensive income.

A significant driver of the increase in net asset value (NAV) during the year was the revaluation of certain strategic investments, including the Company's investment in xAI. These valuation movements reflect changes in underlying market conditions and investee performance, and were recognised in accordance with applicable fair value measurement requirements.

KHC's performance reflects the continued effectiveness of its diversified investment model, combining stable operating income with exposure to high-growth global assets. Its domestic portfolio remains aligned with Saudi Vision 2030 priorities, with investments spanning hospitality, real estate, aviation, education, healthcare and financial services. At the same time, its international holdings continue to provide access to innovation-led sectors, scale advantages, and long-term capital appreciation.

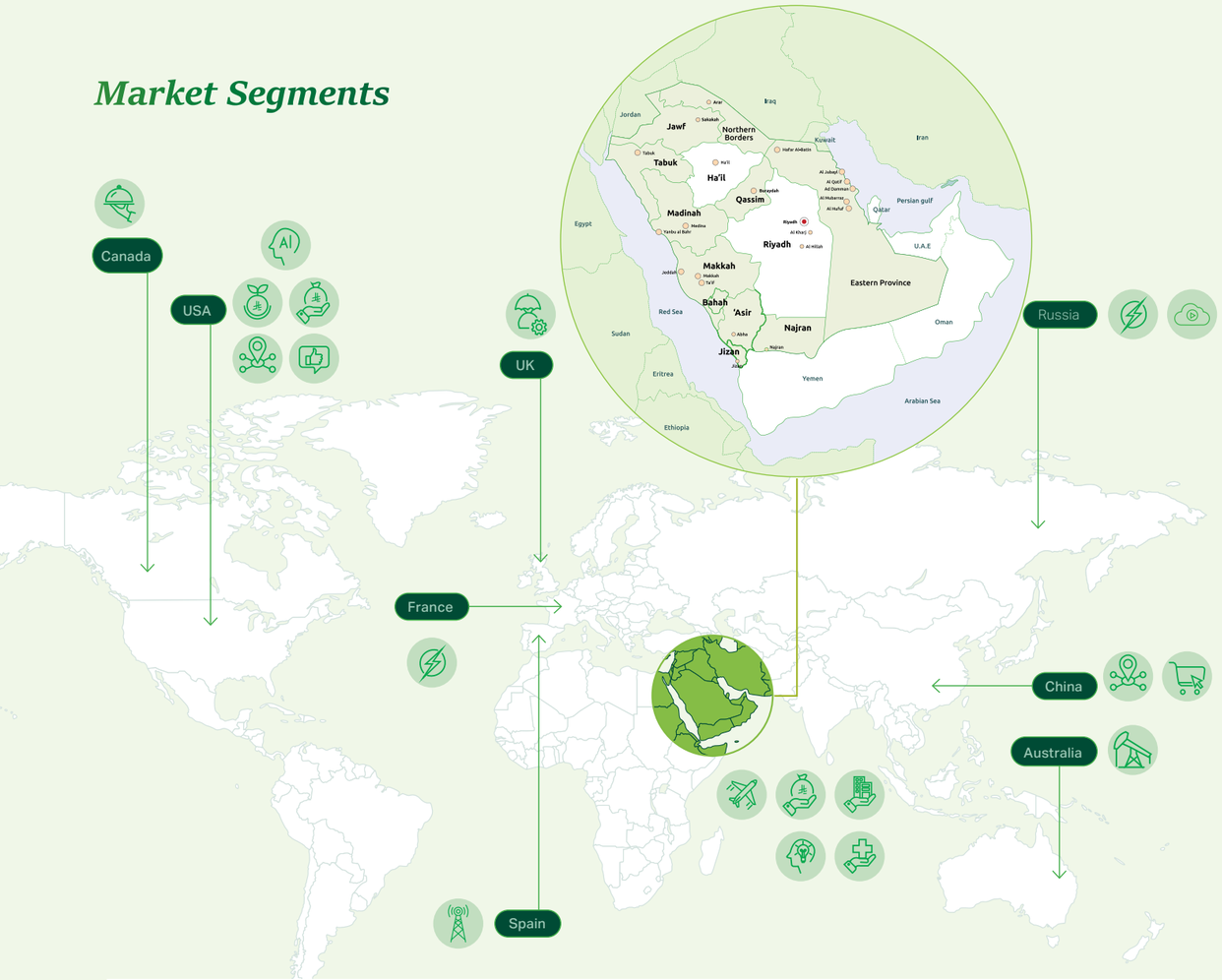
A major strategic highlight during the year was the continued advancement of the Jeddah Economic Company (JEC) project. Progress on this landmark development, including ongoing tower construction and supporting infrastructure, reinforces KHC's commitment to unlocking long-term value from large-scale real estate assets and contributing to the Kingdom's urban transformation agenda.

In parallel, KHC continued to deepen its exposure to advanced technology and artificial intelligence, reflecting its focus on future-defining sectors. Its participation in multiple funding rounds of xAI, bringing total investment to approximately USD 900 Mn., builds on this strategic positioning and underscores the Company's ability to access differentiated global opportunities through its investment platform and strategic partnerships.

The Group also maintained a disciplined approach to capital management and shareholder returns. During the year, KHC declared dividends of approximately ⃁ 1.04 Bn., reflecting its ongoing commitment to delivering consistent returns while preserving flexibility to pursue strategic investments.

Overall, 2025 was a year of strengthened financial performance, enhanced balance sheet resilience, and continued strategic positioning. With a diversified portfolio spanning domestic transformation opportunities and global growth platforms, KHC enters the next phase of its development with increased scale, stronger equity, and a clear focus on capturing long-term value across real assets, financial investments and emerging technologies.

Market Segments



Financial Services and Investments	Real Estate Development and Investments	Hospitality and Hotel Management	E-Commerce and Digital Platforms	Hospitality Real Estate	Entertainment and Music
Social Media and Digital Content	Artificial Intelligence and Technology	Alternative Investments and Venture Capital	Energy, Oil and Gas	Mobility and Transportation Solutions	Petrochemicals & Industrial Materials
Aviation and Aerospace	Telecommunications and Connectivity	Mining and Natural Resources	Insurance and Risk Management	Education & Knowledge Solutions	Healthcare and Life Sciences.

Our Message to Shareholders and Partners

Strong relationships are the foundation of our success. In 2025, we reinforced open dialogue and shared value creation with all partners across our global portfolio.

To Our Shareholders

At Kingdom Holding Company, we remain committed to creating enduring shareholder value through disciplined investment, strong governance and strategic partnerships, while supporting Saudi Arabia's transformation and pursuing sustainable growth worldwide.

Kingdom Holding Company is built on a clear design: to generate sustainable long-term value while contributing to the Kingdom of Saudi Arabia's transformation under Saudi Vision 2030.

Our portfolio is structured on strong foundations: diversified globally, governed with discipline, and shaped by a long-term investment philosophy. We build alongside world-class partners, balancing scale and resilience across mature and emerging markets to ensure durability through economic cycles.

Within the Kingdom, our investments help construct a more diversified economy, supporting job creation and the development of future-facing sectors, including technology, tourism, education, and entertainment. Internationally, we extend KHC's footprint as a trusted global partner, reinforcing Saudi Arabia's position as a dynamic centre of economic activity.

KHC's strength lies in its architecture. Our strategy is supported by robust governance, experienced leadership, and systems designed for continuity and succession. Innovation is integrated by design, including the responsible deployment of technologies such as artificial intelligence to enhance productivity and long-term value creation.

We thank our shareholders for their continued trust. With a disciplined blueprint and measured execution, KHC remains focused on building enduring value in a changing global landscape.

Chairman's Statement

HRH Prince AlWaleed bin Talal Al Saud

Chairman

Dear Shareholders,

For more than four decades, Kingdom Holding Company has been guided by a simple philosophy: to deploy capital patiently, partner with exceptional businesses, and create enduring value across cycles. That philosophy remains unchanged today.

The year 2025 was a year of meaningful progress for the Company. Against a backdrop of shifting global economic conditions, Kingdom Holding Company continued to demonstrate the strength of its investment model and the resilience of its diversified portfolio.

Our financial performance reflects this strength. Gross asset value increased to approximately ⃁ 89.9 Bn., while fair value net asset value reached around ⃁ 78 Bn., representing strong growth compared with the prior year. Net profit attributable to shareholders amounted to ⃁ 2.1 Bn., supported by disciplined capital allocation, strong operating performance across our hospitality assets, and continued value creation within our equity portfolio. Our fair value NAV per share reached ⃁ 21.05, reflecting the compounding value embedded within our portfolio.

While annual profit remains important, our primary focus is the long-term growth of shareholders' equity and the strength and quality of the assets we own. In our view, true value is measured not only by earnings generated in a single year, but by the continued strengthening of the balance sheet and the compounding of intrinsic value across our investment portfolio.

Kingdom Holding Company today manages a diversified global investment platform spanning hospitality, real estate, financial services, aviation, education, and technology. This diversification continues to serve the Company well. While disciplined financing ensured that the Company maintained a prudent capital structure with debt of approximately ⃁ 12.8 Bn., supporting both financial flexibility and strategic investment capacity.

A defining characteristic of Kingdom Holding Company has always been our ability to balance established income-generating assets with exposure to transformational sectors. Our long-standing investments in global hospitality icons such as Four Seasons, our partnerships with leading international technology companies, and our strategic positions in regional champions like Flynas continue to illustrate this balanced approach.

The broader economic environment in the Kingdom of Saudi Arabia remains highly supportive of this strategy. Saudi Arabia continues to advance one of the most ambitious economic transformation programs in the world under Vision 2030. Tourism has emerged as one of the fastest-growing sectors of the Saudi economy, with the Kingdom welcoming more than 122 million visitors annually and targeting 150 million visitors by 2030. The expansion of tourism infrastructure, entertainment destinations, and international events is creating substantial demand for world-class hospitality assets.

Kingdom Holding Company is uniquely positioned to participate in this transformation. Our hospitality portfolio including landmark properties such as the Four Seasons Hotel Riyadh and our participation in the Four Seasons Red Sea development, continues to benefit from global travel recovery and strong demand

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for premium destinations.

Equally important is the continued development of strategic real estate assets within the Kingdom. Construction progress resumed on the Jeddah Economic Company Tower project, a landmark development that reflects both the scale of Saudi Arabia's urban ambitions and the long-term value embedded in our land holdings. With infrastructure already developed across significant portions of the master plan, we believe this project will unlock substantial economic potential over time.

At the same time, Kingdom Holding Company continues to expand its presence in sectors that will shape the next generation of economic growth. Artificial intelligence, advanced digital platforms, and next-generation mobility solutions represent powerful global investment themes. Our participation in these sectors reflects a long-standing philosophy: to invest early in transformative platforms alongside trusted global partners.

Despite global volatility, our approach remains consistent. We do not attempt to predict short-term market movements. Instead, we focus on identifying businesses with durable advantages, strong management teams, and long-term growth potential. Over time, this patient capital approach has proven to be one of the most reliable ways to create sustainable shareholder value.

As we look ahead, we remain confident in the opportunities that lie before us. Saudi Arabia's economic transformation is accelerating, global technological innovation continues to reshape industries, and demand for high-quality real assets remains strong.

With a strengthened balance sheet, a diversified portfolio of global investments, and a disciplined long-term strategy, Kingdom Holding Company is well positioned to continue building value for decades to come.

On behalf of the Board of Directors, I extend my gratitude to our shareholders, partners, and employees for their continued trust and commitment. Together, we will continue to pursue opportunities that strengthen our Company and contribute to the long-term prosperity of the Kingdom of Saudi Arabia.

Chief Executive Officer's Review

Eng. Talal Ibrahim Al-Maiman

Chief Executive Officer

Our strategy remains focused on strengthening the performance of our existing assets, advancing key development projects, and selectively expanding our exposure to sectors with strong structural growth potential.

In 2025, Kingdom Holding Company delivered another year of strong progress across its global investment platform. Our strategy remains focused on strengthening the performance of our existing assets, advancing key development projects, and selectively expanding our exposure to sectors with strong structural growth potential.

This operational progress is also reflected in the Company's financial performance. In 2025, KHC reported net profit attributable to shareholders of approximately ⃁ 2.1 Bn., continuing a strong track record of profitability with the Company delivering more than ⃁ 1 Bn. in net profit for five consecutive years. Shareholders' equity increased to approximately ⃁ 58 Bn., while NAV per share (fair value basis) reached ⃁ 21.05, reflecting the continued strengthening of the Company's balance sheet and the growth in intrinsic value across the portfolio. Operationally, several developments marked important milestones during the year.

A key highlight was the successful public listing of Flynas in 2025. The IPO represented an important achievement for both the Company and the Saudi aviation sector. The transaction enabled KHC to partially monetize its investment while retaining meaningful exposure to the airline's future growth. With aviation demand in the Kingdom continuing to expand alongside the tourism ambitions of Vision 2030, Flynas remains well positioned for long-term growth.

Our hospitality portfolio delivered strong operating results during the year. Flagship assets such as Four Seasons Hotel George V in Paris and Four Seasons Riyadh continued to demonstrate the resilience and global appeal of premium hospitality assets. Performance improved as international travel continued to normalize, supported by disciplined operational management and strong demand for luxury hospitality experiences.

We also continued to advance major real estate developments within the Kingdom. Construction progress resumed on Jeddah Economic Company Tower, one of the most iconic projects in the global real estate landscape and a central component of the Jeddah Economic City master plan. With significant infrastructure already developed across the surrounding landholdings, we believe the project will unlock substantial long-term value.

At the same time, KHC continued to expand its presence in sectors shaping the future of the global economy. Our investments in artificial intelligence and advanced technology platforms reflect a deliberate strategy to position the Company alongside leading innovators in transformative industries. These investments complement our established holdings in financial services, hospitality, and real assets, creating a balanced portfolio capable of delivering both income and long-term growth.

The broader economic transformation underway in Saudi Arabia under Vision 2030 continues to create attractive opportunities for long-term investors. Rapid growth in tourism, infrastructure development, and the expansion of new industries is reshaping the Kingdom's economic landscape. KHC's diversified investment platform allows us to participate in these opportunities while maintaining global diversification.

Looking ahead, our priorities remain clear: to enhance the performance of our existing portfolio, selectively deploy capital into high-quality opportunities, and maintain the disciplined investment approach that has guided the Company for decades.

I would like to thank our Board of Directors, shareholders, partners, and the teams across our portfolio companies for their continued dedication and support. Their commitment remains central to the continued success of Kingdom Holding Company.

Chief Financial Officer's Review

Mr Adel Abdulaziz Al-Abdulsalam

Chief Financial Officer

I am pleased to share the financial results of Kingdom Holding Company for the year, reflecting another strong year of performance and continued growth in the Company's financial position. In 2025, KHC delivered net profit attributable to shareholders of approximately ⃁ 2.1 Bn., representing an increase of 73% compared to the previous year. Shareholders' equity also strengthened significantly, reaching approximately ⃁ 58 Bn., an increase of ⃁ 19 Bn. year-on-year, supported by valuation gains across key assets and continued portfolio optimization.

Importantly, this performance continues KHC's consistent track record of profitability, with the Company delivering more than ⃁ 1 Bn. in net profit for five consecutive years. On both a profitability and shareholder equity basis, 2025 represents one of the strongest financial years since the adoption of IFRS in 2016-17, exceeded only by 2022, which included a one-off gain of approximately ⃁ 5.9 Bn. from the Four Seasons transaction.

As an investment holding company, KHC's performance is best assessed not only through annual profit but also through the strength of its balance sheet, growth in shareholder equity, and its ability to deploy capital into attractive opportunities. Accordingly, annual profitability should be considered alongside balance sheet strength, Net Asset Value growth, and the financial firepower available to deploy capital into attractive opportunities.

During the year, gross debt increased in absolute terms to approximately ⃁ 12.8 Bn. compared to ⃁ 12.6 Bn. in previous year. This 1.4% increase was primarily driven by the strengthening of the Euro against the US Dollar, rather than incremental leverage undertaken to fund new investments. Over the past several years, KHC has strategically increased Euro-denominated borrowing, allowing the Company to benefit from lower borrowing costs available in Euro markets during the recent high-interest rate environment. Importantly, KHC maintains a natural hedge through its exposure to Euro-denominated assets within its international portfolio.

Finance costs decreased to ⃁ 828.6 Mn. in 2025, a decrease of approximately ⃁ 156 Mn. compared to 2024, despite total debt increasing by approximately 1.4%. This improvement reflects the combined impact of interest rate reductions during the year, ongoing optimization of the Company's funding structure, and improved terms on certain financing facilities.

The Company continues to actively monitor global interest rate dynamics and maintains access to funding facilities in US Dollars, Saudi Riyals, and Euros, providing the flexibility to optimize funding costs and manage interest rate exposure across different market environments.

Several investments contributed positively to performance during the year. Our long-standing investment in Citigroup performed strongly, with the share price approximately tripling over the past two years. Hospitality assets delivered solid operating performance, while BSF benefited from improved banking conditions. The Flynas initial public offering (IPO) also represented a significant milestone, enabling partial monetization while retaining exposure to the company's future growth trajectory.

In 2025, KHC delivered net profit attributable to shareholders of approximately ⃁ 2.1 Bn., representing an increase of 73% compared to the previous year. Shareholders' equity also strengthened significantly, reaching approximately ⃁ 58 Bn., an increase of ⃁ 19 Bn. year-on-year, supported by valuation gains across key assets and continued portfolio optimization.

We also saw meaningful value creation from our investment in xAI, one of the most prominent companies in the artificial intelligence sector. KHC participated in early funding rounds in July 2024 (Series B) and December 2024 (Series C), ahead of the elevated valuation levels subsequently observed. During 2025, continued investor interest in the artificial intelligence sector, alongside subsequent funding activity involving leading international investors, provided updated valuation benchmarks that supported a reassessment of the Company's carrying value of the investment. These developments reflect the rapid evolution of the AI landscape and increasing capital flows into next-generation technology platforms. This early participation reflects the Company's ability to access differentiated investment opportunities through its global network and strategic relationships.

KHC benefits from the combination of a strong balance sheet, experienced management, and the global relationships built over decades by HRH Prince Alwaleed bin Talal, which together provide access to investment opportunities that are not always widely available in the market. Our strong equity base and diversified funding platform ensure that we maintain sufficient capital "firepower" to deploy into attractive investments when opportunities arise.

At the same time, we remain mindful of the broader risks in the global environment. While artificial intelligence represents a significant long-term structural opportunity, debates around valuation levels and adoption timelines remain. Similarly, global economic conditions, interest rate cycles, and evolving real estate market dynamics require careful monitoring. Our approach remains consistent: disciplined capital allocation, strong governance, and a long-term investment horizon.

Real estate continues to represent an important long-term value driver for the Company. Strategic developments such as Jeddah Economic Tower, currently progressing through its construction phases, reflect KHC's commitment to patient development and long-term partnerships within the Kingdom.

Looking ahead, we remain cautiously optimistic. KHC continues to maintain a conservative leverage profile, strong liquidity, and access to diversified funding sources. By the end of the year, total assets reached ⃁ 75 Bn. total shareholders' equity reached approximately ⃁ 58 Bn., with book value per share of ⃁ 15.76 and fair value NAV per share of ⃁ 21.05. Supported by a diversified global portfolio and a disciplined investment framework, the Company remains well positioned to deploy capital when opportunities arise and to continue building long-term shareholder value.

Kingdom Holding Company Shareholding Structure

Kingdom Holding Company benefits from a stable ownership structure anchored by long-term strategic shareholders and complemented by public market participation, providing continuity, institutional support and liquidity while reinforcing the Company's ability to pursue sustainable value creation.

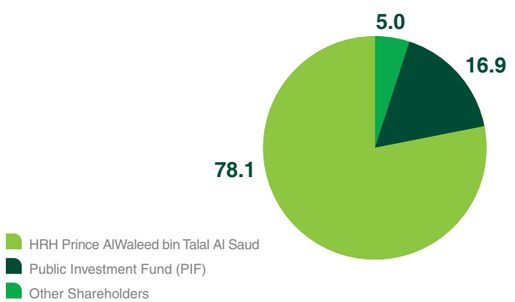
Kingdom Holding Company has a stable and clearly defined ownership structure that combines long-term strategic holdings with public market participation.

At year end, HRH Prince AlWaleed bin Talal Al Saud remained KHC's largest shareholder, holding approximately 78.1% of the issued share capital. This significant ownership stake reflects a long-standing commitment to KHC and alignment with its long-term investment strategy.

The Public Investment Fund (PIF) held approximately 16.9% of KHC's shares, representing substantial institutional ownership by a leading sovereign investor. The remaining shares are held by a broad base of public shareholders, providing market liquidity and diversified participation.

This ownership structure provides KHC with a strong and stable shareholder base, supporting strategic continuity while maintaining access to the public equity markets.

Shareholder Ownership Breakdown (%)



Dividend Policy

KHC's dividend policy is based on sustainable cash generation and disciplined capital allocation. KHC differentiates between stable cash flows from mature, income-generating assets, particularly within the hospitality portfolio, and more variable cash flows arising from portfolio optimisation, capital recycling, and asset disposals.

Dividend distributions are subject to KHC's Articles of Association, and are determined with reference to its financial position, market and economic conditions, investment requirements, capital needs, and regulatory considerations. The policy seeks to balance consistent shareholder returns with the flexibility required to support long-term value creation.

The Board of Directors' recommendation dated 17/09/1446 A.H corresponding to 17 March 2025 to distribute cash dividends from the retained earning amounting to ⃁ 1,037.6 Mn. to shareholders for the year 2024, amounting to ⃁ 0.28 per issued share for the whole year, representing 2.8% of the nominal value of the share, and the distribution will be made on a quarterly basis at the rate of 0.7% of the nominal value of the share, at the rate of 7 halalas per quarter for each issued share, for a total of ⃁ 259.4 Mn. per quarter.

Eligibility and payments dates are as follows:

First payment: eligibility will be based on the records of registered shareholders according to company records at the end of trading on the day of 16/12/1446 A.H corresponding to 12 June 2025 and will be paid ten working days after the second trading day following the eligibility date.

Second payment: eligibility will be based on the records of registered shareholders according to company records at the end of trading on the day of 06/02/1447 A.H corresponding to 31 July 2025 and will be paid ten working days after the second trading day following the eligibility date.

Third Payment: eligibility will be based on the records of registered shareholders according to company records at the end of trading on the day of 09/04/1447 A.H corresponding to 01 October 2025 and will be paid ten working days after the second trading day following the eligibility date.

Fourth Payment: eligibility will be based on the records of registered shareholders according to company records at the end of trading on the day of 11/07/1447 A.H corresponding to 31 December 2025 and will be paid ten working days after the second trading day following the eligibility date.

The Company's Requests of the Shareholder Register

During the year, KHC received 6 requests for access to the shareholder register as follows.

Purpose	*Date*
Dividend Entitlement	*02 January 2025*
AGM	*25 May 2025*
Dividend Entitlement	*16 June 2025*
Dividend Entitlement	*04 August 2025*
Dividend Entitlement	*05 October 2025*
AGM	*15 December 2025*

Kingdom Holding Company:

Domestic Investment Portfolio

Overview

Kingdom Holding Company's Domestic Investments platform focuses on Saudi Arabia-based equity, real estate, and strategic assets, with a long-term mandate to deliver sustainable returns while supporting national development objectives. Hospitality assets are managed globally under Kingdom Hotel Investments, but remain closely integrated with the domestic portfolio through the development of hotels in the Kingdom under internationally owned brands and by facilitating brand expansion with local partners.

Oversight of the platform includes all Saudi-located hotel assets as well as the broader domestic equity and real estate portfolio, ensuring strategic alignment, disciplined capital allocation, and consistency with national priorities.

Portfolio Composition and Key Assets

The domestic portfolio is diversified across three core business lines, each contributing to stable cash generation and long-term value creation.

- *Equity investments: Exposure to high-conviction positions in priority sectors, including healthcare (Dallah Health), education (Kingdom Schools), petrochemicals (Tasnee), aviation, and financial services, providing resilient earnings and sectoral diversification.*
- *Hospitality: Saudi-based hotels and resorts developed under globally recognised brands, including Four Seasons Riyadh and Four Seasons Red Sea, contributing to recurring operating income and asset value appreciation.*
- *Real estate: A portfolio of large-scale and landmark assets, including Jeddah Economic Company (c. 5 Mn. square metres; significant minority interest), East Riyadh land portfolio (c. 4 Mn. square metres; majority-owned), and Kingdom Centre, Riyadh's iconic office tower and luxury retail destination.*

Financial Performance and Value Drivers

The domestic portfolio is anchored by assets with strong underlying fundamentals, long-duration cash flows, and capital appreciation potential. Key value drivers include disciplined portfolio construction, active asset management, and strategic rebalancing toward private assets, which commenced in 2024 and has enhanced earnings stability and return resilience.

Operational synergies with international investments further support financial performance. Internationally owned brands are leveraged to develop high-quality domestic assets and expand through partnerships with third-party developers. These relationships are structured through formal joint ventures, board representation, and shared governance frameworks, enabling effective capital deployment, risk management, and value capture.

Outlook and Capital Deployment

Looking towards 2026, KHC expects continued growth in the domestic portfolio through increased allocation to high-quality assets and selective investments aligned with the Kingdom's major development initiatives. KHC remains well-positioned to deploy capital into opportunities that enhance portfolio returns, strengthen cash flow visibility, and support long-term shareholder value.

KHC owns shares in the following local and regional subsidiaries:

Name of company	Actual Ownership Percentage % 2025	2024
Kingdom Real Estate Development – Kingdom of Saudi Arabia Established as a limited liability company with a capital of ⃁ 1,000,000 in 2012. It owns 89.9% of Kingdom Investment and Development Company, in addition to the lands of East Riyadh in Dammam Highway.	100.0	100.0
Kingdom Investment and Development Company – Kingdom of Saudi Arabia Established as a closed joint stock company with a capital of ⃁ 2,093,322,010 in 2015. It owns controlling majority shares of the following companies: Trade Centre Company Limited, Real Estate Investment Company Limited and Kingdom Schools Company Limited and Fashion Village Trading Company Limited and part of East Riyadh lands and 4.42% of Dallah Health Group.	89.8	89.8
Kingdom Schools Company Limited – Kingdom of Saudi Arabia The Kingdom Schools Company was established in 1998 as a limited liability company with a capital of ⃁ 254,000,000. It operates in Riyadh. It owns and manages schools in the Kingdom.	89.8	89.8

Name of company	Actual Ownership Percentage % 2025	2024
Real Estate Investment Company – Kingdom of Saudi Arabia Established as a limited liability company with a capital of ⃁ 180,000,000 in 1997. It owns and manages a luxury residential complex in Riyadh City.	89.8	89.8
Trade Centre Company Limited (TCCL) – Saudi Arabia Established as a limited liability company with a capital of ⃁ 1,000,000,000 in 1998. It is the owner of Kingdom Center in Riyadh, including the Kingdom Tower and the Kingdom Market, in addition to the Four Seasons Hotel Riyadh.	89.8	89.8
Consulting Clinics Beirut SAL (Clinics) – Lebanon Established and operates in Lebanon to provide medical services as a limited liability company with a capital of USD 20,000,000.	50.4	50.4

KHC owns shares in the following local and regional associate companies:

Name of company	Actual Ownership Percentage % 2025	2024
Flynas Company Established as a joint stock company with a share capital of ⃁ 1,708,518,930, the Company is engaged in the purchase, sale, and leasing of aircrafts, as well as the provision of air transportation services for passengers and cargo, including the operation and management of aircrafts.	27.4	37.1
Jeddah Economic Company Limited Established in 2008 as a limited liability company with a share capital of ⃁ 8,521,512,800, the Company focuses on large-scale real estate development and urban infrastructure initiatives in Jeddah.	35.7	35.7
Banque Saudi Fransi It is a Public joint stock company, with a share capital of ⃁ 25,000,000,000 providing a full range of banking services.	16.2	16.2
East Shura III Company* It is a limited liability Company which is jointly owned by The Red Sea Investment II Company ("RSI") and Sea Front Limited Company ("Sea Front") With Share capital of ⃁ 616,875,104. Activities include the construction of buildings, real estate activities, maintenance, real estate brokerage, management and rental of owned or leased properties.	50	50

Kingdom Holding Company:

International Investment Portfolio

Overview

Kingdom Holding Company's International Investments department is responsible for the origination, execution, and active management of a diversified global portfolio of high-quality, blue-chip investments. The strategy focuses on assets that complement KHC's broader portfolio, with particular emphasis on financial institutions and technology across developed and selected growth markets.

International investments sit within KHC's Equity Investments business line and exclude hospitality assets, which are managed separately. Where investment activity overlaps with hospitality-related considerations, coordination with property and hospitality stakeholders ensures disciplined decision-making.

Portfolio Composition and Key Assets

The international portfolio is structured by investment objective and sector exposure, enabling balanced risk management and capital deployment:

- ***Yielding investments:*** *Cash-generative businesses that provide recurring income and portfolio stability.*
- ***Growth investments:*** *High-quality companies with long-term growth potential, primarily in technology and innovation-driven sectors.*

KHC invests opportunistically across geographies and maintains flexibility to take minority or majority/controlling positions, where opportunities meet its risk-return requirements and long-term objectives.

Financial Performance and Value Drivers

Value creation is driven by disciplined capital allocation, diversification, and exposure to structurally attractive themes. Artificial Intelligence was a standout opportunity in 2025, supported by accelerating adoption and expanding platform capabilities. KHC increased exposure in this area in a measured manner, balancing conviction with diversification and volatility management. The portfolio's mix of yielding and growth assets supports resilience across market cycles.

