



**ALEC Holdings'**  
**9-Month 2025 Net Profit**  
**More Than Doubles Driven**  
**by Disciplined Execution**

# ALEC Holdings' 9-Month 2025 Net Profit More Than Doubles Driven by Disciplined Execution

**Strong set of results** post listing demonstrates the resilience of ALEC's integrated platform.

**Record revenue up 66% YoY to AED 8.9 billion** in 9M 2025, reflecting strong backlog conversion and disciplined execution.

**EBITDA up 83% YoY to AED 706 million** in 9M 2025, with margin reaching 7.9%.

**Robust, sizeable backlog of AED 32.9 billion** as of 30 September 2025, providing multi-year revenue visibility.

**Momentum building in high-growth strategic sectors**, including energy and data centres.

**Dubai, United Arab Emirates – 14 November 2025** – ALEC Holdings PJSC ("ALEC" or the "Company"), the market-leading diversified engineering and construction group with operations focused on large-scale, complex and iconic buildings and energy projects in the UAE and the KSA, announced today its financial results for the third quarter ("Q3") and nine months ("9M") ended 30 September 2025. Following a high-profile listing on DFM, ALEC's results reflect continued execution against a high-quality backlog, disciplined project selection, and operating leverage across the business.

## Key Highlights

	Revenue	EBITDA <sup>1</sup>	EBITDA Margin <sup>2</sup>	Net Income	Net Income Margin <sup>3</sup>
<b>9M 2025</b>	<b>AED 8,906 million</b> +66% YoY	<b>AED 706 million</b> +83% YoY	<b>7.9%</b> (7.2% 9M 2024)	<b>AED 432 million</b> +116% YoY	<b>4.8%</b> (3.7% 9M 2024)
<b>Q3 2025</b>	<b>AED 3,544 million</b> +82% YoY	<b>AED 277 million</b> +88% YoY	<b>7.8%</b> (7.6% Q3 2024)	<b>AED 193 million</b> (+172%)	<b>5.4%</b> (3.6% Q3 2024)

### As at 30 September 2025

Backlog	Backlog Coverage <sup>4</sup>	Free Cash Flow to Firm <sup>5</sup>	Net Cash / EBITDA <sup>6</sup>
AED 32.9 billion	2.8x	AED 624 million	0.5x

<sup>1</sup> EBITDA is calculated as profit for the period before income tax, net finance costs, depreciation of property, plant and equipment and right-of-use assets and amortization of intangible assets.

<sup>2</sup> EBITDA divided by revenue

<sup>3</sup> Profit for the period after-tax divided by revenue

<sup>4</sup> Backlog divided by the last twelve months' revenue.

<sup>5</sup> Calculated cash from operations minus capital expenditures (payment for purchases of property, plant and equipment, and purchase of property, plant and equipment which is right-of-use asset with corresponding lease liability).

<sup>6</sup> Net Cash divided by trailing twelve months EBITDA



**Barry Lewis,**  
Chief Executive Officer of  
ALEC Holdings, *said:*

“Our sustained strong performance in the first nine months of 2025 reflects the strength of ALEC’s integrated platform and the success of our focused strategy. We are executing a high-quality backlog with discipline while expanding in sectors that play to our strengths, including energy infrastructure and data centres and airports.

Looking ahead, we see a healthy pipeline of mega and nationally critical projects moving from design into execution. In particular, there is a durable, multi-year runway for data centre growth in the UAE and Saudi Arabia. Momentum from national AI strategies and recent hyperscale announcements is already translating into contracted demand. With our one-stop delivery model—and the work underway on Phase 1 of Stargate in Abu Dhabi—ALEC is the go-to partner for hyperscale and AI data-centre projects in the region.

As we grow, our priorities remain unchanged. We will pursue high-value, complex projects where we have a clear competitive advantage. We will drive operating excellence at every stage of delivery, enabled by the depth of our talent and proven execution expertise. We will operate with agility and leverage our scale to drive efficiencies and support margin expansion. We will preserve a prudent balance sheet through disciplined capital and cash management, keeping leverage low. Together, these priorities are designed to deliver sustainable value creation for our shareholders over the mid to long term.”

## Financial Overview

### Income Statement Analysis

ALEC delivered a sharp acceleration in top-line growth during the first nine months of 2025, with **revenue** rising **66%** YoY to a record **AED 8.9 billion** for the period, underpinned by the effective conversion of its substantial backlog and disciplined execution across key sectors notably hotels and data centres. The momentum intensified in Q3, where revenue surged **82%** YoY to **AED 3.5 billion**, reflecting strong progress across both the UAE and Saudi Arabia.