Outlook and Capital Deployment

Looking ahead, KHC remains cautious yet opportunistic amid a dynamic global macro environment. The Company will continue to prioritise disciplined capital deployment, maintain exposure to high-conviction themes such as artificial intelligence and technology, and selectively pursue opportunities that enhance long-term returns while preserving portfolio resilience.

International equity portfolio value	***⃁ 38.9 Bn.***
Asset allocation by business line	
Equity	*55.4%*
Real Estate and Land	*20.7%*
Hospitality	*23.9%*

International Subsidiaries

The Company conducts its international activities through the following subsidiaries, all of which are incorporated in the Cayman Islands.

- ***Kingdom 5 – KR – 11 Limited (KR – 11)***

  A limited liability company primarily engaged in holding investments in international quoted securities through its wholly owned subsidiaries. KR – 11 provides exposure to publicly listed global companies, supporting liquidity, portfolio diversification, and transparent valuation.

- ***Kingdom 5 – KR – 100 Limited (KR – 100)***

  A limited liability company focused on the possession and management of investment funds through its equity-accounted investees. KR – 100 enables participation in professionally managed investment vehicles and alternative investment structures, enhancing access to diversified strategies and specialist expertise.

- ***Kingdom 5 – KR – 132 Limited (KR – 132)***

  A limited liability company responsible for holding investments in subsidiaries and equity-accounted investees. KR – 132 serves as a strategic holding entity, supporting long-term ownership of operating and investment platforms while facilitating effective oversight and reporting.

Associates and Investment Structure

Through its subsidiaries and associates, KHC maintains a balanced investment structure that combines direct ownership, equity-accounted investments, and fund-based exposure. This approach allows the Company to optimise risk-adjusted returns, maintain strategic influence where appropriate, and align its international portfolio with long-term growth objectives.

Overall, KHC's subsidiaries and associates form a cohesive framework that underpins global investment operations and disciplined capital allocation. Supported by record performance in 2025 and sustained growth across sectors, KHC remains well-positioned to deliver sustainable value creation for shareholders in the years ahead.

Subsidiaries and associates:

Name of company	*Actual ownership percentage (%)* 2025	2024
Kingdom Hotel Investments (KHI) *The company was established in the Cayman Islands as a limited liability company with a capital of USD 843 Mn. in May 2000, to acquire and develop high quality hotels in various regions around the world.*	100	100.0
Kingdom 5 – KR – 35 Group (George V) *Founded as a limited liability company with a capital of 5,218,200 Euros. It is established in the Cayman Islands, and owns George V Hotel in France. (Direct and indirect ownership through Kingdom Hotel Investments Company).*	100	100.0
Breezeroad Limited (Savoy), United Kingdom *Established as a limited liability company with a capital of USD 187,977,994 owned by Kingdom 5KR – 114 Limited (KR – 114) in the Cayman Islands. It owns the Savoy Hotel in London, which is operated by Fairmont Company.*	58.96	58.96

Kingdom Holding Company owns shares in the following international associate companies:

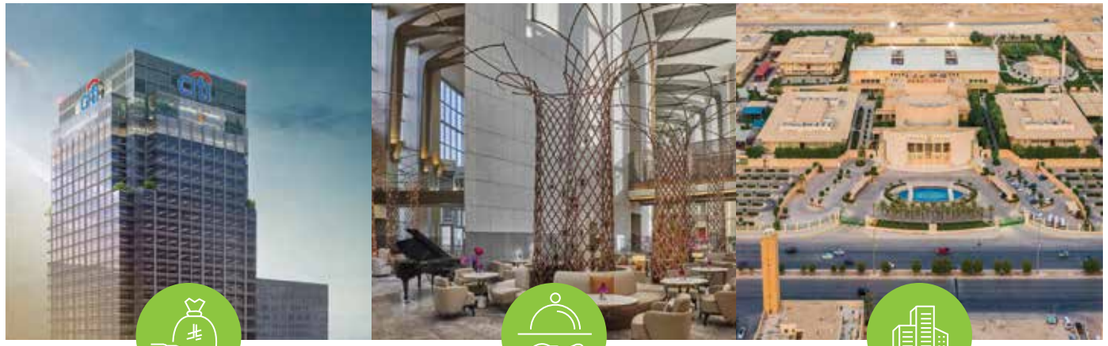
Name of company	*Actual ownership percentage (%)* 2025	2024
Four Seasons Hotels Holding (FSH Inc.) Canada – *owned by Kingdom Company 5 – KR – 132 Limited (KR – 132) and established in the Cayman Islands with capital of USD 2,411,984,000. Four Seasons is a leading global company that owns hotels around the world and operates under the Four Seasons Hotel brand. The company also operates and manages private luxury residential units.*	23.75	23.75
Accor – Owned by Kingdom Hotels Company (Europe) *Accor is a leading global hospitality group with a portfolio of hotels worldwide and a market capitalisation of approximately EUR 11.3 Bn.*	6.8	6.8

Strategic Direction

With a 40-year investment legacy, Kingdom Holding Company pursues a balanced strategic direction built on equity, hospitality and real estate, combining resilient income-generating assets with selective exposure to high-growth opportunities that support long-term value creation.

Investment Strategy

An exemplary investment record of 40 years has helped Kingdom Holding Company establish itself as a key player in the global equity area. The KHC investment structure is organized around strategically diversifying our portfolio across three lines of business.



Equity investments

Hospitality investments

Real estate investments and Land

In addition to creating sustainable growth for our stakeholders, KHC's involvement in these sectors acts as a catalyst for industry evolution. Thus, KHC, in its strategies and operations, executes a dual value creation process.

KHC's strategy also encompasses the broader architectural framework of Saudi Arabia's economic transformation. The Company's operations and decision-making make deliberate efforts to create jobs, diversify investments across a multitude of sectors, and help build a more robust private sector in the Kingdom.

Kingdom Holding Company's investment can be described as a balanced edifice, combining stable revenue-generating assets with exposure to high-growth sectors. Identifying and capitalising on emerging, future-oriented opportunities in both domestic and international markets is how we ensure a predictable dividend stream coupled with growth in value in both domestic and international markets for our shareholders. Despite modest share-price momentum, therefore, the public equity component of the company's portfolio delivers a higher valuation than the group as a whole - positioning KHC as a compelling value proposition rooted in asset valuation.

Equity investments

Equity holdings represent 55.4% of our investment portfolio – forming the keystone of our asset architecture with significant stakes in some of the world's most recognizable brands. This equity segment stands as our most strategic and high-impact wing, anchoring our presence across high-growth sectors such as technology, aviation, education, healthcare, digital media, e-commerce, and finance, both within Saudi Arabia and globally.

Hospitality investments

KHC's hospitality segment constitutes 23.9% of the company's holdings, anchoring our position as an industry leader. Ownership and management interests in world-class properties and premium hotel chains – both within the Kingdom and across the globe – stamp our distinct identity across the hospitality landscape. This element of our portfolio also plays a foundational role in supporting the core objectives of Saudi Vision 2030 by providing the infrastructure and platforms necessary for tourism development and economic diversification.

Real estate and land investments

Contributing 20.7% of our investment portfolio, the real estate and land segment serves as one of the cornerstone structures in our asset architecture. Anchored by landmark development projects such as the Kingdom Tower in Riyadh and an array of mixed-use projects that shape urban skylines. This segment exemplifies our commitment to creating enduring real assets. The eagerly anticipated Jeddah Economic Company Tower – situated within the Jeddah Economic City, a development project led by KHC – is envisioned to be the tallest building in the world. This project will directly affect the value of the surrounding environs, while also elevating the Kingdom's image.

Focus on ESG

Kingdom Holding Company integrates ESG considerations into its investment discipline as part of long-term value creation, prudent risk management and transparent stakeholder engagement, with particular focus on governance quality, sustainable hospitality practices and credible reporting.

ESG Philosophy and Investment Discipline

Kingdom Holding Company integrates ESG considerations into investment decision-making as part of disciplined risk management and long-term value creation. The Company's approach is materiality-led, with a strong focus on governance quality, ethical conduct, and the long-term sustainability of business models, while maintaining a clear commitment to shareholder value. We believe that environmental and social sustainability, in the long term, will be compatible with our business objectives.

Stakeholder Engagement and ESG Communication

KHC prioritizes constructive shareholder engagement supported by credible, high-quality ESG communication. Enhanced disclosures and comprehensive reporting link ESG considerations to long-term performance and risk oversight, strengthening trust with global, stewardship-focused investors.

Environmental Sustainability in Hospitality

Sustainability is a core pillar of the Kingdom's hospitality strategy. In 2025, Hôtel George V maintained its BREEAM In-Use "Excellent" certifications, while The Savoy advanced environmental performance through sustainability-focused renovations and operations. The Four Seasons Resort at the Red Sea remains the Kingdom's most ambitious sustainability initiative, designed to operate entirely on renewable energy and to set a global benchmark for regenerative tourism. Portfolio-wide efforts emphasize energy efficiency, waste reduction, biodiversity protection, and responsible sourcing, aligned with Vision 2030.

Driving Vision 2030

VISION رؤية 2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

With over 30% of its investment portfolio allocated to Saudi Arabia, representing an investment value of approximately ⃁ 28.8 Bn., KHC is strategically positioned to support the Kingdom's economic transformation under Saudi Vision 2030 while delivering sustainable long-term returns.

The Company's diversified investment strategy contributes to reducing reliance on oil-based revenues, with non-oil sectors accounting for approximately 99% of total portfolio value.

KHC's diversified portfolio spans equity investments, hospitality, and real estate, with hospitality and real estate assets representing approximately 45% of total assets under management.

Through disciplined capital allocation, portfolio diversification, and strategic partnerships with leading global brands, KHC advances the objectives of Saudi Vision 2030 by supporting economic diversification, non-oil sector growth, talent development, and the Kingdom's positioning as a globally competitive and sustainable economy.

Local portfolio allocation	32.8%
Non-oil sector investments	99%

Assets under management by segment

Equity	55.4%
Hospitality	23.9%
Real Estate and Land	20.7%

Risk Management

Effective risk management is foundational for investment holding companies as it enables the organization to navigate uncertainty and preserve capital while pursuing growth.

Systemically identifying, assessing, and mitigating exposures across its diverse portfolio, therefore, helps KHC strengthen both market resilience and stakeholder trust. This discipline aligns the company's risk appetites with our long-term objectives, prevents potential losses, enables informed decision-making for our stakeholders, and ensures overall sustainable value creation.

KHC's business activities primarily expose it to a range of financial risks. These include market risks (such as currency fluctuations, fair value changes, interest-rate cash-flow, and price risk), credit risk, and liquidity risk. The Company's overarching risk management programme is designed to address the volatility of financial markets and to minimize potential adverse impacts on the Group's performance. Risk oversight is conducted by senior management under policies approved by the Board of Directors. Key risk categories include credit risk, currency risk, market risk, fair-value risk, and interest-rate cash-flow risk. The financial instruments presented in our statement of financial position include cash and cash equivalents, investments, trade receivables and other assets, bank borrowings, term loans, trade payables, and other liabilities.

The accounting policies used for each of these instruments have been disclosed within the financial statements. Where we have both the legal right and the intention to settle on a net basis, our financial assets and liabilities are presented on a net basis in the statements.

Fair Value and Commission Rate Flow Risks

Fluctuations in commission rates represent a material exposure to the financial foundation of the company - specifically in terms of fair value and commission-rate cash flow risks. These risks stem from changes in market-wide commission/interest rates that affect our assets and liabilities, including floating-rate loans, bank borrowings, and term deposits. In effect, the shifting rate environment influences the structural integrity of our net results: our estimations of the same are based on how assumed changes in commission rates would affect the balance of floating-rate financial instruments as at 31 December 2024, and 31 December 2025.

Stock Rate Risks

Stock rate risk is the possibility of deterioration in the representative value of KHC's equity holdings due to shifts in stock indices or a decline in individual share prices. Our available-for-sale investments and trading-book holdings in equity shares are exposed to this price risk. To fortify our investment structure, we architect a diversified portfolio of equity holdings, spreading exposures across sectors, regions, and issuers, managing and stabilizing the share-price risk inherent in our equity investments.

Credit Risk

Credit risk arises in our business when a counterparty fails to uphold its financial commitments tied to our financial instruments. This effectively destabilizes our structure and exposes the company to potential loss. KHC manages this risk by establishing defined credit limits for each client and continuously monitoring outstanding receivables, thus reinforcing the integrity of our financial framework.

The table below represents the maximum credit risk to which the most important items in the financial position statement are exposed.

All amounts in ⃁ Thousands

Description	2025	2024
Balances in Banks and Short-term Deposits	1,524,563	1,689,658
Receivables	611,204	252,385
Other Current Assets (receivables from Sister Companies and Others	115,167	114,893
Long-term Receivables	191,854	–
Total	2,442,788	2,056,936

Liquidity Risk

Liquidity risk refers to the possibility that an organization will struggle to secure the required cash flow or liquid assets to meet its financial commitments, reflecting a fundamental flaw in the structural elements of the company. This risk can arise when the Company struggles to divest an asset at or close to its fair value. To mitigate this risk, the Group periodically reviews its liquidity framework and maintains access to credit facilities that serve as a support beam for future obligations. On the operational front, our receivables are structured so that payments are due within 30 days of the sale, and our commercial payables are typically settled within 60 days of purchase, ensuring that our pillars of liquidity remain balanced.

Currency Risk

Currency risks arise when fluctuations in foreign exchange rates alter the foundational value of the financial instruments we hold in other countries. To mitigate this risk, the Group continuously monitors exchange-rate movements and integrates their potential impact into its consolidated financial architecture, ensuring that the statements accurately reflect and address these structural exposures. For further details, please refer to the notes accompanying these financial statements.

Due Regulatory Payments

Delays or non-compliance with due regulatory payments can pose a significant risk to our Company, as it may result in financial penalties, disruptions in operations, and reputational harm. These obligations become even more complex as regulatory frameworks continue to evolve across jurisdictions and sectors. Kingdom Holding Company meets these challenges by proactively monitoring regulatory developments and ensuring our compliance processes remain current, robust, and responsive to changing requirements.

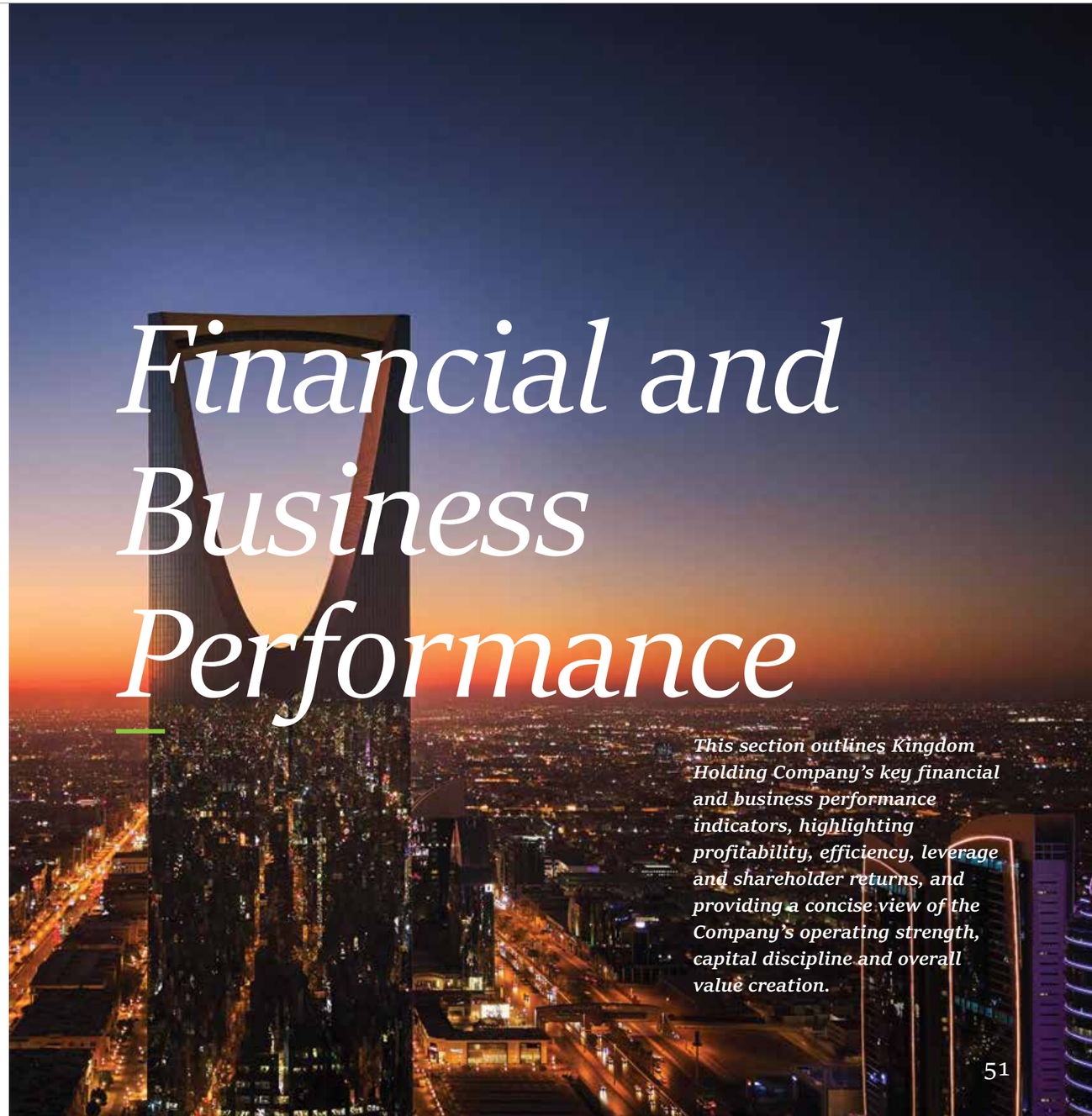
The regulatory payments due in the consolidated financial position statement for the year ended 31 December 2025 consist of the following.

All amounts in ⃁, Thousands

Description	2025	2024
Zakat provision for the year	559,420	488,516
Income Tax provision	–	3,687
Total	559,420	492,203

**Zakat of the period is the Zakat due on the Company and its local subsidiaries. The subsidiaries of the Group registered outside of the Kingdom of Saudi Arabia are subject to the Tax Regulations in the Countries in which these companies operate.*

Refer to the financial statements and attached notes for further details.



Financial and Business Performance

This section outlines Kingdom Holding Company's key financial and business performance indicators, highlighting profitability, efficiency, leverage and shareholder returns, and providing a concise view of the Company's operating strength, capital discipline and overall value creation.

Review of Kingdom Holding Company

Key Financial Performance Indicators

Valuation indicators

Share Price
(as at 31 December 2025)
⃁ 8.00

Discount factor on Fair Value NAV vs. Share Price
62%

Valuation/Returns

Earnings per Share (EPS):
0.58

Dividend yield:
3.5%

Strategic Investments and Portfolio Optimisation in 2025

Investments in Artificial Intelligence

Artificial intelligence (AI) remains a high priority and growing component of Kingdom Holding Company's international investment portfolio. The Company's largest direct AI-related exposure is through xAI, complemented by meaningful holdings in companies with significant AI integration and adjacency, including Meta and Alibaba. Collectively, these investments provide diversified access to AI-driven innovation across foundational models, platforms, and large-scale commercial applications.

From a governance perspective, KHC adopts an investment-led approach, with engagement and influence calibrated to the nature of each holding, including the size of the stake, governance rights, and strategic relevance. This framework enables appropriate oversight while preserving flexibility across a range of investment structures.

Given the inherent volatility of the technology sector, risk is managed through disciplined portion sizing, portfolio diversification, continuous monitoring, and a long-term investment horizon. This approach allows the Company to participate in structural AI growth trends while maintaining prudent portfolio risk management.

Jeddah Economic Company

KHC holds a significant stake in the Jeddah Economic Company, a flagship mixed-use development of approximately 5 Mn. square metres in Jeddah. The Jeddah Economic Company Tower, as the centrepiece of the masterplan, represents a strategically important asset with substantial potential for long-term value creation.

Construction of the Jeddah Economic Company Tower resumed in January 2025 and has progressed to the 74th floor, with completion targeted for 2028. The restart of construction marks a key turning point for the project and is expected to drive meaningful valuation uplift across KHC's surrounding landholdings within Jeddah Economic City, supported by renewed development momentum and infrastructure progress.

Beyond the Jeddah Economic Company Tower, the project offers significant mixed-use optionality. KHC is actively evaluating opportunities for participation across the healthcare, education, entertainment, and hospitality sectors within the master plan, aligned with objectives of Vision 2030 and the optimisation of land use and long-term revenue potential.

Large-scale domestic developments such as the Jeddah Economic Company Tower also serve as platforms for future collaboration. KHC continues to assess partnership and pilot opportunities with relevant international portfolio companies, leveraging global expertise while anchoring growth within the Kingdom of Saudi Arabia.

Initial Public Offering and Partial Exit from Flynas

In May 2025, KHC executed a successful partial exit from Flynas through its initial public offering (IPO) on the Saudi Stock Exchange (Tadawul), representing a key portfolio optimisation milestone. Flynas became the first airline to list on Tadawul, with the offering heavily oversubscribed and generating strong returns on KHC's long-held investment.

The IPO attracted robust demand from domestic and international institutional investors, highlighting increasing global confidence in Saudi Arabia's capital markets, and the growth prospects of the aviation and tourism sectors. The transaction also positions Flynas as a valuation reference point for the regional low-cost airline segment.

Proceeds from the IPO will support Flynas' next phase of growth, including fleet and network expansion, increased participation in the Hajj and Umrah travel market, continued digitalisation, and the scaling of cargo operations. KHC also retains exposure to Flynas' long-term upside while having realised value through a disciplined liquidity event.

Review of Core Equity Holdings

Flynas

Flynas delivered a resilient operational and financial performance in FY 2025, supported by fleet expansion, growing passenger volumes, and disciplined execution. During the year, the airline carried 15.8 million passengers, representing a 7% year-on-year increase. It operated a fleet of 71 aircraft across 156 routes, serving 80 destinations in 38 countries. As part of its network expansion strategy, Flynas introduced 25 new routes and added 12 destinations across 9 countries, further strengthening its international presence and broadening its network coverage.

During the year, Flynas successfully completed its initial public offering and was listed on the Main Market of Tadawul, marking a significant milestone in its growth trajectory. The offering was priced at ⃁ 80 per share and attracted strong demand from institutional and retail investors, reflecting confidence in the Company's strategy and long-term prospects.

The Company continues to scale its operations, supported by a growing fleet and a substantial pipeline of aircraft orders to drive future capacity and network expansion.

flynas® طيران ناس

KHC's stake in Flynas	*27.4%*
Fair value of investment	*⃁ 3 Bn.*

xAI

KHC increased its stake in xAI through participation in the Series C funding round, bringing its total investment to approximately USD 800 Mn. xAI represents the Company's largest AI exposure and a key holding within its international technology portfolio.

The investment reflects the strategic relationship between KHC, xAI, and Elon Musk, supported by the long-standing relationship between HRH Prince AlWaleed bin Talal Al Saud .

xAI's valuation has continued to evolve alongside its rapid development trajectory and growing prominence within the global artificial intelligence landscape. During 2025, continued funding activity at higher valuation levels, supported by participation from leading international investors, provided updated market-based benchmarks for valuation. This, together with accelerating global interest in generative AI platforms and large-scale model development, contributed to the reassessment of the Company's investment value. This reflects sustained investor interest and the Company's expanding role in advancing next-generation AI technologies, reinforcing its strategic relevance within KHC's international technology portfolio.

Fair Value of KHC Stake in xAI	*USD 4.5 Bn.*
Fair Value of xAI	*USD 250 Bn.*
AI exposure/international equity portfolio	*42%*

Citi

Citigroup delivered resilient performance during the year, demonstrating progress against its strategic priorities amid a complex macroeconomic environment. The Group benefited from improved operating efficiency, disciplined risk management, and solid performance across its core businesses, particularly in services, markets, and wealth. Ongoing simplification efforts contributed to greater capital flexibility and a strengthened balance sheet, supporting Citi's ability to generate more consistent returns and enhance shareholder value.

Alongside its financial performance, Citi continued to advance its multi-year restructuring and transformation programme, aimed at simplifying the organisation and sharpening its strategic focus. The restructuring involved streamlining management layers, exiting non-core markets, and realigning resources toward higher-return businesses. These actions are intended to reduce complexity, lower structural costs, and improve accountability, positioning Citi as a more focused and agile global financial institution over the medium to long term.

Fair Value of KHC stake	*USD 2.3 Bn.*

Four Seasons

Four Seasons is one of the world's most prestigious luxury hospitality and hotel management companies. It has been privately held by Kingdom Holding Company and Cascade Investment since 2007, with KHC's investment in the business dating back to 1994. Since its founding in Toronto in 1961, Four Seasons has evolved into an iconic global brand, operating 132 luxury hotels and resorts, and 55 residential properties across 47 countries.

The Company continues to execute a disciplined growth strategy across key global markets, expanding its portfolio of hotels, resorts, and branded residencies while elevating luxury experiences across land, sea, and air. Guided by a balance of heritage and innovation, Four Seasons remained focused on delivering differentiated, experience-led offerings that meet the evolving expectations of today's luxury traveller and strengthen the long-term value of the brand.

FOUR SEASONS

KHC's stake in Four Seasons	*23.75%*
Fair value of KHC stake	*USD 2.4 Bn.*

Jeddah Economic Company

Jeddah Economic Company (JEC), established in 2009, is developing Jeddah Economic City - a 5.3 Mn. square metre mixed-use destination in North Obhur, Jeddah. Anchored by the flagship Jeddat Economic Company Tower, planned to rise above 1,000 metres and become the world's tallest building, the project is designed to create a new urban landmark combining residential, commercial, hospitality, and retail spaces.

In 2025, construction continued to progress toward a revised target completion date of August 2028, reinforcing momentum for the wider development, which is positioned as a catalyst for investment, tourism, and economic diversification aligned with Saudi Vision 2030. JEC is a joint venture involving KHC, Abrar Holding Company, Qila'a Jeddah Company, and the Saudi Binladin Group, reflecting a shared ambition to support Jeddah's evolution into a globally competitive and vibrant metropolis.

شركة جدة الإقتصادية
JEDDAH ECONOMIC COMPANY

Fair value of KHC stake	*USD 3 Bn.*
Contribution to real estate Net Asset Value	*75%*

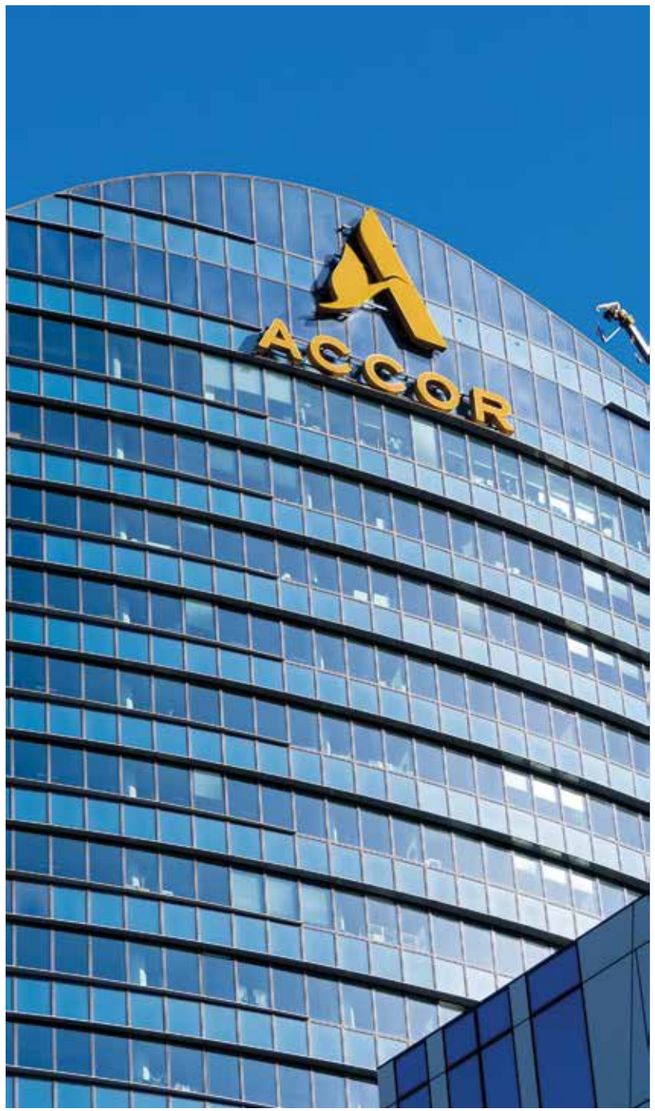
BSF

Banque Saudi Fransi (BSF) was established by Royal Decree in 1977 and has since evolved into one of the Kingdom of Saudi Arabia's leading corporate banking franchises. Formerly affiliated with Crédit Agricole CIB, BSF has developed a strong national footprint supported by four main offices (Riyadh [Head Office], Jeddah, Al-Riyadh, and Al-Khobar), 84 branches, 563 automated teller machines (ATMs), and more than 3,000 professionals. With a collaborative operating model and a clear customer-first focus, the Bank is recognised for combining agility with disciplined execution.

In 2025, BSF delivered solid financial results, with net income rising 17.8% to ⃁ 5.4 Bn., while total assets increased to ⃁ 309 Bn. During the year, the Bank sustained its strategic momentum by further enhancing digital capabilities and diversifying the product suite, introducing new services aimed at improving customer experience and operational efficiency. These initiatives supported BSF's competitive positioning and strengthened its ability to capture opportunities arising from the Kingdom of Saudi Arabia's rapidly evolving financial sector.

BSF

KHC's stake in BSF	*16.2%*
Fair value of KHC stake	*⃁ 6.8 Bn.*



ACCOR

Accor is a leading global hospitality group operating in over 100 countries, with more than 5,600 hotels and resorts, and a broad ecosystem spanning food and beverage, wellness, and flexible workspaces. It manages around 45 brands across luxury to economy, supported by its lifestyle platform (Ennismore) and its ALL booking and loyalty programme, which extends engagement beyond the hotel stay. Accor's strategy is anchored in responsible hospitality, with a focus on ethics, sustainability, community impact, and inclusion.

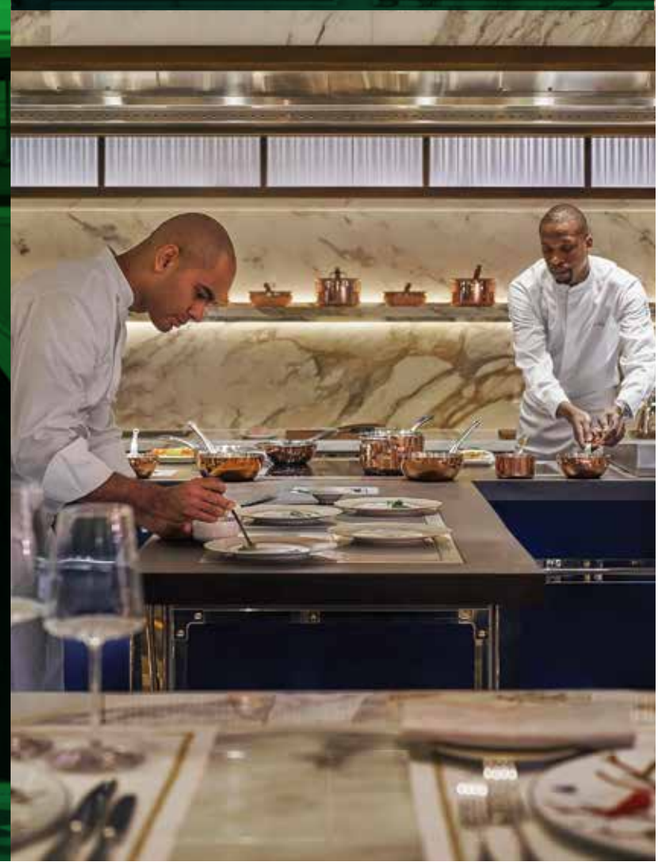
In 2025, Accor continued its growth momentum by expanding its lifestyle and luxury presence in strategic markets, particularly in the Middle East and Asia-Pacific. It also advanced its digital transformation through enhanced booking capabilities and wider adoption of contactless guest services. These initiatives improved guest satisfaction and operational agility, supporting Accor's ability to capture demand for personalised travel experiences.

ACCOR

KHC's stake in Accor	*6.8%*
Fair value of KHC stake	*⃁ 3.5 Bn.*

Performance Review by Sector

Hospitality



Operating Environment

In 2025, the global hospitality sector remained resilient as markets transitioned to a more normalised cycle. While growth moderated, the demand for luxury and experiential travel remained structurally strong. The year was defined by heightened competition in mature gateway cities, geopolitical uncertainty, easing but still elevated interest rates, and ongoing labour and cost inflation, placing greater emphasis on margin discipline and operational efficiency.

Hospitality portfolio value	*⃁ 21.5 Bn.*
Hospitality share of total gross asset value	*23.9%*

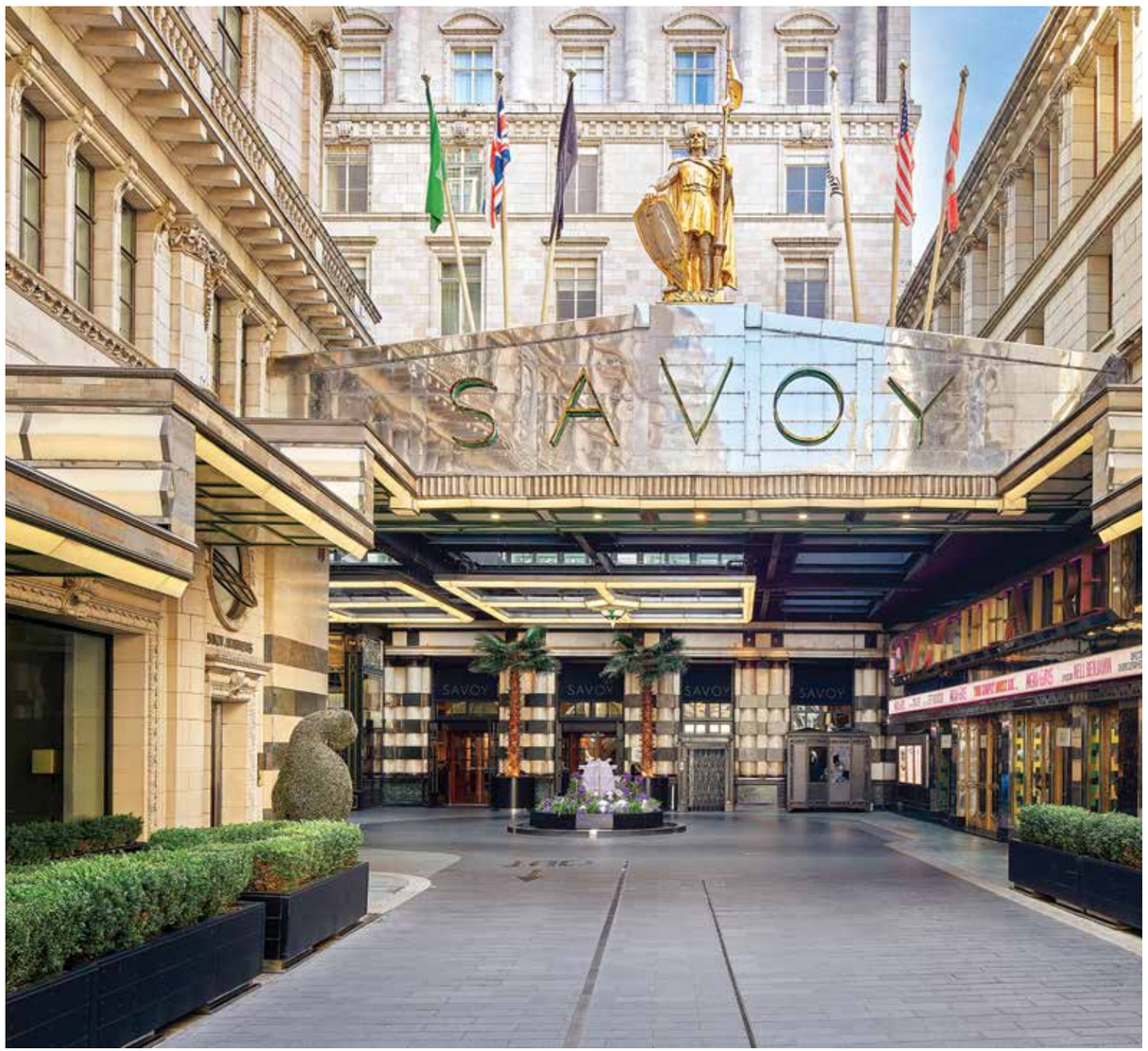
Portfolio Performance

Hospitality remains a core pillar of KHC's diversified portfolio, representing 23.9% of Gross Asset Value. The portfolio comprises a mix of strategic stakes in global hospitality platforms and high-quality trophy assets, including investments in Four Seasons and Accor, as well as landmark properties such as the Hotel George V in Paris, The Savoy in London, and resort assets in the Seychelles. The Company also maintains exposure to destination-led development through its participation in the Red Sea Project.

Against this backdrop, KHC's hospitality portfolio delivered a solid performance, supported by diversified exposure to leading global management platforms and iconic assets. Four Seasons remained a key earnings contributor, benefiting from disciplined cost control and a progressive dividend policy. Accor delivered stable operating results and continued capital returns, reinforcing its role as a long-term strategic holding.

At the asset level, the Four Seasons Hotel George V in Paris again demonstrated the resilience of trophy assets, performing strongly despite renovation-related disruption. The Hotel progressed through a transition year, with renovation work and capital-structure simplification initiatives advancing as planned, strengthening the foundation for future value creation.

In Saudi Arabia, the Four Seasons Resort at the Red Sea continued to advance toward operational readiness, with its opening now expected in 2026. Designed to operate on 100% renewable energy and promote regenerative tourism, the project represents a strategically transformative investment aligned with Saudi Vision 2030 and positions KHC to participate directly in the next phase of tourism growth.



Future Outlook

KHC's hospitality strategy in 2025 remained focused on optimisation rather than expansion. No hospitality exits were completed during the year, as management prioritised asset enhancement, governance engagement, and capital-structure initiatives. Technology adoption across operating platforms continued to support guest personalisation, operational efficiency, and sustainability.

Looking ahead, the completion of major renovations and launch of the Four Seasons Resort at the Red Sea are expected to support a growth in earnings from 2026 onward. Supported by sustained demand for luxury travel and Saudi Arabia's accelerating tourism development, the hospitality portfolio remains well-positioned for sustainable long-term value creation.

High-Tech Equity Holdings

Operating Environment

In 2025, the global technology and AI sectors continued to evolve rapidly, driven by accelerating adoption of AI across industries, increasing investment in data infrastructure, and heightened public and regulatory scrutiny. While innovation momentum remained strong, the operating environment was characterised by market volatility and an ongoing debate around the economic, social, and environmental implications of AI.

KHC approached this environment with a focus on transparency, accountability, and responsible governance. Public communications addressed AI-related controversies directly, emphasising practical applications, workforce enablement, productivity gains, and alignment with the ambition of Saudi Vision 2030 to build a diversified, high-tech economy. KHC's messaging consistently framed AI as a long-term economic accelerator rather than a short-term cost-reduction tool.

Stake in High-Tech Equity Holdings	*58%*
Fair value of investment	*⃁ 22.9 Bn.*

Portfolio Performance

During the year, KHC continued to strengthen its exposure to high-tech and innovation-led sectors. The Company is the second-largest shareholder in X (formerly Twitter), and maintains strategic exposure to AI and digital platform businesses through investments in xAI, Meta, Uber, Lyft, and other global leaders. xAI represents KHC's largest single AI-related investment, complemented by holdings in companies with significant AI integration and adjacency.

The portfolio benefited from disciplined capital allocation, diversified exposure, and long-term investment horizons, which helped to manage sector volatility. Governance engagement is calibrated to the size and strategic relevance of each holding, balancing financial stewardship with influence where appropriate. In addition to listed investments, KHC continued to evaluate selective opportunities in unlisted technology, biotechnology, and renewable energy ventures aligned with Saudi Vision 2030.

Technology adoption also continued across KHC's operating platforms. In hospitality, Four Seasons invested in data, digital systems, and AI-enabled tools to enhance guest personalisation, loyalty, and operational efficiency, while maintaining strong human oversight. At the asset level, technology upgrades were incorporated into renovation programmes to improve guest experience, sustainability outcomes, and operational control.

Future Outlook

Looking ahead, KHC expects AI and technology to remain central drivers of long-term value creation. The Company intends to broaden its innovation-led portfolio through selective investments in unlisted technology and biotechnology ventures, renewable energy opportunities, and promising Saudi technology startups.

KHC is also actively exploring the deployment of AI and other advanced technologies across its domestic portfolio, both through direct investment and operational enhancement of existing assets. The Company continues to monitor developments within its global technology holdings, including the integration of xAI within SpaceX and a planned SpaceX IPO, which could provide additional pathways for value realisation and portfolio optimisation over time. Risk management will remain anchored in disciplined sizing, diversification, continuous monitoring, and a long-term investment horizon.

Overall, KHC will continue to reposition its portfolio toward innovation-led growth sectors, balancing opportunity with resilience and governance discipline, while supporting objectives of Saudi Vision 2030 and long-term shareholder value creation.

Education

Operating Environment

In 2025, the education sector in Saudi Arabia continued to benefit from strong structural tailwinds, including population growth, rising demand for high-quality private education, and ongoing sector privatisation under Saudi Vision 2030. Education was also among the strongest-performing sectors during the year, supported by government initiatives to expand private-sector participation and improve educational outcomes.

KHC's stake in Kingdom schools	*89.8%*
Fair value of investment	*⃁ 256.4 Mn.*

Portfolio Performance

KHC's investments in education delivered strong operational momentum in 2025, led by Kingdom Schools. Kingdom Schools' positioning as a sought-after education provider is reinforced by its Cognia accreditation, supporting academic quality and international recognition.

Strong enrollment growth, substantial waiting lists, and disciplined cost management underpin the portfolio's performance. Kingdom Schools continues to represent a stable and growing platform within KHC's diversified portfolio, combining predictable demand with long-term value creation.

Future Outlook

KHC views education as a strategic, long-term investment aligned with the Kingdom of Saudi Arabia's economic diversification and human capital development objectives. Kingdom Schools serves as KHC's flagship education platform, with clearly defined expansion plans. These include horizontal growth through additional K–12 campuses in Riyadh and other cities, as well as vertical integration into adjacent segments such as higher education, executive education, early childhood education, and related services.

Looking ahead, KHC intends to meaningfully increase its exposure to education through direct investments, platform expansion, and strategic partnerships. Together with investments in healthcare and other non-oil sectors, the education portfolio remains central to KHC's Vision 2030 and long-term value creation strategy.

Healthcare

Operating Environment

Saudi Arabia's healthcare sector continues to benefit from structural tailwinds driven by population growth, rising demand for high-quality medical services, and government-led privatisation initiatives. KHC's investments in healthcare, including its stakes in Dallah Health, directly align with national efforts to expand private-sector participation and enhance service delivery under Saudi Vision 2030.

KHC stake in Dallah Healthcare	*4.99%*
Fair value of healthcare investments	*⃁ 637 Mn.*

Portfolio Performance

KHC maintains exposure to the healthcare sector through its equity portfolio, via a 4.99% stake in Dallah Health. During the year, the healthcare sector continued to perform strongly, supported by resilient demand and attractive long-term fundamentals. Dallah Health's position as a leading Saudi healthcare platform continues to underpin stable performance and value creation.

Future Outlook

KHC's healthcare investment strategy builds on its long-standing experience in the sector and partnership with established operators. The Company remains focused on quality outcomes, operational efficiency, and disciplined long-term growth across core healthcare services. Through a patient-capital approach and active engagement with portfolio companies, KHC aims to support sustainable returns while contributing to the Kingdom of Saudi Arabia's broader objectives of economic diversification and enhanced healthcare delivery.

Financial Review

Preparation of Financial Statements

The Condensed Consolidated Interim Financial Statements are issued with a review report and the Annual Consolidated Financial Statements are issued with an audit report by the Independent Auditors. These Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

As part of this requirement, the Group has prepared Condensed Consolidated Interim Financial Statements for each quarter of 2025 and Annual Consolidated Financial Statements for the year ended 31 December 2025 in accordance with IFRS that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA.

Deloitte and Touche & Co. (Deloitte) was appointed as Kingdom Holding Company's Independent Auditors after the Audit Committee recommended Deloitte to the Board of Directors to audit the Company's accounts for the fiscal year 2025 and Q1 2026. The Board of Directors requested the approval of the nomination of Deloitte and its fees during the General Assembly Meeting in May 2025, at which time the appointment was approved.

After auditing the Consolidated Financial Statements for the year ended 31 December 2025, Deloitte issued its unqualified Independent Auditors' Report expressing their opinion that the Consolidated Financial Statements as a whole present fairly, in all material respects, the consolidated financial position of Kingdom Holding Company and its subsidiaries as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS, that are endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the SOCPA.

Summary of the Financial Statements

Income Statement

(All amounts in ⃁ Thousands)

Description	2025	2024	2023	2022	2021
Total Revenues	2,692,165	2,390,524	2,703,372	2,492,121	1,508,354
Total Costs and Expenses	(1,611,900)	(1,552,930)	(1,706,106)	(1,339,794)	(1,010,938)
Losses/Gains from Selling Investments and Other	2,056,794	1,551,309	1,501,242	6,758,446	1,238,775
Income from Main Activities	3,137,059	2,388,903	2,498,508	7,910,773	1,736,191
Net Financial Expense	(828,627)	(937,643)	(1,202,433)	(604,333)	(406,114)
Income before Zakat and Tax	2,308,432	1,451,260	1,296,075	7,306,440	1,330,077
Zakat and Tax	(195,533)	(244,094)	(307,832)	(364,286)	(325,852)
Non-controlling Interests	(30,395)	(29,804)	(25,000)	(15,714)	(13,202)
Net income attributable to shareholders	2,143,294	1,236,970	1,013,243	6,957,868	1,017,427

The reason of the increase in the net profit during the current year compared to the last year is due to increase in Gain on sale of equity-accounted investee, positive impact from Reversal of impairment for equity accounted investee, increase in Dividend income, decrease in Financial charges, increase in Hotels and other operating revenues, increase in Gain on investments at FVTPL, decrease in Zakat, decrease in Withholding and Income tax. Despite of decrease in Share of results from equity-accounted investees, decrease in Gain on sale of investment property, decrease in Finance income, increase in Hotels and other operating costs, increase in General, administrative and marketing expenses decrease in Other gains, net and increase in Impairment of financial assets.

Statement of the Financial Position

(All amounts in ⃁ Thousands)

Description	2025	2024	2023	2022	2021
Current Assets	2,841,062	2,629,466	2,939,935	4,142,237	3,943,533
Current Liabilities	(3,475,324)	(4,767,458)	(3,939,791)	(7,359,408)	(7,236,011)
Working Capital	(634,262)	(2,137,992)	(999,856)	(3,217,171)	(3,292,478)
Current Assets	2,841,062	2,629,466	2,939,935	4,142,237	3,943,533
Investments at fair value through other comprehensive income	39,536,004	22,105,792	19,502,567	19,085,926	16,340,198
Equity-accounted Investees	19,617,880	18,196,697	17,172,435	16,371,058	16,343,166
Long-term receivables	191,854	–	1,250,399	1,162,715	1,081,595
Investment Properties	3,367,564	3,124,986	3,997,522	3,676,690	3,688,531
Properties and Equipment	7,422,158	6,801,405	6,823,581	6,508,529	6,861,903
Intangible Assets	1,895,015	1,789,159	1,839,916	1,813,812	1,945,430
Other Long-Term Assets	62,784	71,707	571,980	394,509	614,972
Total Assets	74,934,321	54,719,212	54,098,335	53,155,476	50,819,328
Current Liabilities	3,475,324	4,767,458	3,939,791	7,359,408	7,236,011
Long-Term Loans	11,487,254	9,551,676	12,763,240	13,256,073	10,586,093
Other Long-Term Liabilities	953,362	841,236	770,886	320,873	558,355
Total Liabilities	15,915,940	15,160,370	17,473,917	20,936,354	18,380,459
Paid Up Capital	37,058,823	37,058,823	37,058,823	37,058,823	37,058,823
Reserves and retained earnings	5,818,299	4,331,360	5,026,700	8,986,739	2,788,399
Unrealized gains/(losses) from investments at fair value through other comprehensive income	15,580,909	(2,372,493)	(6,758,124)	(14,712,982)	(9,036,703)
Other Reserves	(54,401)	(84,561)	(155,857)	(605,841)	79,638
Equity attributable to shareholders	58,403,630	38,933,129	35,171,542	30,726,739	30,890,157
Minority Rights	614,751	625,713	1,452,876	1,492,383	1,548,712
Total equity	59,018,381	39,558,842	36,624,418	32,219,122	32,438,869
Total liabilities and Equity of shareholders	74,934,321	54,719,212	54,098,335	53,155,476	50,819,328

For further details, kindly refer to the financial statements and attached notes.

Approximate Analysis of the Total Source Revenues according to the Geographical Distribution

The Company believes that it is not feasible to report its revenues on a geographical basis, since the company classifies its activities based on sectors. However, to adhere to the Corporate Governance Requirements issued by the Capital Market Authority, the following has been prepared:

(All amounts in ⃁ Thousands)

2025	Kingdom of Saudi Arabia	Asia	North America and Europe	Total
Total Assets	67,949,193	441,417	6,543,711	74,934,321
Total Liabilities	11,854,801	49,816	4,011,323	15,915,940
Total Revenues	1,638,983	83,213	969,969	2,692,165
Net Income (Loss)	2,159,867	9,623	(56,591)	2,112,899

(All amounts in ⃁ Thousands)

2024	Kingdom of Saudi Arabia	Asia	North America and Europe	Total
Total Assets	48,448,899	431,539	5,838,774	54,719,212
Total Liabilities	11,632,882	60,587	3,466,901	15,160,370
Total Revenues	1,376,369	78,300	935,855	2,390,524
Net Income (Loss)	1,268,751	5,190	(66,775)	1,207,166

Subsidiaries are often concentrated in the Kingdom of Saudi Arabia. Their revenues come geographically from the Kingdom. There are also two subsidiaries in Europe, which are George V and Savoy. Their revenues come geographically from Europe.

Analysis of the Total Source Revenues according to the Main Sectors

(All amounts in ⃁ Thousands)

2025	Sectors			
	Shares	Hotels	Real Estate, Local Investments and Others	Total
Total Assets	61,733,194	6,907,567	6,293,560	74,934,321
Net Income	2,034,565	(46,985)	125,319	2,112,899

2024	Sectors			
	Shares	Hotels	Real Estate, Local Investments and Others	Total
Total Assets	42,119,933	6,192,752	6,406,527	54,719,212
Net Income	1,204,538	(61,644)	64,272	1,207,166

Approach to ESG and Corporate Governance

Kingdom Holding Company approaches ESG and corporate governance as integral components of long-term value creation, embedding sustainability, responsible oversight and strong governance practices across its portfolio to support resilient growth and meaningful stakeholder impact.

Sustainability Commitment

Kingdom Holding Company believes that long-term success is built on more than financial returns. The Company is supported by a strong sustainability architecture: one that integrates economic performance with meaningful contributions to society and the environment.

As a responsible global investor, KHC has embedded Corporate Social Responsibility (CSR) principles into the very blueprint of its investment strategy. The Company actively supports and oversees the CSR frameworks of its portfolio companies, ensuring alignment with Saudi Vision 2030, which places sustainability, social equity, and economic growth at the centre of the national development model.

KHC's diversified portfolio spans multiple sectors, each forming a structural pillar in its broader sustainability framework.

Hospitality

In the hospitality sector, portfolio companies such as Accor Group and Four Seasons incorporate environmental and social considerations into their operations. These include resource efficiency, responsible design, and community engagement initiatives. Selected properties, such as Raffles Seychelles, reflect efforts to align tourism operations with environmental conservation and local community development.

Aviation

In aviation, Flynas continues to improve operational efficiency, including initiatives related to fuel usage and fleet optimisation. The Company also participates in community-oriented programmes within Saudi Arabia, contributing to broader social engagement objectives across the portfolio.

Real Estate and Urban Development

Through Jeddah Economic Company, KHC supports large-scale urban development initiatives in Jeddah. These developments are guided by an integrated approach that considers infrastructure, livability, and environmental factors in shaping long-term urban environments.

Education

Kingdom Schools contributes to human capital development through education and student-focused programmes, supporting access to learning and community engagement.

Across its portfolio, KHC adopts a structured approach to sustainability and corporate responsibility, working with portfolio companies to implement frameworks that address environmental and social priorities with measurable outcomes. This reflects its commitment to embedding responsible business practices, supporting long-term value creation and sustainable development across Saudi Arabia and its international footprint.

The Principal Activities of the Company

The purposes of the company are carrying out the following activities:

1. Managing its subsidiaries or participating in the management of other companies, to which it contributes, and providing the necessary support thereto.
2. Investing its fund in stocks and other securities.
3. Possessing, using, and renting industrial property rights including patents, trademarks, industrial brands, franchise rights, and other rights and leasing for its subsidiaries and others.
4. Any other legal and legitimate purpose consistent with the nature of the company.

Kingdom Holding Company will continue to pursue its strategy of investment and management with the objective of delivering sustainable returns to shareholders, and supporting the growth of Saudi Arabia under the Vision 2030 strategic plan.

Most Prominent Events of 2025

1. Kingdom Holding Company announced the Board of Directors' recommendation to transfer the entire balance of the statutory reserve, amounting to ⃁ 1.80 Bn. to the Company's retained earnings.
2. The IPO of Flynas, an associate of KHC, was successfully completed in the second quarter of 2025. As part of the offering, KHC sold a portion of its stake, while Flynas also raised new capital, resulting in a dilution of KHC's shareholding from 37.1% to 27.4%. The transaction generated a gain of ⃁ 470 Mn., contributing positively to the financial statements.

Loan Details of Kingdom Holding Company and its subsidiaries:

All amounts in ⃁ Thousands

Description	2025	2024	2023	2022	2021
Kingdom Holding Company	5,980,727	6,298,430	8,701,902	12,159,182	9,570,420
Kingdom 5 – KR – 11 Limited	2,779,592	2,862,210	2,672,431	2,591,722	3,326,492
Kingdom 5 – KR – 35 Group (George V)	1,839,419	1,614,772	1,142,259	1,213,398	1,344,117
Kingdom 5 – KR – 114 Limited (Savoy)	924,501	857,425	1,704,026	1,568,868	1,666,852
Others	1,244,282	964,598	751,510	828,328	535,174
Total	12,768,521	12,597,435	14,972,128	18,361,498	16,443,055

Loan Details of All the Above Companies:- Kingdom Holding Company

All amounts in ⃁ Thousands

Description	Loan Origin	Paid During the Year	Outstanding Balance	Term of Loan	Due Date
Banque Saudi Fransi	970,000	970,000	–		
Saudi National Bank	6,185,000	2,185,000	4,000,000	3 Years	October 2028
Crédit Agricole	748,510	–	748,510	1 Year	January 2027
Credit Agricole – Jumbo	1,575,000	1,575,000	–		
CITI SES	1,320,900	–	1,320,900	1 Year	September 2026
Saudi National Bank – KIDC	181,966	28,805	153,161	10 Year	September 2030
Prepaid Loan Fee	(57,314)	–	(88,682)		
Total	10,924,062	4,758,805	6,133,889		

The loans assume borrowing costs according to the prevailing rates between banks in the Kingdom of Saudi Arabia (SIBOR) and the prevailing rates between banks in London (LIBOR), plus a certain profit margin. The company guarantees them through some of its investments. Bank loan agreements include financial undertakings, including those necessary to maintain a certain equity balance, commission coverage ratio, and specific loan ratios to the market value of the collateral provided. These loans are subject to review and amendment according to the needs of the company, thus some agreements and terms of the loans have been amended according to the last amendment made to these agreements.

Kingdom 5 – KR – 11 Limited

(All amounts in ⃁ Thousands)

Description	Loan Origin	Paid During the Year	Outstanding Balance	Term of Loan	Due Date
Crédit Agricole – France	1,663,052	424,510	1,238,542	3 Year	July 2027
Société Générale – France	1,541,050	–	1,541,050	2 Year	December 2027
Total	3,204,102	424,510	2,779,592		

The loans assume a floating rate commission that is calculated on the basis of the main commission rate (according to the prevailing commission rates between banks in London) plus a certain margin in the loan currency. The facilities are guaranteed by some investments available for sale and other investments. The main currency of these loans is the USD. These loans are subject to review and amendment according to the needs of the company, thus some agreements and terms of these loans have been amended according to the last amendment made to these agreements.

Kingdom KR – 114 Limited (Savoy)

(All amounts in £ Thousands)

Description	Loan Origin	Paid During the Year	Outstanding Balance	Term of Loan	Due Date
Syndicated loan (DBS, OCBC, NBK)	185,000	–	185,000	5 Year	October 2028

The facility represents a £185 million syndicated loan arranged with DBS, OCBC, and NBK, refinanced in October 2023.

The loan carries an all-in interest rate of approximately 7%, comprising a 2.1% margin over SONIA.

Approximately 75% of the facility is hedged.

Kingdom 5 – KR – 35 Group (George V)

(All amounts in ⃁ Thousands)

Description	Loan Origin		Paid During the Year		Outstanding Balance		Term of Loan	Due Date
	In Euro	In Riyal	In Euro	In Riyal	In Euro	In Riyal		
Société Générale – Natixis, NBK, and CACIB	425,765	1,874,643	8,000	35,224	417,765	1,839,419	5 Year	September 2028

The loans are guaranteed by mortgaging the properties of George V Hotel. The loan agreements include some financial undertakings that require maintaining the asset value coverage rate and maintaining a cash collateral insurance. The loans carry a floating rate commission according to the prevailing commission rates between the banks in London for three months. The main currency of these loans is Euro. These loans are subject to review and amendment according to the needs of the company, thus some agreements and terms of these loans have been amended according to the last amendment made to these agreements.

Others

(All amounts in ⃁ Thousands)

Description	Loan Grantor	Loan Origin	Paid During the Year	Outstanding Balance	Term of Loan	Due Date
Trade Centre Company Limited	ANB	1,090,712	–	1,090,712	5 Year	December 2030

These loans are subject to review and amendment according to the needs of the company, thus some agreements and terms of the above-mentioned loans have been amended according to the last amendment made to these agreements.