- **Building & Construction** segment led the way, contributing nearly 48% of total revenue<sup>7</sup>, with 9M revenue increasing **77%** YoY to **AED 4.8 billion** and Q3 revenue more than doubling to nearly **AED 2.0 billion**.
- **Energy Solutions** segment, representing 32% of revenue<sup>7</sup>, saw **75%** YoY in 9M to **AED 3.2 billion**, with Q3 revenue up **82%** YoY to **AED 1.2 billion**, as the Group deepened its footprint in major energy infrastructure projects.
- **Related Businesses** - including fitout, MEP, data centre solutions, and modular construction - generated **AED 2.0 billion** in revenue in 9M, growing **45%** YoY, with Q3 revenue up **62%** YoY to **AED 858 million**, signalling continued traction for ALEC’s integrated, high-margin offerings.

On profitability, ALEC delivered a **56%** YoY increase in **gross profit** to **AED 859 million** during the first nine months of 2025. **Gross margins** remained healthy at **9.6%**, with a slight contraction from 10.2% in the prior-year period reflecting a shift in revenue mix—particularly a comparatively lower contribution from the higher-margin Related Businesses segment. In Q3, gross profit rose **65%** YoY to **AED 323 million**, with gross margin at **9.1%**.

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<sup>7</sup> Excluding eliminations

**EBITDA** rose **83%** YoY in 9M to **AED 706 million**, with **EBITDA margin** expanding to **7.9%**—a result of strong operating leverage, tight cost control, and prudent financial management, even as the Company continues to invest in internal capability-building. In Q3, EBITDA increased **88%** to **AED 277 million**, equating to a **7.8%** margin.

**Net profit** more than doubled, growing **116%** YoY to **AED 432 million** in 9M, with **net margin** expanding from 3.7% to **4.8%**. Q3 alone saw net profit surge **172%** YoY to **AED 193 million**. These gains reflect a combination of robust project delivery, operational efficiencies, and effective working capital and finance cost management.

### Balance Sheet Analysis

ALEC continues to maintain a disciplined and efficient balance sheet, even as the business scales on the back of a growing order book. The significant increase in activity during the first nine months of 2025 led to a notable rise in net working capital, consistent with the Company's expanding projects and execution intensity. The Company ended the period with a stable **Net Cash to trailing twelve-month EBITDA ratio** of **0.5x**, highlighting ALEC's continued commitment to balance sheet strength and financial flexibility as it delivers on a sizeable backlog.

### Cash Flow Analysis

ALEC sustained strong **free cash flow** generation of **AED 624 million** during the period, reflecting the underlying strength of its operations and disciplined cash management, even amid elevated investment activity. This performance came despite higher depreciation charges and a significant **AED 303 million** in **capital expenditure**, much of which was strategically directed toward enhancing capabilities within the Energy segment to support future growth. The ability to maintain robust free cash flow while investing in scale and operational resilience reaffirms the Group's capacity to meet its dividend policy commitments, with the first post-IPO cash **dividend** of **AED 200 million** scheduled for distribution in April 2026.

## Key Operational Highlights

ALEC's **backlog** remained strong and well-balanced, standing at **AED 32.9 billion** as of 30 September 2025, providing a **2.8x coverage of trailing twelve-month revenue**. With nearly half of that in mega-projects exceeding AED 3 billion, ALEC is well-positioned for multi-year growth. The backlog is almost evenly split between Building & Construction (50.8%) and Energy (47.6%), with 86.5% based in the UAE and 13.5% in Saudi Arabia.

Operationally, ALEC continues to lead with a disciplined approach to safety, quality, and welfare. From January to September 2025, the company achieved a **LTIFR<sup>8</sup> of 0.168**, underscoring its commitment to world-class health and safety standards across its sites.

Notably, 52% of new awards in the first nine months of 2025 came through direct awards, reinforcing ALEC's reputation as a trusted delivery partner for complex, high-stakes projects.

## Guidance

- **Substantial Revenue Growth Forecast:** ALEC expects to deliver **50-52% revenue growth in 2025**, followed by **~50-55% growth in 2026**, driven primarily by already secured projects,
- **Improving Profitability Outlook (Medium Term):**

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<sup>8</sup> Lost time injury frequency rate which is calculated as total lost time injuries divided by total manhours multiplied by 1,000,000.

- **Gross profit margin** is projected in the range of ~10.3% in 2025 and to gradually improve in the medium term by **~100 basis points**, supported by a greater share of high-margin, complex projects and growth in the Related Businesses segment.
- **EBITDA margin** is expected in the range of ~8.5% in 2025 and to gradually expand by **~150 basis points**, underpinned by operating leverage and continued cost discipline.
- **Strategic Mix Shift:** ALEC's focus on **complex, higher-margin segments** such as data centres and fitout is expected to drive further **margin enhancement** and strengthen ALEC's competitive position in a consolidated market.
- **Reaffirming Commitment to Dividends:** As announced during the IPO, ALEC is planning to distribute a cash dividend of AED 200 million in April 2026 and AED 500 million for the financial year 2026, payable in October 2026 and April 2027, and thereafter intends to distribute a minimum of 50% of its net profit for the year, semiannually, subject to Board of Directors' recommendation and shareholders' approval.

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## Note to Editors:

### Revenue Recognition

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

### Net Working Capital

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

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### About ALEC

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

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

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



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