Details of Transactions related to Kingdom Holding Company, its subsidiaries, and shareholders:

Liabilities Due from Relevant Entities

These transactions arose because of the normal and principal activities of the group. These transactions are carried out in accordance with the terms and conditions for dealing with third parties. The details of these transactions are as follows:

(All amounts in ⃁ Thousands)

Name of Company	Nature of Transaction	Amount
Al Azizia Commercial Investment Company	Liabilities due from Associate Companies	114,801
Other	Liabilities due from Associate Companies	366
Total		115,167

Liabilities Due to Relevant Entities

These transactions arose as a result of the normal and principal activities of the group. These transactions are carried out in accordance with the terms and conditions for dealing with third parties. The details of these transactions are as follows:

(All amounts in ⃁ Thousands)

Name of Company	Nature of Transaction	Amount
Qatar Investment Authority	Liabilities due to Associate Entities	604,045
Other	Liabilities due to Associate Entities	364
Total		604,409

Assemblies of Shareholders:

Extraordinary General Assembly

1. The Board of Directors Report for the fiscal year ending on 31 December 2024, was reviewed and discussed.
2. The Company's financial statements for the fiscal year ending on 31 December 2024, were reviewed and discussed.
3. Approval of the external auditor report for the fiscal year ending on 31 December 2024, after discussion.
4. Approved to absolve the members of the Board of Directors from liability for year ended 31 December 2024.
5. Approved on amendment to the Audit Committee Charter.
6. Approved on the amendment to the Remuneration Policy.
7. Approved on the Nomination and Remuneration Committee Charter.
8. Approved on the Social Responsibility Policy.
9. Approved on the Board of Directors' recommendation to transfer the entire balance of the statutory reserve, amounting to ⃁ 1,798,157,000 as per the audited financial statements for the year ended 31 December 2024G, to the Company's retained earnings.
10. Approved the appointment of Deloitte & Touche & Co. from among the candidates based on the recommendation of the Audit Committee, to examine, review and audit the financial statements for the second, third quarters and the annual financial statements for the fiscal year of 2025 and the first quarter of the fiscal year 2026, and the total fees ⃁ 4,350,000 excluding VAT.
11. Approved on the disbursement of an amount of six hundred thousand Saudi Riyal (⃁ 600,000) being the remuneration of the Independent Board of Directors with an amount of two hundred thousand Saudi Riyal (⃁ 200,000) for each member for the fiscal year ending on 31 December 2024 AD.
12. Approved on the Board of Directors' recommendation dated on 17/09/1446 A.H corresponding to 17 March 2025 to distribute cash dividends from the retained earning amounting to (1,037.6) Mn. riyals to shareholders for the year 2024, amounting to ⃁ 0.28 per issued share for the whole year, representing 2.8% of the nominal value of the share, and the distribution will be made on a quarterly basis at the rate of 0.7% of the nominal value of the share, at the rate of 7 halalas per quarter for each issued share, for a total of ⃁ 259.4 Mn. per quarter. Eligibility and payments dates are as follows:

    First payment: eligibility will be based on the records of registered shareholders according to company records at the end of trading on the day of 16/12/1446 A.H corresponding to 12 June 2025 and will be paid ten working days after the second trading day following the eligibility date.

    Second payment: eligibility will be based on the records of registered shareholders according to company records at the end of trading on the day of 06/02/1447 A.H corresponding to 31 July 2025 and will be paid ten working days after the second trading day following the eligibility date.

Third Payment: eligibility will be based on the records of registered shareholders according to company records at the end of trading on the day of 09/04/1447 A.H corresponding to 01 October 2025 and will be paid ten working days after the second trading day following the eligibility date.

Fourth Payment: eligibility will be based on the records of registered shareholders according to company records at the end of trading on the day of 11/07/1447 A.H corresponding to 31 December 2025 and will be paid ten working days after the second trading day following the eligibility date.

13. *Approved to authorize the Board of Directors to distribute interim cash dividends on a semi-annual or quarterly basis for the fiscal year 2025.*

Ordinary General Assembly

1. *Approve the Standards for Competing Business.*
2. *Approve authorizing the Board of Directors with the General Assembly authority with the rights mentioned in paragraph (1) of Article (27) of the Companies Law for one year from the date of approval of the General Assembly or until the end of the session of the authorized Board of Directors, whichever is earlier, in accordance with the conditions mentioned in the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.*
3. *Approve authorizing the Board of Directors with the General Assembly authority with the rights mentioned in paragraph (2) of Article (27) of the Companies Law for one year from the date of approval of the General Assembly or until the end of the session of the authorized Board of Directors, whichever is earlier, in accordance with the provisions of the Companies Law and its Implementing Regulation for Listed Joint Stock Companies and according to the competing activities and business in the Standards for Competing Business.*

The Company's General Assembly Meetings and the Names of the Attending Members of the Board of Directors

Name of Member	Date of meeting	
	20 May 2025	10 December 2025
HRH Prince Alwaleed bin Talal bin Al Saud	√	√
Dr Lama Abdulaziz AlSuliman	√	√
Eng Talal Ibrahim Al-Maiman	√	√
Mr Abdulmajeed Ahmed Alhaqbani	√	√
Mr Adel Abdulaziz Al-Abdulsalam	√	√
Mr Sarmad Zok	√	√
Mr Hesham Suliman AlHabib	√	√
Ms Reem Mohammed Assad	√	√
Mr Tamim Bassam Jabr	√	√

Meetings of the Board of Directors

The number of Board of Directors meetings during the year was 20.
The number of sessions attended by each member is as follows:

Name of Member	Membership Type	Date of Meeting								Date of Meeting											
		1 March	4 March	16 March	25 March	10 April	24 April	28 April	13 May	25 May	23 July	10 August	27 August	1 September	15 September	8 October	9 November	16 November	11 December	15 December	23 December
HRH Prince AlWaleed bin Talal Al Saud "Chairman of the board"	Non-Executive	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Dr Lama Abdulaziz AlSuliman	Independent	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Eng Talal Ibrahim Al-Maiman	Executive	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Mr Abdulmajid Alhaqbani	Non-Executive	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Mr Adel Abdulaziz Al-Abdulsalam	Executive	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Mr Sarmad Zok	Executive	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Mr Hesham Suliman AlHabib	Independent	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Ms Reem Mohammed Assad	Independent	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Mr Tamim Bassam Jabr	Executive	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√

Investor Relations Management

Kingdom Holding Company has continued to strengthen its Investor Relations function through transparent communication, proactive engagement and consistent disclosure, supporting constructive dialogue with the investment community and reinforcing confidence in the Company's strategy, performance and long-term value proposition.

Overview

Since 2024, KHC has continued to strengthen its Investor Relations (IR) function, reinforcing its commitment to transparency, proactive engagement, and clear communication with the investment community. Led by an experienced IR team, the function supports constructive dialogue with institutional investors, analysts, and other key stakeholders, building confidence in the Company's strategy and performance.

Investment Narrative and Engagement

KHC positions itself as a disciplined investment company with a clear capital allocation framework across Equity Investments, Hospitality, and Real Estate. Investor messaging emphasises portfolio purpose, resilient income, selective long-term growth, and active portfolio management, rather than a collection of stand-alone assets. This narrative is consistently reinforced through premier investor conferences, a best-in-class IR digital hub, enhanced disclosures, quarterly earnings calls, and the Annual Report.

Communicating Strategy

For strategic assets aligned with national development objectives, KHC balances its long-term value story with near-term earnings visibility by communicating clear, trackable milestones, including governance progress, execution phases, delivery readiness, and operating Key Performance Indicators (KPIs). A transparent capital allocation hierarchy — focused on protecting financial flexibility, funding strategic commitments in phases, and pursuing selective growth within defined risk limits — helps investors understand capital prioritisation decisions.

Financial reporting follows International Financial Reporting Standards (IFRS), with a clear distinction between recurring performance and non-recurring or market-driven items. Operating metrics are discussed at the appropriate asset level, while portfolio outcomes are explained through clear performance drivers, enhancing visibility on earnings quality.

Managing Investor Focus

Investor communications around major events, such as the Flynas Initial Public Offering (IPO), are grounded in regulatory discipline and consistent messaging aligned with formal disclosures. Ongoing updates are provided through earnings calls and the IR digital hub.

Exposure to artificial intelligence (AI) and technology is communicated through a portfolio construction lens, emphasising disciplined sizing, diversification, governance oversight, and long-term investment horizons. Dividends are positioned as a function of sustainable cash generation and disciplined capital allocation, balancing stable income sources with variable returns from capital recycling.

Governance, ESG and Outlook

KHC's IR approach emphasises strong governance, credible ESG communication, and constructive shareholder engagement, supporting long-term value creation and risk management. The Company also positions itself in alignment with Saudi Arabia's growth and economic diversification agenda through consistent, milestone-based communication.
Looking ahead, KHC will continue to institutionalise best-in-class investor relations, focusing on enhanced disclosure quality, expanded global outreach, and predictable engagement through quarterly earnings calls. The objective remains to make KHC easier to underwrite through clarity, consistency, and credibility.

Corporate Governance

Board of Directors and Executive Management

HRH Prince Alwaleed bin Talal bin Abdulaziz Al Saud

Chairman

Board roles

- *Chairman, Kingdom Holding Company (**Board term:** 5 June 2024 – 4 June 2027)*
- *Chairman, Investment Committee, Kingdom Holding Company*

Professional experience

- *Founder and Chairman, Kingdom Holding Company, leading a diversified global investment platform spanning multiple sectors*
- *Long-standing investor with extensive experience across international capital markets, real estate, hospitality, financial services, and technology*

Board memberships (other organizations)

- *Chairman, Rotana Media Group*
- *Chairman, Alwaleed Philanthropies*

Academic qualifications

- *Bachelor's Degree in Administrative and Economic Sciences, Menlo College, USA (1979)*
- *Master's Degree in Social Sciences, Syracuse University, USA (1985)*

Dr Lama Abdulaziz Al-Sulaiman
Independent Board Member, Vice Chairperson

Board roles

- ***Board term:*** *5 June 2024 – 4 June 2027*
- *Independent Board Member, Kingdom Holding Company*
- *Vice Chairperson, Board of Directors*
- *Member, Nomination and Remuneration Committee*

Professional experience

- *Representative of Saudi employers at the International Labour Organization for eight years*
- *Leadership roles across business and civic institutions in Saudi Arabia*

Previous board roles

- *Vice Chair and Board Member, Jeddah Chamber of Commerce*
- *Executive Board Member, International Chamber of Commerce*
- *Board Member, Khadijah Bint Khuwailid Center for Women*

Board memberships (other organizations)

- *Board Member, Rolaco Holdings*
- *Board Member, Red Sea International*

Academic qualifications

- *Bachelor's Degree in Biochemistry, King Abdulaziz University (1989)*
- *Master's Degree in Nutrition, King's College London (2003)*
- *PhD in Nutrition, King's College London (2003)*

Eng Talal Ibrahim Al-Maiman
Executive Board Member, Chief Executive Officer

Board roles

- ***Board term:*** *5 June 2024 – 4 June 2027*
- *Executive Board Member, Kingdom Holding Company*
- *Chief Executive Officer, Kingdom Holding Company*
- *Member, Investment Committee, Kingdom Holding Company*

Professional experience

- *Joined Kingdom Holding Company in 1996*
- *Former Head of the Local Development and Investments Division, Kingdom Holding Company*
- *Director of Information Systems, Saudi Arabian Monetary Authority (1986–1996)*
- *Director of Operations and Maintenance, Saudi Ministry of Interior (1979–1986)*

Previous board roles

- *Chairman, Kingdom Real Estate Investment Company*
- *Chairman, Kingdom Investment and Development Company*
- *Chairman, Five Capital Fund*
- *Board Member, Savola Group*
- *Board Member, Saudi Research and Marketing Group*

Board memberships (other organizations)

- *Deputy Chairman, Banque Saudi Fransi*
- *Vice Chairman, National Industrialization Company*
- *Vice Chairman, National Air Services (NAS)*
- *Chairman, Saudi Fransi Capital*
- *Board Member, Dallah Healthcare*
- *Chairman, Five Capital Advisors (DIFC)*

Academic qualifications

- *Master of Business Administration, University of Liverpool*
- *Bachelor's Degree in Electrical Engineering, University of Evansville, Indiana*
- *Diploma in Computer Science, Computer Science Center, Virginia*
- *Executive Management Program, Harvard University*

Mr Abdulmajeed Ahmed Alhagbani
Non-Executive Board Member

Board roles

- *Non-Executive Board Member, Kingdom Holding Company (**Board term:** 5 June 2024 – 4 June 2027)*
- *Member, Investment Committee, Kingdom Holding Company*

Professional experience

- *Head of Asset Management, HSBC Saudi Arabia (2017–2018)*
- *Chief Investment Officer, HSBC Saudi Arabia (2014–2016)*
- *Head of Sales and Research in Securities (2014–2016)*
- *First Credit Analyst, Saudi Industrial Development Fund (2006–2008)*
- *First Analyst, Saudi Industrial Development Fund (2004–2006)*

Board memberships (other organizations)

- *Vice Chairman, Sila Sports Company (since 2020)*
- *Board Member, Egyptian Saudi Company for Investments (since 2021)*
- *Board Member, Newcastle United Football Club (since 2023)*
- *Board Member, Al Hilal Company (since 2023)*
- *Board Member, Kingdom (Saudi Arabia) (since 2022)*
- *Chairman, Saudi Iraqi Investment Company (2022–2025)*
- *Chairman, Saudi Jordanian Investment Company (2022–2025)*
- *Chairman, Saudi Sudanese Investment Company (2022–2025)*
- *Chairman, Saudi Bahraini Investment Company (since 2022)*
- *Chairman, Saudi Omani Investment Company (2022–2025)*
- *Chairman, Sela International (United Kingdom) (since 2024)*
- *Board Member, Banque Saudi Fransi (since 2025)*

Current position

- *Head of Securities Investments Department, Public Investment Fund (Saudi Arabia) (since 2018)*

Committee memberships

- *Member, Investment Committee, Kingdom Holding Company*
- *Chairman, Securities Investments Committee, Public Investment Fund*

Academic qualifications

- *Bachelor's Degree in Finance, King Fahd University of Petroleum and Minerals, Saudi Arabia (2004)*
- *Master of Business Administration (MBA), INSEAD, France (2023)*

Mr Adel Abdulaziz Nasser Al-Abdulsalam
Executive Board Member, Chief Financial Officer

Board roles

- *Executive Board Member, Kingdom Holding Company (**Board term:** 5 June 2024 – 4 June 2027)*
- *Chief Financial Officer, Kingdom Holding Company*
- *Member, Investment Committee, Kingdom Holding Company*

Professional experience

- *Chief Financial Officer, Kingdom Holding Company (2018–present)*
- *Chief Financial Officer, National Water Company (2017–2018)*
- *Chief Financial Officer, NADEC Company (2009–2017)*
- *Director of Finance and Shared Services (Business Sector), Al Faisaliah Group (2008)*
- *Director of Accounting and Organization Affairs, Al Safi Danone Company (2003–2008)*
- *IT Consultant (SAP Systems), Al Faisaliah Group (2000–2003)*
- *Financial Accounting Roles, Al Faisaliah Group and Al-Saif Development Company (1998–2000)*

Academic qualifications

- *Master's Degree in Business Administration, King Saud University, Saudi Arabia (2010)*
- *Bachelor's Degree in Accounting, King Saud University, Saudi Arabia (1998)*

Board memberships (Other Organizations)

- *Board Member and Chairman of the Audit Committee, Ladun Investment Company (since 2022)*
- *Board Member, East Shura III Real Estate Company (since 2023)*
- *Board Member and Chairman of the Audit Committee, The Helicopter & Jet Company (since 2018)*
- *Board Member and Chairman of the Audit Committee, The Algerian Saudi Investment Company (since 2025)*

Mr Sarmad Zok

Executive Board Member, CEO of Kingdom Hotels Investments Company (KHI)

Board roles

- ***Board term:*** *5 June 2024 – 4 June 2027*
- *Executive Board Member, Kingdom Holding Company (KHC)*
- *Chief Executive Officer, Kingdom Hotel Investments (KHI)*
- *Responsible for strategic leadership of Kingdom Holding Company's global hotel investment portfolio*

Professional experience

- *Founder, Kingdom Hotel Investments (2001)*
- *Led the IPO of Kingdom Hotel Investments (2006)*
- *Oversaw the full acquisition of Kingdom Hotel Investments by Kingdom Holding Company (2010)*
- *Oversees hotel investments including global hotel management companies and landmark hospitality assets*

Academic qualifications

- *Bachelor's Degree in Hotel Management, University of Surrey*
- *Master's Degree in Property Valuation and Law, City Business University, London*

Board memberships (other organizations)

- *Board Member, Four Seasons Hotels and Resorts*
- *Board Member, Accor Hotels*

Mr Hesham Suliman AlHabib

Independent Board Member

Board roles

- *Board Member, Kingdom Holding Company (Board term: 5 June 2024 – 4 June 2027)*
- *Chairman, Nomination and Remuneration Committee, Kingdom Holding Company*

Professional experience

- *Deputy Chief Executive Officer, Medical Group Development, Saudi Arabia*
- *General Manager, Dr Suleiman Al Habib Commercial Investment Company, Saudi Arabia*
- *Executive Board Member, Dr Suleiman Al Habib Medical Group, Saudi Arabia*

Academic qualifications

- *Bachelor's Degree in Financial Sciences in Business Administration, American University in Sharjah, UAE (2009)*

Board memberships (other organizations)

- *Board Member, Dr Suleiman Al Habib Medical Group*
- *Board Member, Namara Investments*
- *Board Member, Hamat Holding Company*
- *Board Member, Tamkeen Human Resources*
- *Board Member across multiple healthcare, real estate and investment entities within the Al Habib Group ecosystem*

Ms Reem Mohammed Khalil Asaad

Independent Board Member

Board roles

- ***Board term:*** *5 June 2024 – 4 June 2027*
- *Independent Board Member, Kingdom Holding Company*

Professional experience

- *Extensive experience in finance and investment across financial institutions (2001–2022)*
- *Keynote speaker at leading academic institutions including Harvard University, Warwick University, Boston College, and SOAS*
- *Active contributor to financial awareness initiatives in Saudi Arabia*

Board and advisory roles

- *Board member of several non-profit financial societies promoting financial literacy and awareness in Saudi Arabia*

Publications and languages

- *Published columnist on finance and economic topics*
- *Fluent in English and French*
- *Conversational knowledge of Spanish and German*

Academic qualifications

- *Bachelor's Degree in Science (Chemistry), King Abdulaziz University (1994)*
- *Master's Degree, Northeastern University (2001)*

Mr Tamim Bassam Jabr

Executive Board Member, Chief International Investment Officer

Board roles

- ***Board term:*** *5 June 2024 – 4 June 2027*
- *Executive Board Member, Kingdom Holding Company*
- *Chief International Investment Officer, Kingdom Holding Company*

Professional experience

- *Over 20 years of experience in investment banking and international financial markets*
- *CEO, Deutsche Securities Saudi Arabia, leading the bank's investment banking and wealth management operations in the Kingdom*
- *Senior leadership roles at Deutsche Bank in Riyadh and London over a 16-year period*
- *Corporate Finance Executive, Capital Trust Ltd., a UK-based private equity firm*

Academic qualifications

- *Bachelor's Degree in Communication, Emerson College*
- *Master's Degree in Multinational Commerce, Boston University*

Board memberships (other organizations)

- *Board Member, Deezer SA (global music streaming company)*
- *Board Member, Five Capital (private equity firm backed by Kingdom Holding Company and Bpifrance)*
- *Former Board Member, Deutsche Securities*
- *Former Board Member, Deutsche Gulf Finance*

Curriculum Vitae of the Committee Members (out of the Board)

Dr Khaled Abdullah H Alsouhem

Audit Committee Member

Board roles

- *Chairman of the Audit Committee, Kingdom Holding Company*
- *Former Vice Chairman of the Board, Kingdom Holding Company (2019–2021)*
- *Former Chairman of the Nomination and Compensation Committee, Kingdom Holding Company (2007–2021)*
- *Former Member of the Audit Committee, Kingdom Holding Company (2007–2021)*
- *Former Chairman of the Audit Committee, Kingdom Investment and Development Company (2021–2026)*

Professional experience

- *Human Resources and Organizational Consultant (current)*
- *General Manager – Human Resources Services, Saudi Telecom Company (STC)*
- *General Manager – Human Resources Development, STC*
- *General Manager – Recruitment, Manpower Organization and Planning, STC (2001–2016)*
- *Assistant Executive Manager – Human Resources and Administration, Kingdom Holding Company (1998–2001)*

Academic qualifications

- *PhD in Business Administration (Human Resources Management), University of Wales – Cardiff Business School, UK (1996)*
- *Diploma in Research Methods, University of Wales – Cardiff Business School, UK (1993)*
- *Master's Degree in Mass Communication, Imam University, Saudi Arabia (1986)*
- *Bachelor's Degree in Mass Communication, King Saud University, Saudi Arabia (1983)*

Professional memberships

- *Society for Human Resource Management (SHRM), USA*
- *Saudi Management Association (SMA)*
- *Arabian Society for Human Resources Management (ASHRM)*
- *American Society for Training and Development (ATD), USA*

Mr Faisal Mohammed Alonazi

Audit Committee Member

Board roles

- *Member of the Audit Committee, Kingdom Holding Company*

Professional experience

- *Managing Partner, AlMajed & AlEnazi Certified Public Accountants Company, Saudi Arabia (since 2016)*
- *Provides audit, financial advisory, zakat, and tax services to companies across multiple sectors through a firm affiliated with the Morison KSI global network*
- *Former investment professional, Rajhi-Invest Company (2012–2016), with responsibilities in financial and strategic planning and enterprise risk management*

Board memberships (other organizations)

- *Board Member, Rowad Al Riyadh Contracting Company (2021–2024)*
- *Board Member, Manahil Holding Company (2015–2021)*
- *Member, Professional Offices Committee, Riyadh Chamber of Commerce*
- *Member, Financial Sector and Financing Committee, Riyadh Chamber of Commerce*
- *Member, Audit Committee, National Trigeneration Company (NTCC)*

Academic qualifications

- *Bachelor's Degree in Accounting, King Saud University, Saudi Arabia (2006)*

Professional certifications and memberships

- *Fellowship, Saudi Organization for Chartered and Professional Accountants (SOCPA)*
- *International Public Sector Accounting Standards (IPSAS) Certification, ACCA*

Senior Management

(Other than Executive Directors)

Mr Khalid R Kreidie
Chief of Domestic Investments

Current role

- *Responsible for overseeing the company's portfolio of listed and private investments within Saudi Arabia*

Professional experience

- *Head of International Real Estate, Public Investment Fund (PIF) (most recent role)*
- *Senior roles at Public Investment Fund (2016-2025), leading transactions across real estate, private equity, and infrastructure*
- *Investment Manager, SEDCO Capital (2013-2016)*

Previous board memberships

- *Board Member, Selfridges*
- *Board Member, Rocco Forte Hotels*
- *Board Member, Saudi Heritage Hospitality Company*
- *Board Member, Essendi*

Academic qualifications

- *Master's Degree in Real Estate, Georgetown University*
- *Bachelor of Business Administration in Finance, University of Portland*

Professional certifications

- *Certificate in Board Direction, Institute of Directors, UK (2025)*
- *Certificate in Infrastructure and Project Finance, London Business School, UK (2019)*
- *Certificates in Real Estate Development and Real Estate Finance, Urban Land Institute, USA (2014)*
- *CME-1 Certificate, Capital Market Authority (2013)*

Board of Directors' Committees

As part of KHC's governance architecture, the Board has established a series of specialist committees. These committees provide focused oversight, and reinforce the strength and integrity of the overall governance framework.

Investment Committee

The Investment Committee forms a key pillar in KHC's capital allocation architecture. It is responsible for the overall supervision of the Company's investment portfolio and acts under delegated authority from the Board of Directors to:

- *Approve major investment decisions in line with the Board-approved strategy and risk appetite.*
- *Review the performance, composition, and quality of existing investments.*
- *Oversee the evaluation and purchase of new investments to ensure alignment with long-term value creation.*

The composition of the Committee, the number of times it was convened, and attendance in 2025 are given below.

Name of member	Membership type	4 March 2025	25 May 2025	15 September 2025	15 December 2025
HRH Prince AlWaleed bin Talal Al Saud "Chairman"	Non-Executive	√	√	√	√
Eng Talal Ibrahim Al-Maiman	Executive	√	√	√	√
Mr Adel Abdulaziz Al-Abdulsalam	Executive	√	√	√	√
Mr Abdulmajid Alhaqbani	Non-Executive	√	√	√	√
Mr Tamim Bassam Jabr	Executive	√	√	√	√

Audit Committee

The Audit Committee serves as a central load-bearing element in KHC's governance and assurance structure. It oversees the integrity of the Company's financial reporting and robustness of its control environment, including the following.

- *Identification and assessment of key risks.*
- *Review of administrative procedures, internal controls, and operating processes.*
- *Oversight of the preparation and audit of KHC's financial statements.*
- *Monitoring and approval of the Company's financial results, and ensure compliance with relevant regulations, policies, and accounting standards.*

The composition of the Committee, the number of times it was convened, and attendance in 2025 are given below.

Name of member	Membership type	Date of meeting				
		16 March 2025	24 April 2025	12 May 2025	6 August 2025	5 November 2025
Dr Khaled Abdullah AlSuhaim "Chairman"	Independent	√	√	√	√	√
Ms Reem Mohammed Assad	Independent	√	√	√	√	√
Mr Faisal Mohammed Al-Anzi	Independent	√	√	√	√	√

In 2025, the Committee, together with the external auditors, reviewed the effectiveness of KHC's internal control system and found no significant weaknesses. To further strengthen oversight, the Committee recommended establishing an Internal Audit function, and the Company has since engaged a specialised professional firm to provide these services.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee represents a key design element in KHC's leadership and talent architecture. It is responsible for:

- *Nominating candidates for membership on the Board of Directors.*
- *Assisting the Board in designing, reviewing, and recommending compensation frameworks.*
- *Overseeing the development and periodic review of remuneration policies to ensure alignment with performance, market practices, and shareholder interests.*

The composition of the Committee, the number of times it was convened, and attendance in 2025 are given below.

Name of member	Membership type	Date of meeting		
		24 March 2025	24 April 2025	23 December 2025
Mr Hesham Suliman AlHabib (Chairman)	Independent	√	√	√
Ms Reem Mohammed Assad	Independent	√	√	√
Dr Lama Abdulaziz AlSuliman	Independent	√	√	√

Members, particularly Non-Executives, are informed of shareholders' proposals and notes regarding the Company and its performance during periodic meetings of the Board. They also view a part thereof directly during the meeting of the General Assemblies of the Company.

Remuneration

The Board Member's Remunerations

	Fixed Remuneration							Variable Remuneration								
	Certain amount	Allowance for attending the Board sessions	Total allowance for attending committee sessions	In kind benefits	A statement of the Board members remuneration as workers or managers or payments received for technical, administrative and consultancy works	Remuneration of the Board chairman, managing director or secretary, if they are committee members	Total	Profit share	Periodic remunerations	Short-term incentive plans	Long-term incentive plans	Equity (values to be entered)	Total	End of service rewards	Grand Total	Expenses Allowances
Independent Members																
1. Dr Lama Abdulaziz AlSuliman	200,000	–	–	–	–	–	200,000	–	–	–	–	–	–	–	200,000	11,050
2. Ms Reem Mohammed Assad	200,000	–	–	–	–	–	200,000	–	–	–	–	–	–	–	200,000	10,188
3. Mr Hesham Suliman AlHabib	200,000	–	–	–	–	–	200,000	–	–	–	–	–	–	–	200,000	–
Total	600,000	–	–	–	–	–	600,000		–	–	–	–	–	–	600,000	21,238
Non-Executive Members																
1. N/A	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Executive Members																
1. N/A	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Remunerations and allowances were paid to Five Senior Executives, including the Chief Executive Officer and Chief Financial Officer

Senior Executives					
Fixed Remunerations		Variable Remunerations		End of Service Gratuity	Total
Salaries	Allowances	Bonus	Shares	End of Service Bonus	
32,861,240	4,075,350	30,000,000	–	–	66,936,590

The Company committed to disclose total remuneration of the Senior Executive Management in accordance with the requirements of Article 90(4-b) of the Corporate Governance Rules. In order to protect the interests of the Company, its shareholders and its employees, and to avoid any damage that may result from the disclosure in details as per job titles and positions, the description of remuneration is not presented pursuant to Appendix (1) Remuneration Schedule of Corporate Governance Rules related to Senior Executives.

Audit Committees' members remunerations				
Committee	Fixed remunerations (except attending sessions allowance)	Allowance for attending sessions	Total	Notes
1. Dr Khaled Abdullah AlSuhaim – Chairman	250,000	–	250,000	2023–2024
2. Ms Reem Mohammed Assad	250,000	–	250,000	2023–2024
3. Mr Mohammed Omar Al Ayadi*	175,000	–	175,000	2023–2024
4. Mr Faisal Mohammed Al-Anzi	75,000	–	75,000	2024
Total	750,000	–	750,000	

**Member of the Audit Committee until June 2024.*

Nomination and Remuneration Committee				
Committee	Fixed remunerations (except attending sessions allowance)	Allowance for attending sessions	Total	Notes
1. Mr Hesham Suliman AlHabib (Chairman)	N/A	N/A	N/A	N/A
2. Ms Reem Mohammed Assad	N/A	N/A	N/A	N/A
3. Dr Lama Abdulaziz AlSuliman	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A

Investment Committee				
Committee	Fixed remunerations (except attending sessions allowance)	Allowance for attending sessions	Total	Notes
1. HRH Prince AlWaleed bin Talal Al Saud "Chairman"	N/A	N/A	N/A	N/A
2. Eng Talal Ibrahim Al-Maiman	N/A	N/A	N/A	N/A
3. Mr Adel Abdulaziz Al-Abdulsalam	N/A	N/A	N/A	N/A
4. Mr Abdulmajid Alhaqbani	N/A	N/A	N/A	N/A
5. Mr Tamim Bassam Jabr	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A

Remuneration Policy

The remuneration of the Board of Directors, committee members, and Executive Management is determined as per the Remuneration Policy approved by the General Assembly. The policy aims to align remuneration with the Company's strategy, long-term performance, and the interests of shareholders, while enabling the Company to attract, retain, and motivate individuals with the appropriate qualifications and experience.

As per the approved policy, remuneration is determined taking into consideration the responsibilities of the role, qualifications, experience, performance, and market practices of comparable companies. The Remuneration and Nomination Committee reviews and recommends remuneration for Board members, committee members, and senior executives in accordance with the policy and applicable regulations.

Board remuneration may include a fixed amount, meeting attendance allowances, in-kind benefits, a percentage of the Company's annual net profit, or a combination thereof within the limits prescribed by applicable laws and regulations. Executive Management remuneration generally consists of fixed compensation (salary and allowances), performance-based incentives, and other contractual benefits. There has been no material deviation from the approved Remuneration Policy during the year.

Four of the Executives are members of the Board of Directors, Engineer Talal Al- Maiman, Mr Sarmad Zok, Mr Adel Al-Abdulsalam and Mr Tamim Jabr. The remuneration, which they received for their executive work in the Company, is as follows:-

Fixed Remunerations		Variable Remunerations		End of Service Gratuity	Total
Salaries	Allowances	Bonus	Shares		
29,213,900	3,775,350	30,000,000	–	–	62,989,250

Shares owned by members of the Board of Directors, Senior Executives, their wives and minor children, and stakeholders

Name of member	Membership type	Listed and closed joint stock companies, where membership is held	Number of shares owned 2025	Number of shares owned 2024
His Royal Highness Prince AlWaleed bin Talal Al Saud	Chairman Non-Executive	None	2,895,588,235	2,895,588,235
Engineer Talal Ibrahim Almaiman	Chief Executive Officer	**Member of the Board of Directors:** • National Industrialization Company • NAS Holding (National Air Services) • Banque Saudi Fransi • Kingdom Investment and Development Company • Saudi Fransi Capital, Kingdom of Saudi Arabia • Dallah Health, Kingdom of Saudi Arabia	11,033,014	10,433,014
Mr Sarmad Zok	Executive	• Accor Group • Four Seasons Holdings Inc.	–	–
Mr Adel Abdulaziz Al-Abdulsalam	Executive	**Member of the Board of Directors:** • Ladun Investment Company • East Shura III Real Estate Company, Kingdom of Saudi Arabia • Board Member, The Helicopters & Jet Company, Kingdom of Saudi Arabia • The Algerian Saudi Investment Company, Kingdom of Saudi Arabia	1,237,000	1,035,812
Dr Lama Abdulaziz AlSuliman	Independent	None	–	–
Ms Reem Mohammed Assad	Independent	None	–	–

Name of member	Membership type	Listed and closed joint stock companies, where membership is held	Number of shares owned 2025	Number of shares owned 2024
Mr Hesham Suliman AlHabib	Independent	**Member of the Board of Directors:** • Dr Sulaiman Al Habib Medical Group • Namara Investments • Hamat Holding Company • Tamkeen Human Resources Company • Dr Abdulaziz Al-Ajaji Dental Clinic Group Company • Hulool Al Sahabah for IT & Communication Company, Kingdom of Saudi Arabia • Medi Life Limited Company • Alpha Care Limited Company • Dr Sulaiman Al Habib Medical Services Group Holding Company, Kingdom of Saudi Arabia • Namara Limited Company • Qimam Al Tabadul for Investment Company, Kingdom of Saudi Arabia • Thabat Al Amal Company, Kingdom of Saudi Arabia • Jawaher Al Mustaqbal Real Estate Company • Al Masa Al Zarqa Real Estate Company • Manazel Al Wosta Real Estate Company, Kingdom of Saudi Arabia • Soroh Al Marakez Company Kingdom of Saudi Arabia • Rawabet Medical, Kingdom of Saudi Arabia • Sehat Al Sharq Medical Limited Company, Kingdom of Saudi Arabia • Al Wosta Medical Limited Company, Kingdom of Saudi Arabia • Gharb Jeddah Hospital Company, Kingdom of Saudi Arabia • FLOW Medical Company, Kingdom of Saudi Arabia • Asharq Alawsat Pharmacies Company, Kingdom of Saudi Arabia • Eraf Medical Company	–	–

Name of member	Membership type	Listed and closed joint stock companies, where membership is held	Number of shares owned 2025	Number of shares owned 2024
		• Manager: Bawabat Al Sharq Healthcare Company • Al Muhammadiyah Hospital for Healthcare Company, Kingdom of Saudi Arabia • Shamal Al Riyadh for Healthcare Company, Kingdom of Saudi Arabia • Sehat Al Kharj for Healthcare Company, Kingdom of Saudi Arabia • Bawabat Al Shamal for Healthcare Company, Kingdom of Saudi Arabia • Bawabat Al Gharb for Healthcare Company, Kingdom of Saudi Arabia • Wrass for Operation and Maintenance Company, Kingdom of Saudi Arabia • Sehat Al Hamra for Healthcare Company, Kingdom of Saudi Arabia • Al Marakez Al Awwalyah for Health Care Company, Kingdom of Saudi Arabia • Wrass Real Estate Company, Kingdom of Saudi Arabia • Taswiyat Management Company, UAE • PharmaChoice Pharmacy Company • Dr Sulaiman Al Habib Hospital FZ-LLC, UAE • Sehat Al Olaya Medical Complex Company, Kingdom Saudi Arabia • Buraidah Al Takhassusi Hospital for Healthcare Company, Kingdom of Saudi Arabia • Al Rayan Hospital for Healthcare Company, Kingdom of Saudi Arabia • Home Healthcare Company • Al Gharb Al Takhassusi Hospital for Healthcare Company, Kingdom of Saudi Arabia • Al Mokhtabarat Diagnostic Medical Company, Kingdom of Saudi Arabia • Sehat Al Suwaidi Medical Company, Kingdom of Saudi Arabia		

Name of member	Membership type	Listed and closed joint stock companies, where membership is held	Number of shares owned 2025	Number of shares owned 2024
Mr Abdulmajeed Alhaqbani	Non-Executive	**Member of the Board of Directors:** • General Entertainment Authority, Kingdom of Saudi Arabia • Newcastle United Football Company, England • Al Hilal Club Company, Kingdom of Saudi Arabia • The Saudi Iraq Investment Company, Kingdom of Saudi Arabia • The Saudi Sudanese Investment Company, Sudan • The Saudi Jordanian Investment Company, Jordan • The Saudi Bahraini Investment Company, Bahrain • The Saudi Omani Investment Company, Kingdom of Saudi Arabia • The Saudi Egyptian Investment Company, Egypt • Sela Company, Kingdom of Saudi Arabia • Banque Saudi Fransi, Kingdom of Saudi Arabia	–	–
Mr Tamim Bassam Jabr	Executive	**Member of the Board of Directors:** • Deezer SA, France • Five Capital, UAE	838,468	638,468

Declarations

Regulatory Disclosures and Board Confirmations

In accordance with the regulations issued by the Capital Market Authority (CMA), including the Registration and Listing Rules and their Corporate Governance Regulations, and in line with the requirement to disclose all regulatory information in KHC's Integrated Annual Report, the Board confirms the following for the year ending 31 December 2025.

- ***The Audit Committee's recommendations that are in conflict with the Board's resolutions or those which the Board disregarded, relating to appointment, dismissal, performance assessment or determining the remuneration of an external auditor, as well as justifications for those recommendations and reasons for disregarding them;***
  - *No such instances occurred during the year; accordingly, this requirement is not applicable.*
- ***Any inconsistency with the standards approved by the Saudi Organization for Certified Public Accountants;***
  - *No inconsistencies with the standards approved by the Saudi Organization for Certified Public Accountants were identified during the year.*
- ***A description of any interest, contractual securities or rights of Board members, Senior Executives and their relatives on the shares or debt instruments of the Company or its affiliates, and any change in such interest or rights during the last fiscal year;***
  - *No such interests, contractual securities or rights requiring disclosure were identified during the year.*
- ***A description of any arrangements or agreements under which a Director or a Senior Executive of the Company has waived any remunerations;***
  - *No such arrangements or agreements were in place during the year.*
- ***A description of any arrangements or agreements under which a shareholder of the Company has waived any rights to dividends;***
  - *No such arrangements or agreements were identified during the year.*

- ***If the external auditor's report contains reservations on the annual financial statements, the Board's report must highlight them, mentioning their reasons and any relevant information;***
  - *The external auditor's report for the year did not contain any reservations; therefore, this requirement is not applicable.*

- ***If the Board recommends replacing the external auditor before the end of the term for which it is appointed, the report shall indicate this, mentioning the reasons for the replacement recommendation***
  - *No such recommendation was made by the Board during the year.*

- ***Disclose details of treasury shares maintained by the Company, and details of utilizing such shares;***
  - *The Company does not maintain treasury shares; accordingly, this requirement is not applicable.*

- ***Procedures taken by the Board of Directors to inform its members, particularly Non-Executive Directors, of shareholders' suggestions and remarks on the Company and its performance***
  - *The Company is committed to enabling shareholders to exercise their rights and communicate their views on the Company and its performance. Shareholders' comments, inquiries, and proposals may be submitted through the General Assembly meetings, as well as through the communication channels made available by the Company, including investor relations and other designated means.*

    All shareholders' submissions, if any, are appropriately documented and reviewed by Management. Such matters are subsequently communicated to the Board of Directors, particularly the Non-Executive Directors, as part of the information presented during Board meetings. Where relevant, these comments and observations are also reflected in the minutes of the General Assembly and Board meetings.

    This process ensures that the Board remains informed of shareholders' perspectives and is able to consider them in its deliberations and decision-making.

- ***Shareholder Notifications***

The Company did not receive any notifications from shareholders regarding changes to their ownership percentages during 2025.

- ***Share-based Plans and Debt Instruments***

The Company does not operate any stock option or similar share-based incentive plans. There are also no transferable debt instruments or similar securities issued by the Company in favour of any party.

- ***Redemption or Cancellation of Securities***

Neither the Company nor any of its subsidiaries has redeemed, purchased, or cancelled any callable bonds or other securities during the year, nor is there any outstanding value related to such instruments.

- ***Classes of Shares and Voting Rights***

The Company has not issued any preference shares or shares with special or priority voting rights to shareholders, Board members, or employees. All issued shares are ordinary shares of equal nominal value and carry equal voting and other rights in accordance with applicable laws and regulations.

- ***Related Party Interests***

There are no contracts, in which the Company is a party, that involve a material interest for any member of the Board of Directors, Chief Executive Officer, Chief Financial Officer, or any person related to any of them, other than those disclosed under related party transactions in this report.

- ***Competing Business***

There were no competing businesses with the Company or any of its activities in which any member of the Board was engaged, in accordance with the approved standards on competing businesses.

- ***Employee Benefits***

No investments or reserves have been established for the benefit of the Company's employees, except for the statutory end-of-service gratuity provision.

- ***Financial Statements and Accounting Standards***

The consolidated financial statements of the Company for the year ending 31 December 2025 have been prepared in accordance with IFRS as endorsed in the Kingdom of Saudi Arabia by the Saudi Organization for Chartered and Professional Accountants (SOCPA). The financial statements fairly present the financial position and performance of the Company. There are no differences arising from the application of SOCPA-endorsed standards, and the independent auditor's report on the annual financial statements did not include any qualifications or reservations.

- ***Going Concern***

The Board confirms that, to the best of its knowledge, there are no material uncertainties that cast significant doubt on the Company's ability to continue its operations as a going concern.

- ***Internal Control Environment***

The Audit Committee continues to perform its responsibilities in verifying the integrity and effectiveness of the Company's internal control system, based on internal audit reports that have been submitted to the Committee. On this basis, the Board provides positive assurance regarding the adequacy and effectiveness of the Company's internal control systems for the year 2025.

- ***Compliance with Corporate Governance Regulations***

The Company confirms that it has complied with all requirements of the Corporate Governance Regulations issued by CMA.

- ***Penalties and Sanctions***

The Company is committed to complying with all applicable regulatory requirements in the jurisdictions in which it operates. During the year, the Company received certain observations from the Capital Market Authority following a review of its governance practices and disclosures.

Sanction/Penalty/ Precautionary Measure/ Preventive Measure	Reasons for Violation	Imposing Authority	Measures undertaken to remedy and avoid such non-compliance in the future
Observations raised in relation to certain disclosures in the Board of Directors' Report and governance documentation following a regulatory review	The observations related primarily to (i) the level of detail of disclosures regarding remuneration of Board members and committees in prior Board Reports, and (ii) the timing of approval of the standards for competing business activities. These observations were procedural in nature and did not relate to any material non-compliance.	Capital Market Authority (CMA)	The Company has addressed all observations raised. Enhanced disclosures have been incorporated in the Board of Directors' Report to ensure full alignment with applicable regulations and prescribed disclosure formats. In relation to competing business standards, such standards were developed in line with the evolving regulatory framework introduced in 2023; however, formal approval by the General Assembly was pending at the time of the review. The standards were subsequently approved by shareholders at the General Assembly held in December 2025. The Company continues to strengthen its governance framework and disclosure practices to ensure ongoing compliance.

Other than the above, the Company did not receive any sanctions, penalties, or precautionary measures from any regulatory, supervisory, or judicial authority during the year.

Board of Directors' Declarations for the Governance System Requirements

- *The account records have been correctly prepared.*

In conclusion, His Royal Highness, the Chairman and all Members of the Board of Directors extend thanks and gratitude to the Custodian of the Two Holy Mosques, His Highness the faithful Crown Prince, and to the Good Government for the continuous care, concern and support for the welfare and security of the homeland and the citizen. We thank the shareholders of the company for their precious trust and continuous support. The Board of Directors also takes this opportunity to express its sincere thanks and appreciation to all employees in the Company's Departments and Subsidiaries for their sincere efforts during 2025 and wishes more prosperity and progress in the coming years.

Acknowledgments and Vote of Thanks

In conclusion, His Royal Highness, the Chairman, and all members of the Board of Directors extend their sincere thanks and profound gratitude to the Custodian of the Two Holy Mosques, His Royal Highness the Crown Prince, and the Government of the Kingdom of Saudi Arabia for their continuous care, support, and commitment to the security and prosperity of the nation and its citizens.

The Board also extends its appreciation to the Company's shareholders for their valued confidence and ongoing support.

Furthermore, the Board expresses its heartfelt thanks to all employees of the Company and its subsidiaries for their dedication and contributions during 2025, and wishes them continued success, growth, and prosperity in the years ahead.

Allah is the Arbiter of Success.

Consolidated Financial Statements

Independent Auditor's Report

Deloitte.

Deloitte and Touche & Co.
Chartered Accountants
(Professional Simplified Joint Stock Company)
Paid up capital SR 5,000,000

Metro Boulevard – Al-Aqiq
King Abdullah Financial District
P.O Box 213
Riyadh 11411
Kingdom of Saudi Arabia

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INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of Kingdom Holding Company
(A Saudi Joint Stock Company)
Riyadh, Kingdom of Saudi Arabia

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Kingdom Holding Company (the "Company") and its subsidiaries (together, the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements as issued by Saudi Organization for Chartered and Professional Accountants ("SOCPA") (collectively referred to as "IFRSs that are endorsed in the Kingdom of Saudi Arabia").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia (the "Code"), as applicable to audits of consolidated financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with that code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impairment of goodwill and other intangible assets with indefinite useful lives	
Goodwill and intangible assets are carried in the consolidated statement of financial position at ⃁ 1.9 billion. Goodwill arose on the acquisition of the George V Hotel whilst the intangible assets comprise the Savoy Hotel brand. These assets, which arose from past acquisitions, are intangible assets with indefinite useful lives and are stated at their original cost. IFRSs that are endorsed in Kingdom of Saudi Arabia requires that the recoverable amount of goodwill and intangible assets be determined and compared to their carrying amounts, regardless of whether or not any indicators of impairment are identified. The recoverable amount is the higher of the value in use (VIU) or fair value less costs to sell. An impairment charge, which cannot be reversed in future years, is recognized in profit or loss if the recoverable amount is less than the carrying amount. No impairment charge was recognized during the year. Management has determined the recoverable amount as the value in use ("VIU") using the discounted cash flow model. This requires management to apply significant judgments and make significant estimates such as: • Cash flow projections, including the growth rates used in these projections and future business prospects; and • Discount rates Impairment of goodwill and other intangible assets is considered to be a key audit matter due to the level of judgments applied and estimates made by management in determining the recoverable amount and the level of audit effort required. For further information on the accounting policies and disclosures relating to goodwill and intangible assets, refer to notes 4.9 and 14 to the consolidated financial statements respectively.	We performed the following procedures in relation to the key audit matter: We obtained an understanding of the process adopted by management to determine the recoverable amount of the aforementioned goodwill and intangible assets, including the key controls in this process. We assessed the above-mentioned key controls to determine if they were appropriately designed and implemented and tested these controls to determine if they were operating effectively. We assessed, with the assistance of our internal valuation experts, if the methodology applied by management to determine the recoverable amount was in accordance with the requirements of IFRSs that are endorsed in Kingdom of Saudi Arabia. We tested, with the assistance of our internal valuation experts, the data inputs used in the determination of the recoverable amount by comparing cash flow projections to the CGU's historical results and assessing the underlying assumptions used to determine the growth in forecasted cash flows. We reperformed the mathematical accuracy of the calculations used to determine the recoverable amount. We agreed the results of the calculation of the recoverable amount to the amounts reported in the consolidated financial statements, where applicable. We evaluated management's sensitivity analyses over key assumptions, to understand the potential impact of reasonably possible changes in assumptions on the determination of the recoverable amount. We assessed the disclosures relating to this matter in the consolidated financial statements against the requirements of IFRSs that are endorsed in Kingdom of Saudi Arabia.

Key audit matter	How our audit addressed the key audit matter
Valuation of unquoted investments in equity securities	
Unquoted investments in equity securities are carried in the consolidated statement of financial position at ⃁ 17.3 billion. This represents 43% of the total assets at the reporting date. These investments are measured at fair value with the majority of changes in fair value recognized in other comprehensive income. The Group recognized a net fair value gain on these investments of ⃁ 11.4 billion within other comprehensive income during the year. Management determined fair value primarily based on recent observable private transactions. The determination of the fair value of these investments requires management to apply significant judgements and make significant estimates, many of which are not observable. We considered the valuation of unquoted investments in equity securities to be a key audit matter as a result of the following factors: • the level of judgements applied and estimates made by management; • the quantitative significance of the amount to the consolidated financial statements; and • the level of audit effort required. Refer to note 4.4 in the consolidated financial statements on the accounting policy relating to these investments and notes 10 and 31 for more information relating to these investments.	We performed the following procedures in relation to the key audit matter: We obtained an understanding of the process adopted by management to determine the recoverable amount of the aforementioned goodwill and intangible assets, including the key controls in this process. We assessed the above-mentioned key controls to determine if they were appropriately designed and implemented and tested these controls to determine if they were operating effectively. We assessed, with the assistance of our internal valuation experts, if the methodology applied by management to determine the recoverable amount was in accordance with the requirements of IFRSs that are endorsed in Kingdom of Saudi Arabia. We tested, with the assistance of our internal valuation experts, the data inputs used in the determination of the recoverable amount by comparing cash flow projections to the CGU's historical results and assessing the underlying assumptions used to determine the growth in forecasted cash flows. We reperformed the mathematical accuracy of the calculations used to determine the recoverable amount. We agreed the results of the calculation of the recoverable amount to the amounts reported in the consolidated financial statements, where applicable. We evaluated management's sensitivity analyses over key assumptions, to understand the potential impact of reasonably possible changes in assumptions on the determination of the recoverable amount. We assessed the disclosures relating to this matter in the consolidated financial statements against the requirements of IFRSs that are endorsed in Kingdom of Saudi Arabia.

Other Matter

The consolidated financial statements of the Group for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 17 March 2025 (corresponding to 17 Ramadan 1446H).

Other Information

Management is responsible for the other information. The other information comprises the information included in the Group's annual report, other than the consolidated financial statements and our auditor's report thereon. The Group's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Group's annual report, if we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

Inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Group's annual report, if we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued the by SOCPA, the applicable requirements of the Regulations for Companies and the Company's By-laws and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, i.e. the Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 'Reasonable assurance' is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- *Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;*
- *Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;*
- *Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;*
- *Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;*
- *Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and*
- *Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.*

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte and Touche & Co. Chartered Accountants

Waleed bin Moh'd Sobahi
Certified Public Accountant
License No. 378

6 Shawwal| 1447H
25 March 2026

Consolidated Statement of Financial Position

(All amounts in ⃁ thousands unless otherwise stated)

	Note	As at 31 December 2025	2024
Assets			
Current assets			
Cash and cash equivalents	5	**1,524,563**	1,689,658
Investments at fair value through profit or loss ("FVTPL")	6	**317,719**	243,421
Trade and other receivables	7	**611,204**	252,385
Prepayments and other current assets	8	**272,409**	329,109
Due from related parties	9	**115,167**	114,893
Total current assets		**2,841,062**	2,629,466
Non-current assets			
Investments at fair value through other comprehensive income ("FVOCI")	10	**39,536,004**	22,105,792
Equity-accounted investees	11	**19,617,880**	18,196,697
Long-term receivables	7	**191,854**	–
Investment properties	12	**3,367,564**	3,124,986
Property and equipment	13	**7,422,158**	6,801,405
Goodwill and intangible assets	14	**1,895,015**	1,789,159
Deferred tax assets	19	**16,978**	20,326
Other long-term assets	15	**45,806**	51,381
Total non-current assets		**72,093,259**	52,089,746
Total assets		**74,934,321**	54,719,212
Liabilities and equity			
Liabilities			
Current liabilities			
Borrowings	16	**1,281,267**	3,045,759
Accounts payable, accrued expenses and other current liabilities	17	**1,374,862**	969,845
Zakat, withholding and income tax provisions	18	**559,420**	492,203

(All amounts in ⃁ thousands unless otherwise stated)

	Note	As at 31 December 2025	2024
Due to related parties	9	364	240
Dividends payable	35	259,411	259,411
Total current liabilities		3,475,324	4,767,458
Non-current liabilities			
Borrowings	16	11,487,254	9,551,676
Derivative financial instruments	36	61,903	62,799
Due to a related party	9	604,045	510,799
Deferred tax liabilities	19	126,697	107,594
Employee benefit obligations	32	101,821	93,501
Other long-term liabilities		58,896	66,543
Total non-current liabilities		12,440,616	10,392,912
Total liabilities		15,915,940	15,160,370
Net assets		59,018,381	39,558,842
Equity			
Share capital	20	37,058,823	37,058,823
Statutory reserve	21	–	1,798,157
Retained earnings		5,818,299	2,533,203
Fair value reserve for investments at FVOCI	10	15,580,909	(2,372,493)
Other reserves	21	(54,401)	(84,561)
Equity attributable to shareholders of the Company		58,403,630	38,933,129
Non-controlling interests	22	614,751	625,713
Total equity		59,018,381	39,558,842

The accompanying notes form an integral part of these consolidated financial statements, which have been authorized for issue by the Board of Directors on behalf of the shareholders, and signed on its behalf by:

Adel Abdulaziz Al-Abdulsalam
Chief Financial Officer

Eng. Talal Ibrahim AlMaiman
Chief Executive Officer

HRH Prince AlWaleed bin Talal AlSaud
Chairman of the Board of Directors

Consolidated Statement of Income

(All amounts in ⃁ thousands unless otherwise stated)

	Note	Year ended 31 December 2025	2024
Hotels and other operating revenues	23	1,677,547	1,604,442
Hotel and other operating costs	24	(1,098,791)	(1,055,330)
Dividend income	25	948,289	786,082
Gain on investments at FVTPL	26	66,329	–
		1,593,374	1,335,194
General, administrative and marketing expenses	27	(513,109)	(497,600)
Impairment of financial assets	7	(2,723)	(1,174)
Share of results from equity-accounted investees	11	1,039,004	1,209,032
Reversal of impairment for equity accounted investee	11	500,000	200,000
Gain on sale of investment property	12	37,954	123,457
Gain on sale of equity-accounted investee	11	470,338	–
Other gains, net	37	12,221	19,994
Profit from operations		3,137,059	2,388,903
Finance income		–	46,872
Financial charges	28	(828,627)	(984,515)
Profit before zakat, withholding and income tax		2,308,432	1,451,260
Withholding and income tax	18	(73,557)	(93,235)
Zakat	18	(121,976)	(150,859)
Profit for the year		2,112,899	1,207,166
Profit/(loss) for the year attributable to:			
– Shareholders of the Company		2,143,294	1,236,970
– Non-controlling interests		(30,395)	(29,804)
		2,112,899	1,207,166
Basic and diluted earnings per share (⃁)	34	0.58	0.33

The accompanying notes form an integral part of these consolidated financial statements, which have been authorized for issue by the Board of Directors on behalf of the shareholders, and signed on its behalf by:

Adel Abdulaziz Al-Abdulsalam
Chief Financial Officer

Eng. Talal Ibrahim AlMaiman
Chief Executive Officer

HRH Prince AlWaleed bin Talal AlSaud
Chairman of the Board of Directors

Consolidated Statement of Comprehensive Income

(All amounts in ⃁ thousands unless otherwise stated)

	Note	Year ended 31 December 2025	2024
Profit for the year		2,112,899	1,207,166
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Unrealized gain on investments at FVOCI	10	18,334,647	3,223,200
Re-measurement of gain on employment benefit obligations	32	6,951	2,752
Items that may be reclassified to profit or loss:			
Share in other comprehensive income of equity – accounted investees	11	186,856	37,993
Fair value changes on cash flow hedge of interest rate swap derivatives	36	(896)	1,554
Exchange differences on translation of foreign operations		(143,318)	8,510
Other comprehensive income for the year		18,384,240	3,274,009
Total comprehensive income for the year		20,497,139	4,481,175
Total comprehensive income/(loss) for the year attributable to:			
– Shareholders of the Company		20,508,101	4,531,466
– Non-controlling interests	22	(10,962)	(50,291)
		20,497,139	4,481,175

The accompanying notes form an integral part of these consolidated financial statements, which have been authorized for issue by the Board of Directors on behalf of the shareholders, and signed on its behalf by:

Adel Abdulaziz Al-Abdulsalam
Chief Financial Officer

Eng. Talal Ibrahim AlMaiman
Chief Executive Officer

HRH Prince AlWaleed bin Talal AlSaud
Chairman of the Board of Directors

Consolidated Statement of Changes in Equity

(All amounts in ⃁ thousands unless otherwise stated)

	Share capital	Statutory reserve	Retained earnings	Fair value reserve for investments at FVOCI	Other reserves	Equity attributable to shareholders of the Company	Non controlling interests	Total equity
Balance at 1 January 2025	37,058,823	1,798,157	2,533,203	(2,372,493)	(84,561)	38,933,129	625,713	39,558,842
Profit/(loss) for the year	–	–	2,143,294	–	–	2,143,294	(30,395)	2,112,899
Other comprehensive income	–	–	–	18,334,647	30,160	18,364,807	19,433	18,384,240
Total comprehensive income/(loss)	–	–	2,143,294	18,334,647	30,160	20,508,101	(10,962)	20,497,139
Transfer of statutory reserve (Note 21(a))	–	(1,798,157)	1,798,157	–	–	–	–	–
Transfer of gain on disposal of investments at FVOCI to retained earnings (Note 10)	–	–	381,245	(381,245)	–	–	–	–
Dividends declared (Note 35)	–	–	(1,037,600)	–	–	(1,037,600)	–	(1,037,600)
Balance at 31 December 2025	37,058,823	–	5,818,299	15,580,909	(54,401)	58,403,630	614,751	59,018,381

(All amounts in ⃁ thousands unless otherwise stated)

	Share capital	Statutory reserve	Retained earnings	Fair value reserve for investments at FVOCI	Other reserves	Equity attributable to shareholders of the Company	Non controlling interests	Total equity
Balance at 1 January 2024	37,058,823	1,674,460	3,352,240	(6,758,124)	(155,857)	35,171,542	1,452,876	36,624,418
Profit/(loss) for the year	–	–	1,236,970	–	–	1,236,970	(29,804)	1,207,166
Other comprehensive income/(loss)	–	–	–	3,223,200	71,296	3,294,496	(20,487)	3,274,009
Total comprehensive income/(loss)	–	–	1,236,970	3,223,200	71,296	4,531,466	(50,291)	4,481,175
Changes in non-controlling interest	–	–	267,721	–	–	267,721	(776,872)	(509,151)
Transfer to statutory reserve (Note 21(a))	–	123,697	(123,697)	–	–	–	–	–
Transfer of loss on disposal of investments at FVOCI to retained earnings (Note 10)	–	–	(1,162,431)	1,162,431	–	–	–	–
Dividends declared (Note 35)	–	–	(1,037,600)	–	–	(1,037,600)	–	(1,037,600)
Balance at 31 December 2024	37,058,823	1,798,157	2,533,203	(2,372,493)	(84,561)	38,933,129	625,713	39,558,842

The accompanying notes form an integral part of these consolidated financial statements, which have been authorized for issue by the Board of Directors on behalf of the shareholders, and signed on its behalf by:

Adel Abdulaziz Al-Abdulsalam
Chief Financial Officer

Eng. Talal Ibrahim AlMaiman
Chief Executive Officer

HRH Prince AlWaleed bin Talal AlSaud
Chairman of the Board of Directors

Consolidated Statement of Cash Flows

(All amounts in ⃁ thousands unless otherwise stated)

	Note	Year ended 31 December 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before zakat and income tax		2,308,432	1,451,260
Adjustments for non-cash items			
Share of results from equity-accounted investees	11	(1,039,004)	(1,209,032)
Depreciation and amortization	12, 13, 14	189,769	197,005
Unrealized gain on investments at FVTPL	6	(66,329)	–
Reversal/(Impairment) of financial assets	7	2,723	(1,174)
Net fair value gain on derivative	36	–	(13,682)
Gain on sale of investment properties	12	(37,954)	(123,457)
Finance income		–	(46,872)
Finance charges	28	828,627	984,515
Gain on sale of equity accounted investee	11	(470,338)	–
Provision for employee benefit obligations	32	7,834	11,958
Reversal of impairment for equity-accounted investee	11	(500,000)	(200,000)
		1,223,760	1,050,521
Changes in operating assets and liabilities			
Investment at FVTPL	6	(7,969)	(10,845)
Trade receivables, net of provisions		(553,396)	1,475,546
Prepayments and other current assets		56,700	(98,883)
Due from related parties		(274)	8,965
Other long-term assets		5,574	500,236
Derivative financial instruments		(896)	–
Accounts payable, accrued expenses and other current liabilities		405,017	(24,211)
Due to related parties		124	(100,875)
Other long-term liabilities		(7,647)	(1,751)
		1,120,993	2,798,703

(All amounts in ⃁ thousands unless otherwise stated)

	Note	Year ended 31 December 2025	2024
Zakat and income tax paid	18	(128,316)	(114,565)
Employee benefit obligations paid during the year	32	(6,465)	(9,319)
Net cash generated from operating activities		986,212	2,674,819
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments at FVOCI	10	(107,074)	(3,053,375)
Proceeds from sales of investments at FVOCI	10	1,011,509	3,673,350
Dividends from equity-accounted investees	11	607,623	469,606
Proceeds from sales of equity-accounted investee	11	800,005	–
Proceed from sale of investment property	12	55,274	980,700
Additions to investment properties	12	(280,526)	–
Additions to property and equipment	13	(436,033)	(276,533)
Addition to equity accounted investee	11	(224,628)	(233,050)
Additions to goodwill	14	–	(121)
Net cash generated from investing activities		1,426,150	1,560,577
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	16	7,185,261	3,388,755
Repayment of borrowings	16	(7,809,889)	(5,433,087)
Dividends paid	35	(1,037,647)	(1,037,565)
Movement in restricted cash		746	104,847
Finance charges paid		(1,008,428)	(1,457,636)
Proceeds from a related party loan	9	93,246	70,006
Net cash utilized in financing activities		(2,576,711)	(4,364,680)
Net change in cash and cash equivalents		(164,349)	(129,284)
Cash and cash equivalents at beginning of year		1,495,903	1,625,187
Cash and cash equivalents at end of year	5	1,331,554	1,495,903

The accompanying notes form an integral part of these consolidated financial statements, which have been authorized for issue by the Board of Directors on behalf of the shareholders, and signed on its behalf by:

Adel Abdulaziz Al-Abdulsalam
Chief Financial Officer

Eng. Talal Ibrahim AlMaiman
Chief Executive Officer

HRH Prince AlWaleed bin Talal AlSaud
Chairman of the Board of Directors

Notes to the Consolidated Financial Statements

(All amounts in ⃁ thousands unless otherwise stated)

1. Corporate Information

Kingdom Holding Company (the "Company" or "KHC") is a Saudi Joint Stock Company ("JSC") operating in the Kingdom of Saudi Arabia. The Company was previously formed as a limited liability company and operated under commercial registration number 1010142022 dated 11 Muharram 1417H (corresponding to 28 May 1996). The Ministry of Commerce approved, pursuant to resolution number 128/S dated 18 Jumad Awwal 1428H (corresponding to 4 June 2007), the conversion of the Company into a JSC. The majority shareholder of the Company is HRH Prince Alwaleed bin Talal AlSaud ("Ultimate controlling party").

The principal activities of the Group are hotel management and operations, commercial services, education and investments.

The shares of the Company commenced trading on the Saudi Stock Exchange on 28 July 2007 after approval by the Capital Market Authority of the Kingdom of Saudi Arabia.

The Company's head office is located in Riyadh at the following address:

Kingdom Holding Company
66th Floor, Kingdom Centre
P.O. Box 1, Riyadh 11321
Kingdom of Saudi Arabia

Liquidity and financial position

As of 31 December 2025, the Group had net current liabilities of ⃁ 0.6 billion (31 December 2024: ⃁ 2.1 billion), primarily due to the maturity of certain current borrowings amounting to ⃁ 1.3 billion (2024: ⃁ 3 billion). To manage its liquidity needs, the Group has access to undrawn borrowing facilities of ⃁ 10 billion, along with an existing portfolio of liquid, unpledged investments and the option to roll over revolving credit facilities as they mature. Furthermore, management has conducted a cash flow projection analysis for the upcoming twelve months and remains confident that the Group will be able to meet its obligations as they come due.

Accordingly, these consolidated financial statements are prepared on going concern basis.

These consolidated financial statements were authorized for issue by the Company's Board of Directors 5 Shawwal 1447H (corresponding to 24 March 2026).

The Company and its subsidiaries (the "Group") carry out activities through the entities listed below.

1.1 Kingdom 5-KR-11 Limited (KR-11)

KR-11 is a fully owned limited liability company incorporated in the Cayman Islands. The company's principal activity represents investments in international quoted securities, through its wholly owned subsidiaries.

(All amounts in ⃁ thousands unless otherwise stated)

1.2 Kingdom 5-KR-100 Limited (KR-100)

KR-100 is a fully owned limited liability company incorporated in the Cayman Islands. The company's principal activity represents ownership and management of mutual funds, through its equity-accounted investees.

1.3 Kingdom 5-KR-132 Limited (KR-132)

KR-132 is a fully owned limited liability company incorporated in the Cayman Islands. The company's principal activity includes holding investments in the following subsidiaries and equity-accounted investees that own and manage properties and hotels:

	Effective Ownership Percentage	
	2025	2024
Subsidiaries		
Kingdom Hotel Investments (KHI) – Cayman Islands	100	100
Kingdom 5 KR 35 Group (George V) – France	100	100
Equity-accounted investees (Associates)		
Four Seasons Holding Inc. (FSH Inc.) – Canada	23.75	23.75
Accor S.A. – France (Note 3.2)	6.8	6.8

1.4 Kingdom 5-KR-114 Limited (KR-114)

KR-114 is a fully owned limited liability company incorporated in the Cayman Islands. The company holds 58.96% (2024: 58.96%) ownership in Breezeroad Limited, a company which is incorporated in the Cayman Islands which in turn holds a 100% ownership in Savoy Hotels Limited in the United Kingdom.

1.5 Local and Regional Subsidiaries

The Group also has ownership in the following local and regional subsidiaries and equity-accounted investees:

	Effective Ownership percentage		Principal activities
	2025	2024	
Subsidiaries			
Kingdom Real Estate Development Company (KRED) - Saudi Arabia	100	100	Real estate development and management
Kingdom Investment and Development Company (KIDC) – Saudi Arabia	89.8	89.8	Real estate development and management
Kingdom Schools Company Limited (The School) – Saudi Arabia (Note 3.2)	89.8	89.8	Education
Fashion Village Trading Company Limited (SAKS) – Saudi Arabia	71.8	71.8	Wholesale and retail merchandiser

(All amounts in ⃁ thousands unless otherwise stated)

	Effective Ownership percentage		Principal activities
	2025	2024	
Real Estate Investment Company (REIC) – Saudi Arabia	89.8	89.8	Real estate development and management
Trade Centre Company Limited (TCCL) – Saudi Arabia	89.8	89.8	Real estate development and management & hotel management
Consulting Clinic SAL (Clinic) – Lebanon	50.4	50.4	Healthcare
Equity-accounted investees (Associates)			
Flynas Company (Flynas) – Saudi Arabia	27.4	37.1	Aviation
Jeddah Economic Company (JEC) - Saudi Arabia	35.74	35.74	Real estate development and management
Banque Saudi Fransi (BSF) - Saudi Arabia (Note 3.2)	16.2	16.2	Financial institution
East Shura III Company*	50	50	

** Investment of KHC in East Shuraa III is effectively owned through a special purpose vehicle (Sea Front Company Limited) which is 100% owned by KHC.*

The principal activities and the various segments of the Group are described in Note 33.

2. Basis of Preparation

2.1 Statement of Compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS"), that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

2.2 Historical Cost Convention

These consolidated financial statements have been prepared under the historical cost convention, except for the Investments carried at FVOCI and FVTPL, which are measured at fair value.

Further, the employee termination benefits are calculated using the Projected Unit Credit Method (PUCM) and actuarial assumptions.

2.3 New Standards and Amendments Applicable from 1 January, 2025

Certain amendments to existing standards became applicable for the current reporting period. The amendments did not have an impact on the consolidated financial statements of the Group and accordingly the Group did not have to change its accounting policies or make any retrospective adjustments.

(All amounts in ⃁ thousands unless otherwise stated)

Title	Key requirements	Effective date
Lack of exchangeability – Amendment to IAS 21	An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.	1 January 2025

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2025, reporting periods and have not been early adopted by the Group. The standards, interpretations and amendments issued that are relevant to the Group but are not yet effective are disclosed below:

Title	Key requirements	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
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	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. – 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.	1 January 2026
Annual improvements to IFRS – Volume 11	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 2024 amendments are to the following standards: 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

(All amounts in ⃁ thousands unless otherwise stated)

Title	Key requirements	Effective date
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

2.4 Standards, Interpretations and Amendments Issued but not yet Effective

Title	Key requirements	Effective date
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 management is in the process of assessing the impact of these standards, amendments or interpretations on future periods and on foreseeable future transactions.

3. Use of Judgements and Estimates

The preparation OF consolidated financial statements in conformity with IFRS, that are endorsed in the Kingdom of Saudi Arabia, requires the use of certain critical estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenue and expenses during the reporting period. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and judgments concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and judgements that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next twelve-month period are discussed below:

(All amounts in ⃁ thousands unless otherwise stated)

3.1 Significant Estimates

Investment in equity accounted investees – impairment testing

The Group assesses at each reporting date whether there is an indication that an interest in equity-accounted investees may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. For further details refer Note 4.16 and Note 11.

Goodwill and intangible assets – annual impairment testing

The Group tests whether goodwill and other intangible assets with indefinite useful life have suffered any impairment on an annual basis. For the 2025 and 2024 reporting periods, the recoverable amount of the cash-generating units (CGUs) was determined based on fair value less costs of disposal which require the use of assumptions. For further details refer Note 14.

Estimation of fair value – Investment at FVTOCI, level 3 classification

The Group has exercised judgement in estimating the fair value of investments at FVTOCI, level 3 classification as at 31 December 2025 as part of the level 3 measurements of such financial instruments. For further details refer to Notes 10.1 and 31.

3.2 Significant Judgements

Accor S.A France

The Group has a Board seat and other committee representations and actively participates in the policy making process of the company and it is the second largest strategic investor in the company. The CEO of the hospitality arm of the Group is the representative Board member and actively participates in the decision-making process through his presence on the Board and through significant interaction with key management of Accor Hotels. The Group has therefore determined that it has significant influence over this entity.

Banque Saudi Fransi (BSF) – Saudi Arabia

The Group is the largest shareholder of the bank and has a Board seat and other committee representations and participates in the policy making process of the bank. The CEO of the Group is also the Vice Chairman of the Board of Directors of the bank. The Group has therefore determined that it has significant influence over the bank, even though it only holds 16.2% of the voting rights.

4. Material Accounting Policies

The material accounting policies applied by the Group in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

4.1 Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). These consolidated financial statements are presented in Saudi Riyals which is the Company's functional and Group's presentation currency.

(All amounts in ⃁ thousands unless otherwise stated)

(b) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in the consolidated statement of income.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of income, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of income on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at FVTPL are recognized in the consolidated statement of income as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as at FVOCI are recognized in consolidated statement of comprehensive income.

(c) Group Companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of income and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognized in the consolidated statement of comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings are recognized in consolidated statement of comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to the consolidated statement of income, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

4.2 Principles of Consolidation and Equity Accounting

i. Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those

(All amounts in ⃁ thousands unless otherwise stated)

returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (See Note 4.3).

Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests ("NCI") in the results and equity of subsidiaries are shown separately in the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position, respectively.

ii. Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting (see (iii) below), after initially being recognized at cost.

iii. Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in the consolidated statement of income, and the Group's share of movements in other comprehensive income of the investee in consolidated statement of comprehensive income. Dividends received or receivable from associates are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 4.18.

4.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- *fair values of the assets transferred;*
- *liabilities incurred to the former owners of the acquired business;*

(All amounts in ⃁ thousands unless otherwise stated)

- *equity interests issued by the Group;*
- *fair value of any asset or liability resulting from a contingent consideration arrangement; and*
- *fair value of any pre-existing equity interest in the subsidiary.*

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- *consideration transferred,*
- *amount of any non-controlling interest in the acquired entity, and*
- *acquisition-date fair value of any previous equity interest in the acquired entity*

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in the consolidated statement of income as a bargain purchase.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date. Any gains or losses arising from such re-measurement are recognized in the consolidated statement of income.

4.4 Financial instruments

(i) Financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- *those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss), and*
- *those to be measured at amortized cost.*

Classification of debt financial assets (long-term receivable) depends on the Group's business model for managing its financial assets and the contractual terms of the cash flows.

The group holds the debt financial assets with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

For assets measured at fair value, gains and losses are either recorded in the consolidated statement of income or OCI. For investments in equity instruments that are not held for trading, this will depend on

(All amounts in ⃁ thousands unless otherwise stated)

whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

Recognition and de-recognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are de-recognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial assets not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the consolidated statement of income.

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the consolidated statement of income following the de-recognition of the investment. Dividends from such investments continue to be recognized in the consolidated statement of income when the Group's right to receive dividends is established.

Changes in the fair value of financial assets at FVTPL are recognized as revenues in the consolidated statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The Group assesses on a forward-looking basis the Expected Credit Losses ("ECL") associated with its financial assets carried at amortized cost. ECL reflects an unbiased and probability-weighted amount which is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information about past events, current conditions and forecasts of future economic conditions. The financial assets of the Group subject to ECL are cash and cash equivalents, trade receivables, long-term receivable and due from related parties. Also refer Note 31. For long-term receivable, the Group applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Group identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). If the Group deter-mines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL.

(All amounts in ⃁ thousands unless otherwise stated)

De-recognition

A financial asset or a part of a financial asset is de-recognized when:

- *The rights to receive cash flows from the asset have expired, or*
- *The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:*
  - *The Group has transferred substantially all the risks and rewards of the asset, or*
  - *The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.*

(ii) Financial liabilities

Financial liabilities are recognized at the time when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are recognized initially at fair value less any directly attributable transaction cost. Subsequent to initial recognition, these are measured at amortized cost using the effective interest rate method.

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the consolidated statement of income. The Group's financial liabilities include borrowings, dividends payable, trade payables, accrued expenses and other current liabilities and due to related parties.

Offsetting financial assets and liabilities

Financial assets and liabilities are offset, and the net amount reported in the consolidated statement of financial position where the Group currently has a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

4.5 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, bank balances and short-term deposits with original maturities of three months or less, which are subject to an insignificant risk of changes in value less restricted cash. Restricted balances are excluded from cash and cash equivalents for the purposes of the consolidated statement of cash flows.

4.6 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest rate method.

(All amounts in ⃁ thousands unless otherwise stated)

4.7 Investment Properties

Investment properties comprise property held for capital appreciation, long-term rental yields or both, and are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Investment properties also include property that is being constructed or developed for future use as investment properties. In addition, land, if any held for undetermined use is classified as investment properties and is not depreciated. When the development of investment properties commences, it is classified as "Assets under construction" until development is complete, at which time it is transferred to the respective category and depreciated using straight-line method at rates calculated to reduce the cost of assets to their estimated residual value over their expected useful lives of 4 to 99 years.

Maintenance and normal repairs which do not materially extend the estimated useful life of an asset are charged to the consolidated statement of income as and when incurred.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are recognized and presented separately within other losses - net in the consolidated statement of income.

4.8 Property and equipment

Initial recognition

Property and equipment are recognized as an asset when, and only when, it is probable that future economic benefits will flow to the Group, and the cost of the asset can be measured reliably. Property and equipment are recognized and measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset and any directly attributable cost.

When parts of property and equipment are significant in cost in comparison to the total cost of the item and such parts have a useful life different than other parts, the Group recognizes such parts as individual assets and depreciates them accordingly.

Subsequent measurement

The Group adopted the cost model to measure the entire class of property and equipment. After recognition as an asset, an item of property equipment is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Depreciation

Useful lives are determined by management based on the expected usage of the asset, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of the assets and other similar factors. Depreciation is calculated on a straight-line basis over the below useful lives and is recognized in the consolidated statement of income:

(All amounts in ⃁ thousands unless otherwise stated)

Description	Number of years
Buildings (hotels)	20 to 99 years or the lease term
Equipment	5 to 13
Furniture and fixtures	4 to 20
Others	4 to 14

Land and assets under construction that are not ready for intended use are not depreciated.

De-recognition

Property and equipment are de-recognized when they have been disposed or no future economic benefits are expected to arise from their use or disposal. Gains or losses arising from de-recognition of an item of property and equipment is included in the consolidated statement of income at the time the item is de-recognized.

4.9 Intangible Assets

Intangible assets acquired separately are measured at cost upon initial recognition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the consolidated statement of income in the expense category consistent with the function of the intangible asset.

Goodwill is measured as described in Note 4.3. Goodwill and brands identified on acquisitions of subsidiaries are included in intangible assets. Goodwill and brands are not amortized but are tested for impairment annually, or more frequently if events or changes in circumstances indicate that these might be impaired, and are carried at cost less accumulated impairment losses, if any. Gains and losses on the disposal of an entity include the carrying amount of goodwill or brands relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

4.10 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated statement of income over the period of the borrowings using the effective interest rate

(All amounts in ⃁ thousands unless otherwise stated)

method. Borrowing costs are recognized within finance charges in the period in which they are incurred.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

General and specific finance costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. There were no borrowings costs that required capitalization during 2025.

Borrowings are derecognized from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in consolidated statement of income as other income or finance costs.

4.11 Trade and Other Payables

These amounts represent liabilities for goods and services, provided to the Group prior to the end of financial year, which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest rate method.

4.12 Zakat and Income Tax

The Group is subject to zakat and income tax in accordance with the regulations of the Zakat, Tax and Customs Authority ("ZATCA"). Zakat, for the Group and its subsidiaries subject to zakat, is calculated based on higher of approximate zakat base and adjusted profit and charged to the consolidated statement of income. Additional amounts, if any, are accounted for when determined to be required for payment.

Foreign subsidiaries and foreign branches are subject to income taxes in their respective countries of domicile, such income taxes are charged to the consolidated statement of income.

Income tax based on the applicable income tax rate is adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

(All amounts in ⃁ thousands unless otherwise stated)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Withholding tax

The Company and its Saudi Arabian subsidiaries also withhold taxes on certain transactions with non-resident parties in the Kingdom of Saudi Arabia as required under Saudi Arabian Tax Law.

4.13 Dividends

Dividend payable is recognized for the amount of any dividend declared being appropriately authorized and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period. As per the corporate laws in the Kingdom of Saudi Arabia, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

4.14 Employee benefits and post-employment benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-employment obligation

The Group operates a post-employment benefit scheme plans driven by the local laws of the countries in which the Group entities operate.

The post-employment benefits plans are not funded. Valuations of the obligations under those plans are carried out using actuarial techniques on the projected unit credit method. The costs relating to such plans primarily consist of the present value of the benefits attributed on an equal basis to each year of service and the interest on this obligation in respect of employee service in previous years.

Current and past service costs related to post-employment benefits are recognized immediately in the consolidated statement of income while unwinding of the liability at discount rates used are recorded as financial cost.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized directly in other comprehensive income and transferred to other reserves in the consolidated statement of changes in equity in the period in which they occur.

Changes in the present value of the defined benefit obligations resulting from plan amendments or curtailments are recognized immediately in the consolidated statement of income as past service costs. End of service payments are based on employees' final salaries and allowances and their cumulative years of service, as stated in the laws of the respective countries in which the Group operates.

(All amounts in ⃁ thousands unless otherwise stated)

4.15 Share capital

Ordinary shares are classified as equity.

4.16 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that a non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a Discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, an appropriate valuation model is used.

Impairment losses are recognized in consolidated statement of income in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of income.

4.17 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-zakat and income tax rate that reflects current market assessments of the time value of money and the risks specific to liability. The increase in the provision due to the passage of time is recognized as interest expense. The expense relating to a provision is presented in the consolidated statement of income.

(All amounts in ⃁ thousands unless otherwise stated)

4.18 Revenue recognition

(i) Revenue from Hotel Operations

Revenue is primarily derived from hotel operations, including the rental of rooms, food and beverage sales and other services from owned hotels. Revenue is recognized when rooms are occupied, food and beverages are sold and services are performed.

Revenue is recognized net of returns, rebates, municipality fees and discounts. Service charges collected from the customers are recorded as revenue, as the Group is the principal/primary obligor and is required to provide the service to the customer in return for the receipt of the service charge.

A receivable is recognized when the goods are delivered, as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. Usually there are no rights to return attached, therefore no refund liabilities are required to be recognized.

(ii) Rental Income

The Group owns offices, mall spaces, temporary spaces etc. The revenue is recognized on a straight-line basis over the term of the lease taking into consideration any incentives given, the rent received in advance, if any is recognized as a liability. The rental contracts are relatively simple and are fixed price contracts where the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, an asset is recognized. If the payments exceed the services rendered, a liability is recognized.

(iii) Educational services

Revenue is recognized when the educational services are performed. Revenue is shown net of discounts and scholarships. The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and when specific criteria have been met.

(iv) Retail

Revenue is recognized when goods are sold and invoices are issued to customers. Revenue is recorded net of discounts.

(v) Investment Measured at FVTPL

The fair value gains or losses on investments measured at FVTPL are recognized as operational revenues as the Group invests in those equity investments as its operating activity in its normal course of business.

Financing component

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

4.19 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to shareholders of the Group, excluding any costs of servicing equity other than ordinary shares

(All amounts in ⃁ thousands unless otherwise stated)

- *by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements, if any, in ordinary shares issued during the year and excluding treasury shares.*

The Group does not have any share options, uncalled or partially paid shares, deferred or convertibles notes and therefore there is no difference between basic and diluted earnings per share.

4.20 Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). Board of Directors (BOD) is identified as CODM of the Group.

Reportable segments are disclosed separately at least where, total revenue is more than 10% of the total revenue of the Group, or absolute amount of profit or loss is more than 10% of combined reported profit of all segments (excluding loss making segments) and combined reported loss of all segments (excluding profit making segments), or total assets are more than 10% of total assets of the Group.

4.21 Derivative financial instruments

The Group utilizes derivative financial instruments to manage certain market risk exposures. The Group does not use derivative financial instruments for speculative purposes; however, it may choose not to designate certain derivatives as hedges for accounting purposes. The use of derivative instruments is subject to limits and the positions are regularly monitored and reported to senior management.

Written options

The Group uses 'European Style' written options contracts to manage its exposure to fair value movements on its certain investments at fair value. These contracts permit net settlement in cash or other financial assets equivalent to the change in the contract's fair value and hence these contracts are accounted for as a derivative financial instrument in the period between trade and settlement date. On initial recognition, the net fair value of these contracts itself is recognized as a derivative financial liability at the trade date. The Group receives an option premium as consideration for entering written options contracts on the trade date from the counter party (i.e., seller of the written options contract). Any subsequent changes at each reporting date in the fair value of these written options are recognised immediately in consolidated statement of income and are included in other gains/(losses).

Interest Rate Swaps

The Group uses interest rate swap contracts to manage its exposure to interest rate movements on its long-term borrowings. Other financial liabilities (excluding long term-borrowings) are primarily non-interest bearing.

4.22 Dividend Income

Dividends are received from financial assets measured at fair value through other comprehensive income (FVOCI). Dividends are recognised as dividend income in consolidated statement of income when the right to receive payment is established.

(All amounts in ⃁ thousands unless otherwise stated)

5. Cash and Cash Equivalents

	2025	2024
Cash and cash equivalents (Note 5.1)	1,524,563	1,689,658
Less: Restricted cash (Note 5.2)	(193,009)	(193,755)
Cash and cash equivalents in the consolidated statement of cash flows	1,331,554	1,495,903

5.1 *Cash and cash equivalents include deposit with a related party (associate) amounting to ⃁ 141.5 million (2024: ⃁ 26.2 million).*

5.2 *Restricted cash and bank balance are related to the restrictions placed by the banks for the utilization of certain funds.*

6. Investments at FVTPL

The Group classifies those equity investments at FVTPL for which it has not elected to recognize fair value gains and losses through other comprehensive income at initial recognition. As at 31 December 2025, FVTPL investments consist of unquoted securities. The movement in FVTPL investments is set out below:

	2025	2024
FVTPL		
1 January	243,421	232,576
Addition	7,969	10,845
Changes in fair value	66,329	–
31 December	317,719	243,421

7. Trade and Other Receivables

	2025	2024
Trade receivables (current)	914,987	575,877
Less: provision for impairment of trade receivable	(303,783)	(323,492)
	611,204	252,385
Long-term receivables (non-current) (Note 11)	191,854	–
Total receivables	803,058	252,385

Following is the breakdown of net receivables:

	2025	2024
Receivables from others (non-current)	191,854	–
Receivables from guests	121,142	46,343
Receivables from tenants	126,326	103,026
Receivables from medical operations	5,701	5,701
Receivable from others	358,035	97,315
Trade receivables (current)	611,204	252,385

Due to the short-term nature of the trade receivables and determination of the carrying value of the long-term receivable at fair market rate of discount, their carrying amount is not significantly different from their fair value. Also see Note 31.

Trade receivables are expected, on the basis of experience, to be fully recoverable. Generally, it is not the practice of the Group to obtain collateral over trade receivables. Thus, trade receivable balances are unsecured.

(All amounts in ⃁ thousands unless otherwise stated)

The following table shows movement in provision for impairment of trade receivable:

	2025	2024
Balance at the beginning of the year	323,492	322,318
Provision during the year	2,723	1,174
Provision written-off during the year	(22,432)	–
Balance at end of the year	303,783	323,492

Information about the impairment of trade and other receivables and their credit quality, and the Company's exposure to credit risk, currency risk and interest rate risk can be found in Note 31.

8. Prepayments and Other Current Assets

	2025	2024
Prepaid expenses and other current assets	122,764	141,262
Inventories	30,904	31,503
Advances to suppliers	89,616	153,874
Value added tax claims receivable	29,125	2,470
	272,409	329,109

9. Related Party Transactions and Balances

Related parties comprise the shareholders, directors, associate companies and key management personnel and business over which they exercise control or significant influence. Related parties also include entities in which certain directors or senior management have an interest.

The transactions with related parties represent rental services, maintenance and other general services rendered to or purchased from related parties of the Group including positions in certain listed entities. Balances due to and due from related parties are outstanding balances in lieu of such transactions. Related party balances, other than those disclosed elsewhere in these consolidated financial statements, as at 31 December are as follows:

Name	Relationship	2025	2024
Due from related parties:			
Azizia Commercial Investment Company (Note 9.1)	Entity under common control	114,801	114,207
Others	Associate	366	686
Total		115,167	114,893
Due to related parties:			
Others - Current	Associates	364	240
Qatar Investment Authority – Katara			
Hospitality (Note 9.2) – Non-Current	Non-controlling interest	604,045	510,799
Total		604,409	511,039

9.1 *The balance is due from Azizia Commercial Investment Company "Azizia" (an entity under liquidation). The balance pertains to the funding provided by the Group to this entity in prior years for the acquisition of shares. The entity is under common control. The balance is considered to be recoverable as*

(All amounts in ⃁ thousands unless otherwise stated)

Azizia primarily carries investment in a listed entity the carrying value of which is more than the amount due to the Group as at 31 December 2025.

9.2 *The balance represents financing provided by the NCI to one of the subsidiaries. The loan carries interest at 3.71% and is payable on 31 October 2028.*

See Note 5 and Note 16 for cash and borrowings balances held with a related party that is an equity-accounted investee (Banque Saudi Fransi). There are no other significant related party transactions that warrant separate disclosure in these consolidated financial statements.

Key management compensation:

The key senior executives including the CEO and CFO are considered the key management, and their benefits are as follows:

	2025	2024
Short and long-term benefits	33,868	36,412
Others	30,000	7,290
	63,868	43,702

10. Investments at FVOCI

Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and for which the Group has made an irrevocable election at initial recognition to recognize changes in fair value through other comprehensive income rather than the consolidated statement of income as these are strategic investments and the Group considered such election to be more relevant. FVOCI investments consist of international, local and regional quoted securities.

(a) FVOCI investments consists of the following:

	2025	2024
International	38,390,815	20,666,125
Local and regional	1,145,189	1,224,119

(b) The movement in FVOCI is set out below:

	2025	2024
Cost:		
1 January - Note 10.1	24,478,285	26,260,691
Additions during the year	107,074	3,053,375
Disposals during the year	(630,264)	(4,835,781)
31 December - Note 10.1	23,955,095	24,478,285
Fair value reserve for investments at FVOCI:		
1 January	(2,372,493)	(6,758,124)
Unrealized gain during the year	19,246,328	4,219,953
Unrealized loss during the year	(911,681)	(996,753)
Realized loss/(gain) transferred to retained earnings upon disposal	(381,245)	1,162,431
31 December	15,580,909	(2,372,493)
Net carrying amount	39,536,004	22,105,792

(All amounts in ⃁ thousands unless otherwise stated)

The investments at FVOCI are denominated in the following currencies:

	2025	2024
US Dollar	33,052,929	16,659,910
Euro	5,441,992	3,998,770
Saudi Riyals	1,021,253	1,134,112
Others	19,830	313,000
	39,536,004	22,105,792

10.1 Investment in Securities of an Artificial Intelligence Company

As at 31 December 2025, the Group holds a position in equity securities of X.AI Holdings Corp (xAI), a North America-based artificial intelligence company. Given the absence of quoted market prices, the fair value measurement is classified within Level 3 of the IFRS 13 fair value hierarchy, relying significantly on unobservable inputs. Management determined fair value primarily based on recent observable private transactions involving independent, knowledgeable, and willing market participants.

The fair value of the investment was determined primarily with reference to recent private market transactions involving the investee with independent market participants, which management considered to represent the most relevant observable evidence of fair value at the reporting date. During February 2026, and prior to the authorization of these consolidated statements for issue, X.AI Holdings Corp (xAI) and Space Exploration Technologies Corp. (SpaceX) completed a merger transaction, whereby xAI was acquired by, and became a wholly owned subsidiary of SpaceX. Accordingly, the Group's shares in xAI were cancelled and converted into SpaceX shares based on a mutually agreed conversion factor. This event is considered a non-adjusting event under IAS 10 and the investment continues to be presented as an investment in xAI.

Sensitivity analysis indicates that a hypothetical 5% adjustment would impact fair value by approximately ⃁ 0.83 billion. Management believes the assumptions and valuations employed are reasonable and align with prevailing market practices for similar investments in privately held entities.

11. Equity-Accounted Investees

(a) The movement in investments in equity-accounted investees for the years ended 31 December is as follows:

	2025	2024
1 January	18,196,697	17,172,435
Additions	224,628	233,050
Dividends	(607,623)	(469,606)
Disposals	(329,667)	-
Share of results	1,039,004	1,209,032
Share in other comprehensive income	186,856	37,993
Reversal of impairment	500,000	200,000
Unrealized exchange (loss)/gain on translation	407,985	(186,207)
31 December	19,617,880	18,196,697

(All amounts in ⃁ thousands unless otherwise stated)

Details of equity-accounted investees at 31 December are summarized as follows:

Investee name	2025		2024	
	Effective ownership %	Amount	Effective ownership %	Amount
BSF – (Note 3.2)	16.2	8,336,847	16.2	7,676,049
Four Seasons Holding Inc ("FSH Inc.")	23.75	2,864,634	23.75	2,757,939
Accor S.A. ("Accor") (Note 3.2)	6.8	3,811,351	6.8	2,939,753
Jeddah Economic Company ("JEC")	35.74	2,523,264	35.74	2,487,831
Flynas Company ("Flynas")	27.4	1,720,620	37.1	2,049,350
East Shura III Company	50	308,439	50	233,050
Others	30.0-35.0	52,725	30.0-35.0	52,725
		19,617,880		18,196,697

Following is the summary financial information for the equity-accounted investments:

The summarized financial information below represents amounts shown in the equity-accounted investee's financial statements prepared in accordance with IFRS as applicable to the relevant jurisdiction.

31 December 2025 (All amounts in ⃁ millions)	NAS Holding Company	Flynas	East Shura III	JEC	FSH Inc.	BSF	Accor S.A.
Non-current assets	–	12,306	1,653	12,583	11,518	94,115	38,918
Current assets	–	4,916	856	856	3,990	214,891	12,791
Non-current liabilities	–	(9,567)	(1,605)	(5,281)	(4,302)	(63,127)	(18,730)
Current liabilities	–	(4,105)	(400)	(664)	(878)	(195,219)	(12,210)
Equity	–	3,550	504	7,494	10,328	50,660	20,769
KHC's share	–	973	–	2,678	2,453	8,207	1,412
Carrying amount	–	1,721	308	2,523	2,865	8,337	3,811
Revenue	–	7,844	–	–	2,764	17,558	23,908
Net profit/(loss)	–	(527)	(7)	99	576	5,353	2,116
Other comprehensive (loss)/income	–	(14)	–	–	267	1,351	(1,344)
Total comprehensive income/(loss)	–	(541)	(7)	99	843	6,704	772
Share in total comprehensive income/(loss)	–	(148)	–	35	200	1,086	52

(All amounts in ⃁ thousands unless otherwise stated)

31 December 2024 (All amounts in ⃁ millions)	NAS Holding Company	Flynas	East Shura III	JEC	FSH Inc.	BSF	Accor S.A.
Non-current assets	19	11,108	899	11,253	11,416	88,608	35,457
Current assets	58	2,096	445	898	3,607	204,168	11,589
Non-current liabilities	(39)	(9,265)	(721)	(3,904)	(4,229)	(431,287)	(14,711)
Current liabilities	(258)	(2,300)	(152)	(851)	(885)	185,118	(11,000)
Equity	(220)	1,639	471	7,396	9,909	46,607	21,335
KHC's share	(82)	(608)	–	2,643	2,353	7,550	1,451
Carrying amount	–	2,049	233	2,488	2,765	7,676	2,940
Revenue	3,223	4,337	–	–	2,507	16,372	22,744
Net profit/(loss)	185	253	4	(558)	1,412	4,544	2,665
Other comprehensive (loss)/income	(8)	(12)	–	–	(96)	290	316
Total comprehensive income/(loss)	177	241	4	(558)	1,316	4,834	2,981
Share in total comprehensive income/(loss)	66	90	2	(199)	313	783	203

Among the equity-accounted investees mentioned above, BSF, Accor and Flynas are listed entities. At 31 December 2025, the fair value of the Group's holding in these associates as per quoted prices amounts to ⃁ 6,812 million (2024: ⃁ 6,415 million), ⃁ 3,501 million (2024: ⃁ 3,028 million), and ⃁ 3,045 million (2024: unlisted), respectively.

Accor

For the year ended 31 December 2025, Accor reported strong financial performance, with EBITDA increasing to ⃁ 5.0 billion (2024: ⃁ 4.4 billion). Revenue grew by 1%, compared to the previous year. Accor also distributed ⃁ 1.3 billion in dividends during the year (2024: ⃁ 1.2 billion).

As at 31 December 2025, the Group did not identify any impairment indicators requiring an impairment assessment of its investment in Accor. However, as part of its ongoing monitoring, the Group conducted a value-in-use assessment using a discounted cash flow model over a 10-year period, which management considers appropriate given Accor's diversified global presence and the investment lifecycle within the hospitality sector. The assessment indicated sufficient headroom, supporting the recoverability of the investment's carrying value.

For the year ended 31 December 2025, the Group assessed whether any indicators suggested that a previously recognized impairment loss for one of its associates, Accor, may no longer exist. Given Accor's strong financial and operational performance in recent quarters, the Group conducted an impairment assessment. This assessment indicated that the investment's recoverable amount exceeded its carrying value, leading to a reversal of ⃁ 500 million (2024: Nil) of impairment recognized in prior years.

(All amounts in ⃁ thousands unless otherwise stated)

Flynas

Previously, the Group held an indirect 37.1% equity stake in Flynas through its investment in NAS Holding, which owned 100% of Flynas. As of 31 December 2024, the ownership structure was reorganized, resulting in a direct transfer of the Group's stake from NAS Holding to Flynas. Following this restructuring, the Group held a direct 37.1% equity stake in Flynas. The transaction was recorded at the net book value of the investment as carried in the Group's books, with no gain or loss recognized.

On 18 June 2025, Flynas Company SJSC ("Flynas") was admitted on the Saudi Exchange or Tadawul through an Initial Public Offering (IPO). As part of the IPO, the Group's shareholding in Flynas diluted by 9.7% due to the issuance of additional shares and the Group disposing a portion of its existing shareholding in Flynas. As a result of this disposal, the Group recorded a gain on disposal of ⃁ 470 million. As of that date, the Group retained 27.4% shareholding in Flynas and still exercises significant influence over it. Therefore, the retained interest remains classified as an equity-accounted investee.

During 2025, Flynas' revenue increased by 4% to reach ⃁ 7.8 billion (2024: ⃁ 7.6 billion) for the year ended 31 December 2025.

JEC

On October 2, 2024, JEC entered into a construction contract with Saudi Binladin Group (SBG) to re-engage SBG for the completion of the JEC Tower project. Under this agreement, construction is expected to be completed within 42 months at a revised contract value of ⃁ 7.2 billion, which includes ⃁ 1.059 billion previously paid for completed work.

On the same date, JEC also entered into a Final Amendment and Settlement Agreement (the "New Agreement") with its existing shareholders and SBG. As per the New Agreement, the existing shareholders will initiate the necessary formalities to register SBG as a shareholder of JEC with a 10.66% ownership stake. However, the shares issued to SBG will not carry any economic benefits or variable interest in JEC until specific conditions are met, including but not limited to the completion, testing, and pre-commissioning of the JEC Tower project.

As at 31 December 2025 and 31 December 2024, the Group has accounted for its investment in JEC based on the new Agreement with an effective ownership interest of 35.74%, reflecting the expected dilution. The Group believes that the conditions outlined in the New Agreement are administrative in nature and do not materially impact its economic interest in JEC at this stage. However, it will continue to assess the New Agreement's conditions and any developments that may affect the accounting treatment, including potential changes in control or economic entitlement. Under the terms of the agreement, the Group will receive an amount of ⃁ 230 million from SBG on completion of the Jeddah Tower in 2028. As per Group policy, the financial asset shall be recognized initially at its fair value. Therefore, the Group has discounted the receivable which resulted in a fair value of ⃁ 191 million and the discount of ⃁ 39 million is amortized until the collection date at the effective interest rate.

(All amounts in ⃁ thousands unless otherwise stated)

These new agreements supersede all previous arrangements between SBG, the existing shareholders, and the Group, rendering any prior obligations or outstanding amounts null and void.

BSF

As of 31 December 2025, the market price of KHC's share of investment in BSF was below the carrying value, which was considered as a potential impairment indicator. The management believes that this decrease in market price is primarily due to the bonus share issuance in December 2024 and is a temporary impact. Considering BSF's strong long-term financial and operational performance, management believes there are no underlying issues with BSF's financial health.

FSH

FSH continues to demonstrate strong topline growth and has been consistently profitable. As such the management of the Group did not identify any triggers for assessment of impairment and accordingly no impairment assessment was performed for the year ended 31 December 2025.

East Shura III Company:

During the year ended, the Group contributed an additional ⃁ 75 million in cash for the joint venture associated with the development of Shura Island resort.

12. Investment Properties

2025	Land	Buildings	Furniture, Fixtures and others	Total
Cost				
1 January	2,186,010	1,519,632	21,047	3,726,689
Additions	–	280,526	–	280,526
Disposals (Note 12.3)	(17,320)	–	–	(17,320)
31 December	2,168,690	1,800,158	21,047	3,989,895
Accumulated depreciation				
1 January	–	580,899	20,803	601,702
Charge for the year	–	20,629	–	20,629
31 December	–	601,528	20,803	622,331
Net book value	2,168,690	1,198,630	244	3,367,564

2024	Land	Buildings	Furniture, Fixtures and others	Total
Cost				
1 January	2,951,821	1,611,065	21,047	4,583,933
Additions	–	–	–	–
Disposals (Note 12.3)	(765,811)	(91,432)	–	(857,243)
31 December	2,186,010	1,519,633	21,047	3,726,690
Accumulated depreciation				
1 January	–	565,733	20,678	586,411
Charge for the year	–	15,167	126	15,293
31 December	–	580,900	20,804	601,704
Net book value	2,186,010	938,733	243	3,124,986

12.1 Certain investment properties have been collateralized against term loans (Note 16).

12.2 As at 31 December 2025, investment properties kept for the purpose of rental yields amounted to ⃁ 1.3 billion (2024: ⃁ 1 billion).

The valuation for investment properties which has been performed by real estate valuers accredited by the Saudi Authority for Accredited Valuers (TAQEEM) by using accredited valuation techniques such as Market Method (Comparison Approach), amounted to ⃁ 6.69 billion (2024: ⃁ 4 billion) as at 31 December 2025.

12.3 During the year ended 31 December 2025, the Group sold land of 16,749.52 square meters for the consideration of ⃁ 55 million resulting in gain of ⃁ 38 million. During the last year ended 31 December 2024, the sold compound for the consideration of ⃁ 981 million resulted in gain of ⃁ 123 million which was recorded in the books of the Group for the year ended 31 December 2024.

(All amounts in ⃁ thousands unless otherwise stated)

13. Property and Equipment

2025	Land	Buildings	Equipment	Furniture, Fixtures and others	Total
Cost					
1 January	2,267,325	5,158,073	110,411	1,382,794	8,918,603
Additions	–	157,634	4,845	273,554	436,033
Currency translation and others	–	233,210	(1,254)	113,792	345,748
31 December	2,267,325	5,548,917	114,002	1,770,140	9,700,384
Accumulated Depreciation					
1 January	–	1,200,510	61,890	854,798	2,117,198
Charge/write off for the year	–	130,395	6,705	32,040	169,140
Currency translation and others	–	(2,891)	(3,199)	(2,022)	(8,112)
31 December	–	1,328,014	65,396	884,816	2,278,226
Net book value	2,267,325	4,220,903	48,606	885,324	7,422,158

2024	Land	Buildings	Equipment	Furniture, fixtures and others	Total
Cost					
1 January	2,269,886	4,970,072	113,650	1,422,855	8,776,463
Additions	-	224,617	438	51,478	276,533
Disposals, currency translation and others	(2,561)	(36,616)	(3,677)	(91,539)	(134,393)
31 December	2,267,325	5,158,073	110,411	1,382,794	8,918,603
Accumulated Depreciation					
1 January	-	1,070,779	62,436	819,667	1,952,882
Charge/write off for the year	-	135,836	6,287	39,485	181,608
Disposals, currency translation and others	-	(6,105)	(6,833)	(4,354)	(17,292)
31 December	-	1,200,510	61,890	854,798	2,117,198
Net book value	2,267,325	3,957,563	48,521	527,996	6,801,405

(All amounts in ⃁ thousands unless otherwise stated)

14. Goodwill and Intangible Assets

Goodwill and intangible assets comprise the following:

	2025	2024
Goodwill	1,214,123	1,108,164
Other intangible assets	680,892	680,995
	1,895,015	1,789,159

Movement in goodwill and other intangible assets is set out below:

	2025	2024
1 January	1,789,159	1,839,916
Additions	–	121
Currency translation adjustments and others	105,856	(50,878)
31 December	1,895,015	1,789,159

Goodwill recognized by the Group mainly represents an amount of ⃁ 1.2 billion (31 December 2024: ⃁ 1.1 billion) recognized on its cash generating unit – George V.

Other intangible assets include an indefinite life brand amounting to ⃁ 680.9 million (2024: ⃁ 680.9 million) recognized on acquisition of Savoy Hotels Limited. The indefinite life is due to the fact that the hotel is considered a trophy asset and management concluded that the benefits will be for an indefinite period. Therefore, the brand is not amortized but tested for impairment annually.

Intangible assets with definite lives are amortized over their useful economic lives ranging from 3 to 5 years.

Impairment of Indefinite Life Assets

The recoverable amounts have been determined based on fair value less costs to disposal, using discounted cash flow analysis. The hotel is the lowest level within the Group at which the intangible asset is monitored for internal management purposes. The cash flow projections are based on financial budgets that are approved by management of the respective entities. These cash flow projections are for a period of 9 years (2024: 9 years) for George V and Savoy.

The following table sets out the key assumptions made in performing the impairment reviews:

Particulars	George V	
	2025 %	2024 %
Revenue growth – CAGR	6.8	6.8
EBITDA margin – average	39.9	39.9
Terminal capitalization rate	5.5	5.5
Discount rate	10.0	10.0

Particulars	Savoy	
	2025 %	2024 %
Revenue growth – CAGR	5.5	5.5
EBITDA margin – average	42.8	42.8
Terminal capitalization rate	5.0	5.0
Discount rate	11.8	11.8

(All amounts in ⃁ thousands unless otherwise stated)

Assumption	Approach used to determine values
Revenue growth	The key factors, that the hotels will continue their status as premier hotels, occupancy rate and average rate per rooms, are based on management's assumption of achieving a stabilized level of performance and the hotels reaching their pre-covid levels based on the actual recoveries being made in 2025 considering the political and economic environment of the countries in which the hotels operate.
EBITDA margin	Based on past performance and management's expectations for the future.
Terminal capitalization rate	The rates are consistent with forecasts included in industry reports.
Discount rate	Reflect specific risks relating to the hospitality business and countries in which they operate.

For George V, the recoverable amount would equal its carrying amount if the key assumptions were to change, keeping other variables constant, as follows:

Particulars	2025	
	From %	To %
Revenue growth – CAGR	6.8	5.3
EBITDA margin – average	39.9	38.6
Discount rate	10.0	13.5

For Savoy, the recoverable amount would equal its carrying amount if the key assumptions were to change, keeping other variables constant, as follows:

Particulars	2025	
	From %	To %
Revenue growth – CAGR	5.5	3.7
EBITDA margin – average	42.8	41.4
Discount rate	11.8	15.9

15. Other Long-term Assets

	2025	2024
Refundable deposits	1,915	129
Others	43,891	51,252
	45,806	51,381

16. Borrowings

The outstanding borrowings balance is presented as follows:

	2025	2024
Current		
Current portion of term loans	1,281,267	3,045,759
Non-current		
Term loans, including long-term revolving facilities	11,487,254	9,551,676

(All amounts in ⃁ thousands unless otherwise stated)

	2025	2024
The movement in the borrowings is as follows:		
1 January	12,669,967	15,040,234
Additions	7,185,261	3,388,755
Repayments	(7,809,890)	(5,433,087)
Foreign currency translation adjustments	825,507	(325,934)
31 December	12,870,845	12,669,968
Unamortized transaction costs:		
1 January	(72,533)	(68,107)
Additions	-	-
Amortization	(29,791)	(4,426)
31 December	(102,324)	(72,533)
Net carrying amount	12,768,521	12,597,435
Details of borrowings by entity are as follows:		
Kingdom Holding Company	5,980,727	6,116,463
Kingdom 5-KR-11 Limited	2,779,592	2,862,210
Kingdom 5-KR-35 Group	1,839,419	1,614,772
Kingdom KR-114 Limited	924,501	857,425
Trade Centre Company Limited (TCCL)	1,090,712	964,190
Others	153,570	182,375
	12,768,521	12,597,435

These borrowings are loan facilities from different banks and financial institutions. The management utilize them to settle the facilities which are falling due in the said years and to support the strategic decision making of the Group. Similar to the year ended 31 December 2025, the Group has drawn down to pay off facilities which are falling due during the year from the undrawn facilities. The Group has also entered into certain new loan facilities during the year. The Group has complied with all its covenants.

As at 31 December 2025, the Group has no outstanding loans from a related party, BSF.

Following is a summary of the Group's significant borrowings:

KHC

Loans in KHC were obtained from commercial banks and consist of several facilities including syndicated loans and revolving credit facilities. These loans carry borrowing costs based on Saudi Inter-Bank Offered Rate ("SIBOR"), Euro Interbank Offered Rate ("EURIBOR") and Secured Overnight Financing Rate ("SOFR") plus a spread and are secured against certain investments and cash in certain bank accounts of the Group. The value of these assets pledged as securities amounts to ⃁ 19 billion as at 31 December 2025. The aggregate maturities of these loans, based on their respective repayment schedules, are spread over a period of 5 years. Loan agreements include certain financial covenants with respect to minimum tangible net worth, consolidated EBIT, consolidated net commission costs, loan to value ratio, minimum standalone and consolidated total assets, debt service ratio and interest coverage ratio. The carrying values of the borrowings are denominated in following currencies:

	2025	2024
Saudi Riyals	3,911,317	3,097,723
Euro	2,069,410	1,443,740
US Dollars	–	1,575,000
	5,980,727	6,116,463

(All amounts in ⃁ thousands unless otherwise stated)

Kingdom 5-KR-11 Limited

Loans in Kingdom 5-KR-11 limited carry floating interest rates based on EURIBOR plus a spread. The facilities are secured against certain FVOCI investments. The value of these investments amounts to ⃁ 6.3 billion as at 31 December 2025. The aggregate maturities of these loans, based on their respective repayment schedules, are spread over a period of 3 years. These loans are denominated in Euro. Loan agreements include certain financial covenants with respect to minimum tangible net worth, consolidated EBIT, consolidated net commission costs, loan to value ratio, minimum standalone and consolidated total assets and debt service ratio.

Kingdom 5-KR-35 Group - George V Hotels

During the year 2024, the Kingdom 5-KR-35 secured a new loan facility amounting to ⃁ 1.7 billion, which was hedged through an Interest Rate Swap (IRS) derivative. This new facility is backed by a mortgage on the George V hotel property. The carrying value of this property amounts to ⃁ 1.21 billion on 31 December 2025. The loan agreement includes certain financial covenants such as loan to value ratio (based on the market value of the George V hotel property). The loan carries floating interest rates (based on EURIBOR) and is due to mature on 22 September 2028. The loan is denominated in Euro and has been classified as non-current borrowings as at 31 December 2025.

Kingdom KR-114 Limited - Savoy

Loans in Kingdom KR-114 Limited have different maturities within the next two years and carry interest rates which are either fixed or floating based on the Sterling Overnight Index Average ("SONIA"). These loans are denominated in GBP. The loans are secured through registered mortgages and liens over the Savoy Hotel. The carrying value of this hotel is ⃁ 2.16 billion as at 31 December 2025 and fair value exceeds the carrying value as at that date. Loan agreements include certain financial and cash trap covenants which are based on loan to value ratios. Such loan to value ratios are computed based on market value of the Savoy Hotel property.

For IRS related disclosures, refer to Note 36.2.

Trade Centre Company Limited (TCCL)

The loan facility carries an interest rate based on SIBOR. Loan agreements include certain financial covenants with respect to debt service ratio. The loan facility is secured by a mortgage on tower (Kingdom Tower) land classified under Property and Equipment and Investment Properties Financial Statement Line Items ('FSLIs').

As at 31 December 2025, Property and Equipment and Investment Properties pledged as collateral to this loan facility amounted to ⃁ 821 million and ⃁ 764 million respectively. The facility is repayable in 30 quarterly installments, starting from 30 June 2020, and ending on 30 September 2026, with the balance due for repayment on the final maturity date of 31 December 2026.

16.1 Net Debt Reconciliation

	2025	2024
Borrowings	12,768,521	12,597,435
Due to a related party	604,045	510,799
Less: Cash and cash equivalents	(1,524,563)	(1,689,658)
	11,848,003	11,418,576

(All amounts in ⃁ thousands unless otherwise stated)

	Borrowings	Due to a related party	Cash	Total
Net debt as at 1 January 2024	14,972,128	440,793	(1,923,789)	13,489,132
Financing cash flows	(2,044,332)	70,006	129,284	(1,845,042)
Other changes	161,358	(18,598)	104,847	247,607
Interest expense	932,204	52,311	–	984,515
Interest payments (presented as operating cash flows)	(1,423,923)	(33,713)	–	(1,457,636)
Net debt as at 31 December 2024	12,597,435	510,799	(1,689,658)	11,418,576
Net debt as at 1 January 2025	**12,597,435**	**510,799**	**(1,689,658)**	**11,418,576**
Financing cash flows	(624,628)	93,246	164,349	(367,033)
Other changes	1,277,922	(18,598)	746	1,260,070
Interest expense	776,316	52,311	–	828,627
Interest payments				
(presented as operating cash flows)	(1,258,524)	(33,713)	–	(1,292,237)
Net debt as at 31 December 2025	**12,768,521**	**604,045**	**(1,524,563)**	**11,848,003**

17. Accounts Payable, Accrued Expenses and Other Current Liabilities

	2025	2024
Accrued expenses	954,957	678,547
Accounts and other payables	150,160	97,810
Unearned revenues	100,223	85,564
Advances from customers	95,367	36,804
Security deposits	20,186	21,183
Others	53,969	49,937
	1,374,862	969,845

(All amounts in ⃁ thousands unless otherwise stated)

18. Zakat, withholding and Income Tax Provisions

Zakat and income tax expense reported in the consolidated statement of income consists of the following:

	Note	2025	2024
Zakat	18.1	121,976	150,859
Income tax charge	18.2	15,636	18,569
Withholding tax on foreign dividends	18.2	57,921	74,666
		195,533	244,094

18.1 Zakat

The zakat obligations for the year represent the estimated zakat due on the Company and its local subsidiaries located in Kingdom of Saudi Arabia ('KSA'). The movement in the zakat provision is as follows:

	2025	2024
1 January	488,516	362,674
Charge for the year	121,976	150,859
Paid during the year	(51,072)	(25,017)
31 December	559,420	488,516

Zakat for the year represents the amount due on the Company and its subsidiaries located in KSA. The significant components of zakat base under zakat and income tax regulations are principally comprised of equity, provisions at the beginning of year, long-term borrowings and adjusted net income, less deduction for the net book value of long-term assets and certain other items. The differences between the accounting and adjusted net income are mainly due to provisions and other items which are not allowed in the calculation of adjusted net income subject to zakat.

Status of final assessments

The Company has filed its Zakat returns with the Zakat, Tax and Customs Authority ("ZATCA") for all years up to and including the year ended 31 December 2024.

The Company has finalized its Zakat position with ZATCA for all years up to 2018. ZATCA has issued Zakat assessments for the years 2019 to 2023, which are currently under review by the Company. The Company will determine whether to accept the assessments or submit an appeal within the prescribed period.

The Zakat return for the year ended 31 December 2024 has been submitted to ZATCA and remains under review by the Authority. Management believes that the Zakat provision recorded in the books sufficiently covers such years and is based on historical settlements and analysis conducted internally.

There are no significant pending Zakat assessments received in relation to the operations of subsidiaries in the Kingdom of Saudi Arabia by ZATCA.

18.2 Income Tax

The Group's subsidiaries which are incorporated outside the Kingdom of Saudi Arabia are subject to tax laws of the respective country of incorporation.

	2025	2024
1 January	3,687	–
Charge for the year	15,636	18,569
Withholding tax on foreign dividends	57,921	74,666
Paid during the year	(77,244)	(89,548)
31 December	–	3,687

(All amounts in ⃁ thousands unless otherwise stated)

There are no significant pending income tax assessments or tax notices received in relation to the operations of subsidiaries in foreign countries by their respective taxation authorities.

The Group is subject to withholdings taxes deducted at source on dividend received on certain equity securities registered in foreign jurisdictions.

19. Deferred tax

Deferred tax liabilities and assets relate to the following:

	2025	2024
Deferred tax liabilities		
Property and equipment	125,508	106,248
Others	1,189	1,346
	126,697	107,594
Deferred tax asset	16,978	20,326

Deferred tax asset primarily relates to tax losses and employee benefit obligations arising related to the operations of George V hotel properties.

20. Share Capital

The share capital as at 31 December 2025 and 31 December 2024 consists of 3,706 million authorized and issued shares at a par value of ⃁ 10 each. Each ordinary share carries one vote and rank pari passu for dividend distribution.

21. Reserves

21 (a) Statutory reserve:

In line with the amendment to the Company's By-laws to reflect the provisions of the new Companies Law effective January 2023 and based on the resolution approved by the shareholders in the General Assembly Meeting held on 25 May 2025, the Company has transferred the entire balance of the statutory reserve amounting to ⃁ 1,798.2 Mn. to retained earnings as at 31 December 2025.

(All amounts in ⃁ thousands unless otherwise stated)

21 (b) Other reserves:

The following table shows a breakdown of other reserves and the movement in these reserves during the year:

	Share in other comprehensive income of equity-accounted investees	Exchange differences on translation of foreign operations and equity-accounted investees	Re-measurement of employee benefit obligations	Cash flow hedge	Total
At 1 January 2024	(278,432)	282,180	(30,672)	(128,933)	(155,857)
Share in other comprehensive loss	7,646	–	–	–	7,646
Net change in fair value	–	–	–	30,346	30,346
Actuarial gain/(losses) on employee benefit obligations during the year	–	–	2,752	–	2,752
Unrealized exchange loss for the year on translation	–	30,552	–	–	30,552
At 31 December 2024	(270,786)	312,732	(27,920)	(98,587)	(84,561)
Share in other comprehensive income	95,152	–	–	–	95,152
Net change in fair value	–	–	–	91,704	91,704
Actuarial gains on employee benefit obligations during the year	–	–	6,951	–	6,951
Unrealized exchange gain for the year on translation	–	(163,647)	–	–	(163,647)
At 31 December 2025	**(175,634)**	**149,085**	**(20,969)**	**(6,883)**	**(54,401)**

22. Non-Controlling Interests

The summarized financial information below relates to the Group's subsidiaries and represents amounts before intra-group eliminations as of and for the year ended 31 December 2025:

Name of the subsidiary	2025		2024	
	Total non-controlling interest	Share in total comprehensive income/(loss)	Total non-controlling interest	Share in total comprehensive income/(loss)
Trade Centre Company Limited	**247,653**	**4,507**	243,145	2,100
Kingdom KR-114 Limited – Breezeroad Limited	**183,925**	**(16,130)**	200,055	(59,206)
Real Estate Investment Company	**43,462**	**237**	43,225	9,134
Kingdom Schools Company Limited	**26,819**	**3,118**	23,701	2,435
Consulting Clinic SAL	**24,515**	**–**	24,515	–
Fashion Village Trading Company Limited	**(9,319)**	**–**	(9,318)	–
Kingdom investment and development Company	**97,696**	**(2,694)**	100,390	(4,754)
	614,751	**(10,962)**	625,713	(50,291)

(All amounts in ⃁ thousands unless otherwise stated)

The summarized financial information below relates to the Group's subsidiaries and represents amounts before intra-group eliminations as of and for the year ended 31 December 2025:

	Trade Center Company Limited	Kingdom KR-114 Limited	Real Estate Investment Company	Kingdom Schools Company Limited	Consulting Clinic SAL	Fashion Village Trading Company Limited	Kingdom Investment and Development Company	Total
	10.20%	41%	10.20%	10.20%	50%	28%	10.20%	
Current assets	1,100,769,000	251,602,926	57,786,066	194,738,497	8,027,509	2,920,000	154,310,796	1,770,154,794
Current liabilities	867,072,000	1,823,980,907	28,059,609	51,462,330	24,129,220	–	257,824,399	3,052,528,465
Net current assets	233,697,000	(1,572,377,981)	29,726,457	143,276,167	(16,101,711)	2,920,000	(103,513,603)	(1,282,373,671)
Non-current assets	2,230,194,000	2,868,333,442	397,965,638	157,385,920	71,475,754	–	3,638,322,305	9,363,677,059
Non-current liabilities	1,136,318,000	938,714,910	3,360,354	15,120,837	5,947,231	36,000,000	154,054,533	2,289,515,865
Net non-current assets	1,093,876,000	1,929,618,532	394,605,284	142,265,083	65,528,523	(36,000,000)	3,484,267,772	7,074,161,194
Net assets/ (liabilities)	1,327,573,000	357,240,551	424,331,741	285,541,250	49,426,812	(33,080,000)	3,380,754,169	5,791,787,523
Revenue	490,204,000	298,074,066	17,060,094	107,811,640	–	–	9,289,750	922,439,550
Profit/(loss) for the year	44,185,000	(86,654,022)	2,319,523	30,569,780	–	–	(26,413,009)	(35,992,728)
Other comprehensive income	–	–	–	–	–	–	–	–
Total comprehensive income/(loss)	44,185,000	(86,654,022)	2,319,523	30,569,780	–	–	(26,413,009)	(35,992,728)
Profit/(loss) allocated to NCI	4,506,870	(16,129,810)	236,591	3,118,118	–	–	(2,694,127)	(10,962,358)
Dividends paid to NCI	–	–	–	–	–	–	–	–

(All amounts in ⃁ thousands unless otherwise stated)

The summarized financial information below relates to the Group's subsidiaries and represents amounts before intra group eliminations as of and for the year ended 31 December 2024:

	Trade Center Company Limited	Kingdom KR-114 Limited	Real Estate Investment Company	Kingdom Schools Company Limited	Consulting Clinic SAL	Fashion Village Trading Company Limited	Kingdom Investment and Development Company	Total
	10.20%*	41%	10.20%*	10.20%*	50%	28%	10.20%*	
Current assets	702,622,000	167,853,404	908,907,280	145,119,780	8,027,509	2,920,000	403,244,063	2,338,694,036
Current liabilities	272,806,000	1,487,556,913	30,324,437	31,536,110	24,129,220	–	190,128,741	2,036,481,421
Net current assets	429,816,000	(1,319,703,509)	878,582,843	113,583,670	(16,101,711)	2,920,000	213,115,322	302,212,615
Non-current assets	1,959,302,000	2,669,356,294	396,389,196	156,917,930	71,475,754	–	4,315,629,487	9,569,070,661
Non-current liabilities	1,007,641,000	862,188,814	1,195,833	14,628,800	5,947,231	36,000,000	182,860,225	2,110,461,903
Net non-current assets	951,661,000	1,807,167,480	395,193,363	142,289,130	65,528,523	(36,000,000)	4,132,769,262	7,458,608,758
Net assets/ (liabilities)	1,381,477,000	487,463,971	1,273,776,206	255,872,800	49,426,812	(33,080,000)	4,345,884,584	7,760,821,373
Revenue	486,307,000	290,346,379	9,052,195	94,927,000	–	–	–	880,632,574
Profit/(loss) for the year	20,585,000	(94,344,135)	89,545,793	23,868,020	–	–	(46,594,104)	(6,939,426)
Other comprehensive income	–	–	–	–	–	–	–	–
Total comprehensive income/(loss)	20,585,000	(94,344,135)	89,545,793	23,868,020	–	–	(46,594,104)	(6,939,426)
Profit/(Loss) allocated to NCI	2,099,670	(59,148,428)	9,133,671	2,434,538	–	–	(4,752,599)	(50,233,148)

** Reassessment of Non-Controlling Interests and Related Accounting Adjustments*

(All amounts in ⃁ thousands unless otherwise stated)

During the year 2024, the Group increased its stake in various subsidiaries through share purchase agreements (SPAs) and power of attorneys signed in prior years. In certain cases, the revised NCI stake does not necessarily align with the percentages recorded in the Articles of Association (AoA) of the respective subsidiaries. For some subsidiaries, such as Kingdom Schools Company Limited, the Articles of Association are in the process of being updated to reflect the revised ownership structure.

Additionally, for certain entities (TCCL and REIC), the stake identified in the Articles of Association differs from the ownership percentage indicated by various SPAs and powers of attorney executed by minority shareholders. In these cases, the Group has recognized an effective ownership interest that reflects the rights conveyed through these agreements, which, in some instances, result in a higher stake than what is currently documented in the Articles of Association.

From an accounting perspective, advances previously paid to acquire additional stakes from non-controlling shareholders were classified as long-term advances in prior years. In 2024, the Group successfully completed key legal formalities for significant subsidiaries (TCCL and REIC). These formalities included updates to the Articles of Association and registration with the Ministry of Commerce.

As a result, these advances, amounting to ⃁ 500 Mn., have now been adjusted against the respective NCI balances. For other subsidiaries where legal formalities are still in progress, management expects completion by 2025 and 2026 timeframe.

23. Hotel And Other Operating Revenues

23.1 Following is the break-up of hotel and other operating revenues under different streams:

	2025	2024
Revenue from hotel operations – over a period of time – for room sales and hotel stay	718,905	716,546
Revenue from hotel operations – at a point in time – for other goods and services	557,036	470,446
Revenue from tuition fees – over a period of time	107,812	94,927
Revenue from other services – at a point in time	9,290	–
	1,393,043	1,281,919
Revenue from renting of shops and apartments – over a period of time	267,444	313,269
Revenue from renting of villas and apartments – over a period of time	17,060	9,254
	284,504	322,523
	1,677,547	1,604,442

(All amounts in ⃁ thousands unless otherwise stated)

23.2 Disaggregation of revenue from external customers

The Company is domiciled in the Kingdom of Saudi Arabia. The amount of its revenue from the customers, broken down by location of the customers, is mentioned below:

	2025	2024
Location		
Europe (England and France)	969,969	935,855
Asia (Saudi Arabia)	624,365	590,287
Africa (Seychelles)	83,213	78,300
	1,677,547	1,604,442

24. Hotel and other Operating Costs

	2025	2024
Employee cost	551,671	426,053
Depreciation and Amortization	185,486	191,279
Repairs and maintenance	127,350	211,507
Utilities	88,717	96,835
Others	145,567	129,656
	1,098,791	1,055,330

25. Dividend Income

	2025	2024
Dividends from international equity investments	948,289	786,082

26. Gain on Investments at FVTPL

	Note	2025	2024
Unrealized gain on investments at FVTPL	6	66,329	–

27. General, Administrative and Marketing Expenses

	Note	2025	2024
Employee cost		181,748	148,851
Professional fees	27.1	39,118	63,077
Selling and marketing expenses		104,004	126,073
Utilities and office expenses		58,088	49,962
Repairs and maintenance		43,875	37,518
Others		86,276	72,119
		513,109	497,600

27.1. Includes the Group's auditors' fee of ⃁ 4.35 million (2024: ⃁ 4.64 million) for the audit and review of the consolidated financial statements and ⃁ Nil (2024: ⃁ 0.75 million) for the non-audit services.

28. Financial Charges

Finance charges consist of interest payments on outstanding borrowings net of finance income, which is not material for separate disclosure, arising from cash balance and short-term deposits held at banks.

(All amounts in ⃁ thousands unless otherwise stated)

29. Commitments

Hotel segment

The Group has on-going activities to construct and renovate hotels and other properties, with various stages of completion. The total outstanding capital commitments relating to such developments as at 31 December 2025 amounted to ⃁ 509 million (2024: ⃁ 231 million).

Flynas

The equity accounted investee (Flynas) of the Group has entered into contracts with the aircraft manufacturer for the purchase of certain aircraft. The remaining value of this contract is ⃁ 36,873 million (2024: ⃁ 13,735 million) as at statement of financial position.

30. Contingencies, Letter of Credits and Guarantees

30.1 Contingencies

The Group is a defendant in various legal claims arising in the normal course of business. Based on the information presently available, there are no significant claims against the Group requiring a provision. Management believes that the provisions maintained for such claims are adequate. Any additional liabilities including any potential zakat assessments (Note 18) that may result in connection with other claims are not expected to have a material effect on the Group's financial position or results of operations.

30.2 Letter of Credits and Guarantees

At 31 December 2025, the Group does not have any outstanding letters of guarantee as at 31 December 2025 and 2024. However, the Group's share in the equity-accounted investees' letters of guarantees, credits and acceptance as of 31 December 2025 amounted to ⃁ 13.3 billion (31 December 2024: ⃁ 14 billion).

31. Financial Instruments and Risk Management

The Group holds the following financial instruments:

	Note	2025	2024
Financial assets			
Financial assets at amortized cost			
Trade and other receivables	7	611,204	252,385
Due from related parties	9	115,167	114,893
Cash and cash equivalents	5	1,524,563	1,689,658
Long-term receivables	7	191,854	–
Financial assets at FVOCI			
Investments at FVOCI	10	39,536,004	22,105,792
Financial assets at FVTPL			
Investments at FVTPL	6	317,719	243,421
Financial liabilities			
Financial liabilities at amortized cost			
Accounts payables, accrued expenses and other current liabilities	17	1,026,295	886,985
Derivative financial instruments	36	61,903	62,799
Due to related parties	9	604,409	511,039
Borrowings	16	12,768,521	12,597,435
Dividends payable	35	259,411	259,411

(All amounts in ⃁ thousands unless otherwise stated)

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risks and equity price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. Risk management is carried out by senior management under policies approved by the Board of Directors.

Currency risk

The Group's exposure to foreign currency risk at the end of the reporting period, 31 December was as follows:

	2025				
	SAR	EUR	GBP	USD	Others
Trade receivables	681,916	30,183	88,889	–	2,070
Bank loans	5,155,599	6,688,421	924,501	–	–
FVOCI investments	1,021,253	5,441,992	–	33,052,929	19,830

	2024				
	SAR	EUR	GBP	USD	Others
Trade receivables	206,042	14,570	29,414	–	2,359
Bank loans	4,244,288	5,920,722	857,425	1,575,000	–
FVOCI investments	1,134,112	3,998,770	–	16,659,910	313,000

Currency risk arises from commercial transactions and recognized assets and liabilities denominated in a currency that is not the functional currency of the relevant Group entity. Majority of the Group's assets and liabilities are denominated in the functional currency of the respective subsidiaries, therefore the related currency risk is minimal. At the parent entity level, the assets and liabilities are denominated in Saudi Riyals or US Dollars. The Saudi Riyal is currently pegged to the US Dollar, therefore there is no currency risk on US Dollars denominated assets and liabilities.

The Group has exposure for its borrowings in Euros and GBP respectively. A 5% change in the closing exchange rate for borrowings in Euro and GBP will impact the consolidated statement of other comprehensive income by ⃁ 334 million and ⃁ 46 million respectively.

The Group is also exposed to exchange rate fluctuations arising from RR and EUR due to its investments in Russian and European securities. A 5% change in the currencies of such securities will impact OCI by ⃁ 0.99 million and ⃁ 272 million, respectively.

(All amounts in ⃁ thousands unless otherwise stated)

Interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. The Group closely monitors the movement in interest rates and manages its risk accordingly. It is not a practice to hedge the interest rate risk except for loan facilities obtained by Kingdom 5-KR-35 limited.

An increase/decrease in interest rate of 1% (excluding hedging relationships), with all other variables held constant, would have resulted in a decrease/increase in the Group's consolidated total comprehensive income amounting to ⃁ 102 million (2024: ⃁ 102 million).

Equity price risk

The Group's listed and unlisted equity investments are susceptible to price risk, arising from uncertainties about fair values of investment securities. The Group manages equity price risk through diversification and setting limits on investments. The exposure to equity securities and its impact on equity is detailed in the table below with a % change in equity prices. The Company has historically faced a risk of 1% fluctuation in its equity price risk. The sensitivity is also computed for the same risk.

Markets	2025	Sensitivity	
Investments at FVTPL (Current):		Net Profit	Percentage
Asia	317,719	+/- 3,177	+/- 1%
		Sensitivity	
Investments at FVOCI (Non-current):		OCI	Percentage
North America	32,948,723	+/- 329,487	+/- 1%
Asia	1,145,289	+/- 11,453	+/- 1%
Europe	5,441,992	+/- 54,420	+/- 1%
	39,536,004	+/- 395,360	
	39,853,723	+/- 398,537	

(All amounts in ⃁ thousands unless otherwise stated)

Markets	2024	Sensitivity	
Investments at FVTPL:		Net Profit	Percentage
Asia	243,421	+/- 2,434	+/- 1%
		Sensitivity	
Investments at FVOCI (Non-current):		OCI	Percentage
North America	16,532,403	+/- 165,324	+/- 1%
Asia	1,574,619	+/- 15,746	+/- 1%
Europe	3,998,770	+/- 39,988	+/- 1%
	22,105,792	+/- 221,058	
	22,349,213	+/- 223,492	

Credit risk

The Company is exposed to credit risk as a result of the counterparty's failure to meet its contractual obligations when due, in respect of:

- Trade receivables
- Long-term receivable
- Due from related parties
- Cash at banks

Credit risk is the risk that the Group will incur a financial loss as a result of the failure of the customer or counterparty to a financial instrument to fulfil its contractual obligations. The carrying amount of financial assets represents their maximum credit exposure. Impairment/(reversal) on financial assets recognized in the statement of income for the year ended 31 December 2025 amounted to ⃁ 19.7 million (2024: ⃁ 1.2 million). Credit risk is managed on an entity level.

Revenue from hotel operations is settled mainly in cash or credit card therefore the related credit risk is minimal. Revenue from educational services is also received in advance therefore resulting in low credit risk.

For other receivables (arising from sale of land, renting of shops, villas and apartments), the Group assesses the credit quality of the customer, considering its financial position, past experience and other factors. Individual risk limits are then assigned.

For banks and financial institutions, only independently rated parties with a minimum rating of A are accepted. Therefore, the ECL on cash and cash equivalents is immaterial.

(All amounts in ⃁ thousands unless otherwise stated)

The Group has kept cash and cash equivalents in reputable banks and financial institutions, so the expected credit losses of cash and cash equivalents as at 31 December 2025 and 2024 is not material. The cash balance as at 31 December 2025 is ⃁ 1.5 billion (31 December 2024: ⃁ 1.7 billion).

The credit ratings of banks in which the Group holds cash as at 31 December are as follows:

	2025	2024
Credit rating		
Aa3	550,254	429,854
A-1	971,187	1,258,975
A-2	3,122	829
	1,524,563	1,689,658

Trade receivables are shown net of allowance for impairment. The Group applies the IFRS 9 simplified approach for measuring expected credit losses on trade receivables. To measure the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and the days past due.

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due, or the counterparty meets the unlikeness-to-pay criteria listed as follows:

- the counterparty is deceased;
- the counterparty is insolvent;
- the counterparty is in breach of financial covenant(s); and
- it is becoming likely that the counterparty will enter bankruptcy.

The expected loss rates are based on the payment profiles over a period of 36 and 12 months for regular receivables from tenants and guests respectively before the reporting date and the corresponding historical credit losses experienced within this period. Unless 100% collateralized any receivables beyond the above-mentioned periods of the respective profiles are written off.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified GDP and the unemployment rates to be the most relevant factors and has accordingly adjusted the historical loss rates based on expected changes in these factors.

(All amounts in ⃁ thousands unless otherwise stated)

There are no significant concentrations of credit risk, whether through exposure to individual customers and specific industry sectors.

The Group evaluates the concentration risk with respect to trade receivables which are primarily located in the Kingdom of Saudi Arabia (KSA). Trade receivables balance comprises of 83.89% in KSA, 1.02% in Gulf Cooperation Council (GCC) countries (other than KSA) and 15.09% in other countries (2024: 79.4% in KSA, 3.2% in GCC countries (other than KSA) and 17.4% in other countries). The nature of businesses of the Group owned entities does not expose it to credit concentration risk.

Trade receivables from other operations are not material to the consolidated financial statements.

With regard to due from related parties amounting to ⃁ 115 million as at 31 December 2025 (31 December 2024: ⃁ 115 million), the Group has never experienced any default from these related parties. The amount is due on demand and management has no concern over the recoverability of this balance. Hence, no ECL provision was charged against this receivable.

The table at the start of Note 31 shows the maximum exposure to credit risk.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot be reasonably predicted, such as natural disasters. In addition, the Group has access to credit facilities.

Cash flow forecasting is performed by management which monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while always maintaining sufficient headroom on its undrawn committed borrowing facilities so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance and compliance with internal ratio targets. Also see Note 1.

(All amounts in ⃁ thousands unless otherwise stated)

The table below analyses the Group's financial liabilities into the relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

2025	*Less than 1 year*	*1-3 years*	*More than 3 years*	*Total*
Borrowings	1,315,626	3,763,688	8,723,781	13,803,095
Derivative financial instruments	–	–	61,903	61,903
Accounts payable, accrued expenses and other current liabilities	1,026,295	–	–	1,026,295
Due to related parties	364	–	604,045	604,409
Dividends payable	259,411	–	–	259,411
	2,601,696	3,763,688	9,389,729	15,755,113

2024	*Less than 1 year*	*1–3 years*	*More than 3 year*	*Total*
Borrowings	3,118,932	4,230,759	6,368,777	13,718,468
Derivative financial instruments	–	–	62,799	62,799
Accounts payable, accrued expenses				
and other current liabilities	886,985	–	–	886,985
Due to related parties	240	–	510,799	511,039
Dividends payable	259,411	–	–	259,411
	4,265,568	4,230,759	6,942,375	15,438,702

(All amounts in ⃁ thousands unless otherwise stated)

Capital Management Risk

Total capital is calculated as "equity" as shown in the consolidated statement of financial position plus net debt. The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or sell assets to reduce debt.

The Group's capital management strategy is to maintain sufficient capital so that the percentage of debt to total assets does not exceed 60% of total assets (i.e. to maintain a 40% headroom).

Capital management

	2025	2024
Total borrowings (Note 16)	12,768,521	12,597,435
Total assets	74,912,747	54,719,212
Debt to total asset ratio	17.04%	23.02%

Fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Group's financial instruments are measured under the historical cost convention, except for investment carried at FVOCI and FVTPL which are carried at their fair values.

Fair value hierarchy

Level 1: The fair value of financial instruments traded in active markets (such as trading and fair value through other comprehensive income securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(All amounts in ⃁ thousands unless otherwise stated)

The following table presents the Group's financial assets measured and recognized at fair value on a recurring basis including their levels in the fair value hierarchy at 31 December 2024:

As at 31 December 2025	Level 1	Level 2	Level 3	Total
Financial assets Investments at FVTPL (Current):				
– Asia	–	–	317,719	317,719
Investments at FVOCI (non-current):				
– North America	16,000,683	–	16,948,040	32,948,723
– Asia	1,145,189	–	100	1,145,289
– Europe	5,441,992	–	–	5,441,992
Sub-total	22,587,864	–	16,948,140	39,536,004
Total financial assets at fair value	22,587,864	–	17,265,859	39,853,723

As at 31 December 2024	Level 1	Level 2	Level 3	Total
Financial assets Investments at FVTPL:				
– Asia	–	–	243,421	243,421
Investments at FVOCI (non-current):				
– North America	11,179,569	–	5,352,834	16,532,403
– Asia	1,224,119	–	350,500	1,574,619
– Europe	3,998,770	–	–	3,998,770
	16,402,458	–	5,703,334	22,105,792
Total financial assets at fair value	16,402,458	–	5,946,755	22,349,213

Valuation techniques used to determine fair values.

(All amounts in ⃁ thousands unless otherwise stated)

Level 1 and level 2 designated financial instruments

Specific valuation techniques used to value financial instruments include, the use of quoted market prices resulting in level 1 valuations, observable market inputs and latest transaction prices resulting in level 2 valuations.

Level 3 designated financial instruments – Investments at FVOCI/FVTPL

Investments at FVOCI

As at 31 December 2025, Level 3 investments designated under North America and Asia, relate to equity positions held in Tech securities. The respective valuation technique used to determine the fair values including the key inputs/assumptions have been disclosed in Note 10.1.

Valuation process

The Group has a team that performs/reviews the valuations of non-property items required for financial reporting purposes, including fair values of financial instruments. This team reports directly to the Chief Investment Officer (CIO). Discussions of valuation processes and results are held between the CIO and the valuation team at least once every six months, in line with the Group's half-yearly reporting periods.

Changes in level 2 and 3 fair values are analyzed at the end of each reporting period during the half-yearly valuation discussion.

Transfer from level 3 to level 1

As at 31 December 2025, certain investments previously classified as Level 3 were reclassified to Level 1. These investments had been Level 3 due to settlement constraints and limited clarity over the accessibility of returns. During the current period, improved transparency and practical evidence of effective settlement and fund transfer processes were observed. Management therefore concluded that quoted prices in active markets now provide observable and reliable inputs, resulting in the reclassification from Level 3 to Level 1.

Movement in level 3 designated FVOCI investments

	Securities at FVOCI (level 3) 2025	Securities at FVOCI (level 3) 2024
Fair value at 1 January	5,703,334	1,263,958
Gain (loss) recognised in other comprehensive income	12,520,115	1,399,922
Additions	31,683	3,039,454
Transfers into level 1	(1,306,992)	–
Fair value at 31 December	16,948,140	5,703,334

Portfolio Composition and Key Holdings

As of 31 December 2025, the Investments at FVOCI encompasses strategic holdings in xAI, Citibank , M&G, Phoenix, and Telefonica Groups, with their respective fair values constituting 42%,22% , 6%, 5%, and 3% of the portfolio.

(All amounts in ⃁ thousands unless otherwise stated)

Fair value of other financial instruments

The Group also has a number of financial instruments which are not measured at fair value in the consolidated statement of financial position. For the majority of these instruments, the fair values are not materially different to their carrying amounts, since the interest receivable/payable is either close to current market rates (mostly due to frequent re-pricing) or the instruments are short-term in nature.

32. Employee Benefit Obligations

	2025	2024
At 1 January	93,501	88,110
Current service cost	4,096	8,720
Interest expense	3,738	3,238
Total amount recognized in profit or loss	7,834	11,958
Re-measurements		
Gain from change in financial assumptions	6,951	2,752
Total amount recognized in other comprehensive income	6,951	2,752
Benefit payments	(6,465)	9,319
At 31 December	101,821	93,501

In accordance with the provisions of IAS 19 "Employee Benefits", management has carried out an exercise to assess the present value of its obligation at 31 December 2025 and 2024, using the projected unit credit method, in respect of employees' end of service benefits payable under the local laws applicable to the respective subsidiaries and the parent company. Under this method, an assessment has been made of the employee's expected service life with the Group and the expected basic salary at the date of leaving the service.

Management has assumed average increment/promotion costs between 5.3% to 6.1% (31 December 2024: 5.1% to 5.9%). The expected liability at the date of leaving the service has been discounted to its net present value using an approximate discount rate between 6.5% to 7.4% (31 December 2024: 6% to 7%).

33. Segment Information

The Group is a diversified organization and derives its revenues and profits from a variety of sources. The investment committee, comprising senior management and the Chief Executive Officer, organize and manage its operations by business segments and have identified the following segments separately for the purposes of monitoring, decision making and performance assessment.

(All amounts in ⃁ thousands unless otherwise stated)

Description of segments and principal activities

The Group's primary operations are organized into the following segments:

Equity investments	International - The principal activity includes investments in international quoted and unquoted securities;
	Domestic and regional - The principal activity includes investments in securities quoted on the Saudi Stock Exchange, regional stock exchanges and investments in associates other than real estate; and
	Private equity - The principal activity includes investments in private equities, managed funds and other entities existing within the structure of the Group.
Hotels	The principal activity of this segment includes investments in subsidiaries and associates that are in the business of managing and owning hotel properties and related activities.
Real estate	The principal activity includes investments in activities relating to ownership and development of land and real estate projects.
All other segments	The principal activities include, consulting clinics, operations of Kingdom School and other trading activities carried out by the Group.

2025	Equity investments	Hotels	Real estate	All other segments	Total
Total assets	61,733,194	6,907,567	5,719,443	574,117	74,934,321
Total liabilities	10,302,828	4,031,382	1,389,628	192,102	15,915,940
Total revenues	948,289	1,053,182	582,883	107,811	2,692,165
Total operating costs	–	700,733	338,108	59,950	1,098,791
Profit (including NCI)	2,034,565	(46,985)	94,749	30,570	2,112,899

2024	Equity Investments	Hotels	Real estate	All other segments	Total
Total assets	42,119,933	6,192,752	5,619,378	787,149	54,719,212
Total liabilities	10,230,522	3,497,731	1,277,294	154,823	15,160,370
Total revenues	786,082	1,014,156	495,359	94,927	2,390,524
Total operating costs	–	669,116	329,724	56,490	1,055,330
Profit (including NCI)	1,204,538	(61,644)	40,403	23,869	1,207,166

The inter-segment revenues for the Group are insignificant and accordingly have not been disclosed.

(All amounts in ⃁ thousands unless otherwise stated)

34. Earnings per Share

Earnings per share for the years ended 31 December 2025 and 2024 have been computed by dividing the profit for the year attributable to shareholders of the Company by the total number of shares outstanding during 2025 of 3,706 million shares (2024: 3,706 million shares).

35. Dividends Declaration

The General Assembly of the Company, in its annual meeting held on 27 Dhu al-Qa'dah 1446H (corresponding to 25 May 2025), declared and approved the distribution of cash dividends amounting to ⃁ 1,037.6 million (⃁ 0.28 per share). Payment in respect of the first, second and third dividend distribution of ⃁ 778.2 million, relating to the year ended 31 December 2024, was made during the year ended 31 December 2025.

Payment for the fourth dividend distribution of ⃁ 259.4 million, relating to the year ended 31 December 2023, was made during the year ended 31 December 2025.

36. Derivative Financial Instruments

The put option expired out of the money in the month of June 2024 and a gain of ⃁ 14 million was recorded under "other gains, net" during the year ended 31 December 2024.

During the year ended 31 December 2025, the Group recorded a net unrealized loss of ⃁ 0.9 million in other comprehensive income (2024: ⃁ 1.6 million), representing the effective portion of interest rate swap (IRS) derivatives, with ⃁ 9 million related to Kingdom 5-KR-35 and ⃁ -10 million to Kingdom 5-KR-114 (refer to Notes 36.1 and 36.2).

36.1 Interest rate swap derivative - Kingdom-5-KR-35 - George V hotels

As disclosed in Note 16, to hedge the variability in the interest rate on the new loan facility, Kingdom-5-KR-35 entered into an IRS derivative contract (the "Contract") with a counterparty whereby the interest rate was fixed for a determinable rate for the entire period of loan facility due to mature in September 2028.

Under the contract, Kingdom-5-KR-35 agreed to pay a fixed interest rate to the counterparty for 5 years while receiving a variable interest rate based on the EURIBOR.

For the purpose of hedge accounting, IRS derivative contract (hedge item) has been designated as cash flow hedge. The critical terms of the hedge item match with the designated hedge instrument. The fair value and notional amount of the IRS derivative is as follows:

Notional amount of the loan: ⃁ 1.7 billion (2024: ⃁ 1.7 billion)

Fair value of the derivative: ⃁ 51.8 million (2024: ⃁ 61.2 million)

(All amounts in ⃁ thousands unless otherwise stated)

The hedge is deemed effective, with a net unrealized loss recorded in other comprehensive income.

36.2 Interest rate swap derivative - Kingdom 5-KR-114 - Savoy

As disclosed in Note 16, Kingdom 5-KR-114 Limited entered into an IRS derivative contract (the "Contract") with a counterparty to hedge against interest rate fluctuations on its new loan facility, which is scheduled to mature in October 2028. The Contract effectively fixed the interest rate for the duration of the loan.

Under the contract, Kingdom 5-KR-114 Limited agreed to pay a fixed interest rate to the counterparty (DBS Bank, OCBC Bank, and National Bank of Kuwait) for five years, while receiving a variable interest rate based on the Sterling Overnight Index Average (SONIA).

For hedge accounting purposes, the IRS derivative contract was designated as a cash flow hedge. The critical terms of the hedge item match those of the designated hedging instrument. The fair value and notional amount of the IRS derivative are as follows:

Notional amount of the loan: ⃁ 650 million (2024: ⃁ 650 million)

Fair value of the derivative: ⃁ 10.1 million (2024: ⃁ 1.6 million)

The hedge is deemed effective, with a net unrealized loss recorded in other comprehensive income.

37. Other Gains, Net

	2025	2024
Net fair value gains on derivatives (Note 36)	–	13,682
Other	12,221	6,312
	12,221	19,994

38. Subsequent Events

38.1 *The Board of Directors on 24 March 2026 proposed a distribution of cash dividends totaling to ⃁ 1,037.6 million, subject to approval in the next Ordinary General Assembly meeting.*

38.2 *Subsequent to the reporting date, geopolitical tensions in the Middle East have intensified leading to regional instability. Given the rapidly evolving nature of the situation, it is not currently possible to reliably quantify any potential financial impact, whether adverse or favorable. Accordingly, no adjustments have been made to the consolidated financial statements as of the reporting date, as these events are considered non-adjusting subsequent events. Management will continue to monitor developments and assess potential implications for operations, financial position, and performance.*

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