

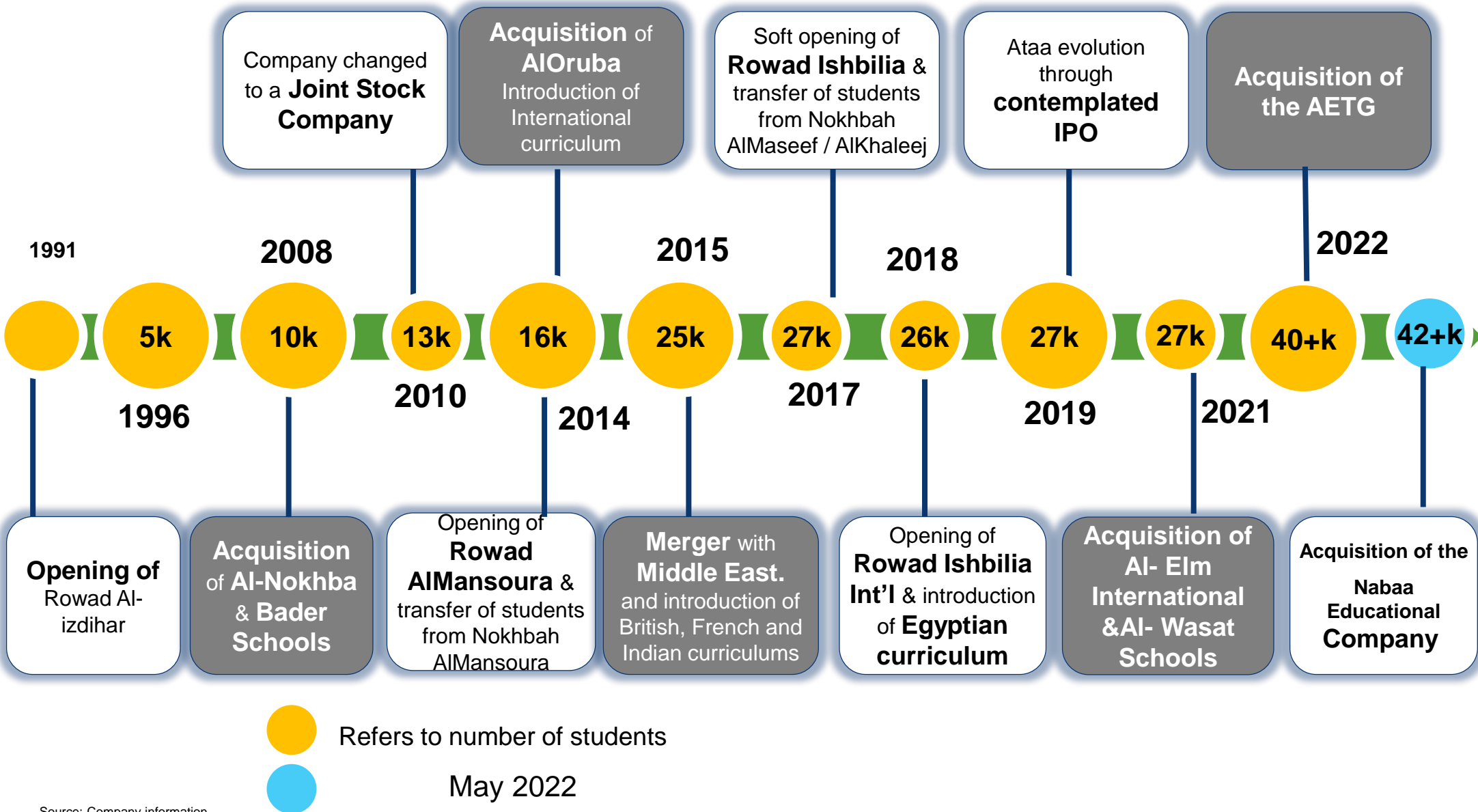
# Ataa Educational Company

Investor Presentation  
Q3 2022



## Ataa key milestones

Our journey so far



# Introduction to Ataa Educational Company (“Ataa”)

Ataa snapshot

9M 2022	9M 2021	9M 2022	9M 2021
<b>413M SAR</b> Revenues 121% growth	<b>187M SAR</b> Revenues	<b>71M SAR</b> Net Income Shareholders in the company	<b>18M SAR</b> Net Income
<b>167M SAR</b> EBITDAR      146% <b>115M SAR</b> Excluding the gains from Acquisitions	<b>68M SAR</b> EBITDAR	<b>40%</b> EBITDAR Margin <b>28%</b> Excluding the gains from Acquisitions	<b>36%</b>
<b>40,467</b> Number Of Student 62% growth	<b>24,987</b> Number Of Student	<b>12,5</b> Student / Teacher ratio	<b>13,4</b> Student / Teacher ratio

**Leading K-12 operator with one of the most diversified offerings in KSA**

Note:

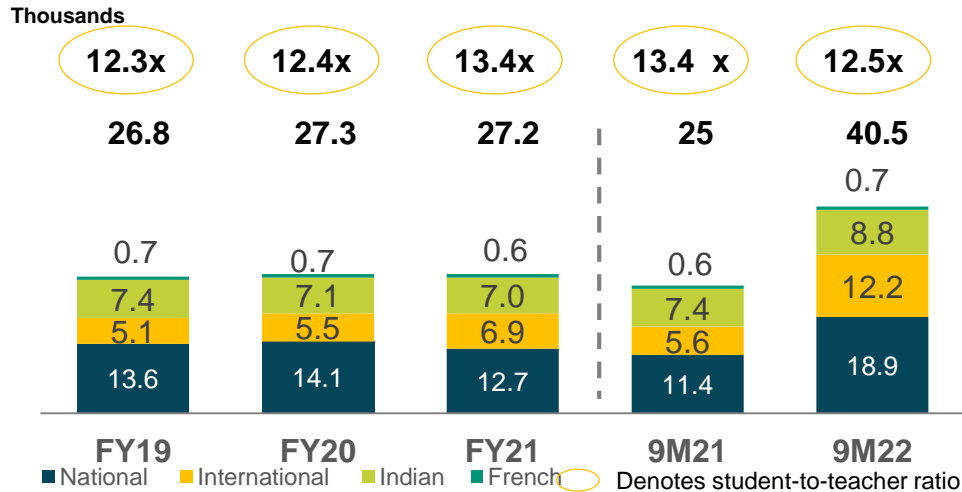
1. As of 9M 2022 (ending April 2022), unless mentioned otherwise



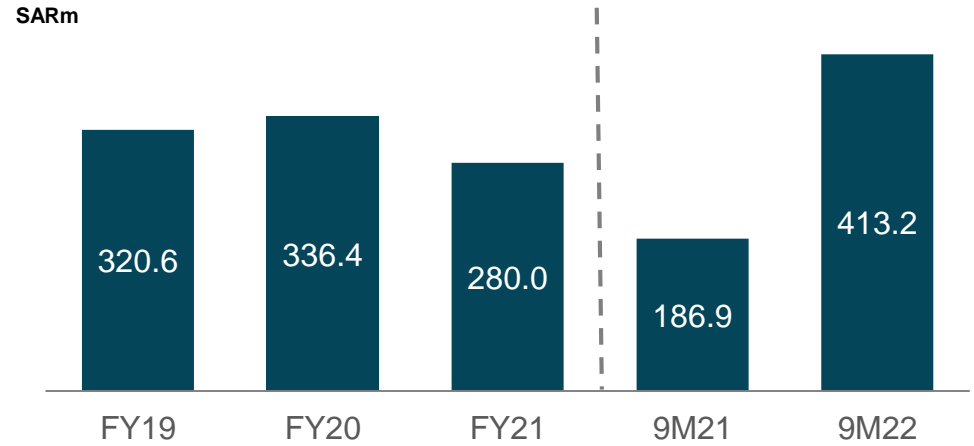
## Key Financial Summary

# Robust financial performance despite economic headwinds

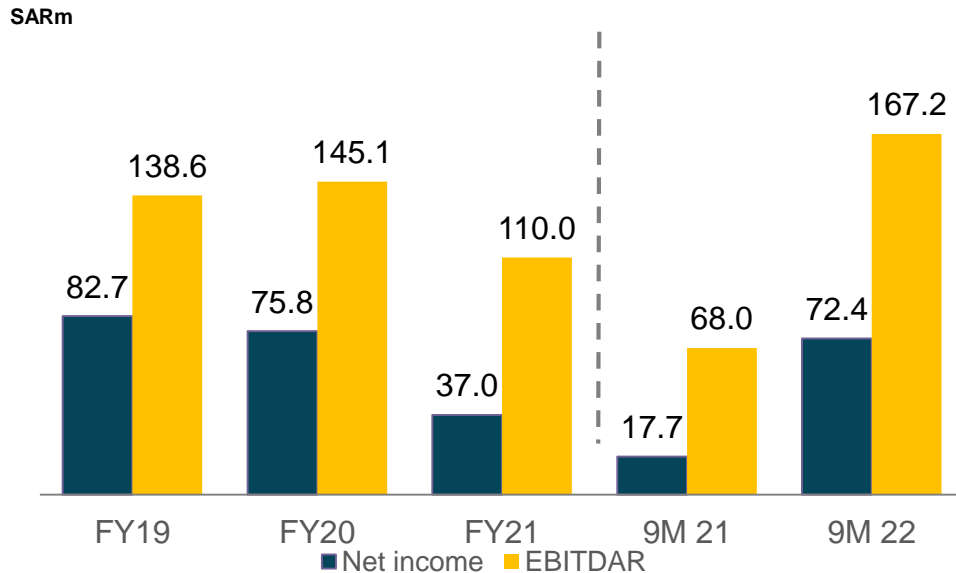
## Number of students



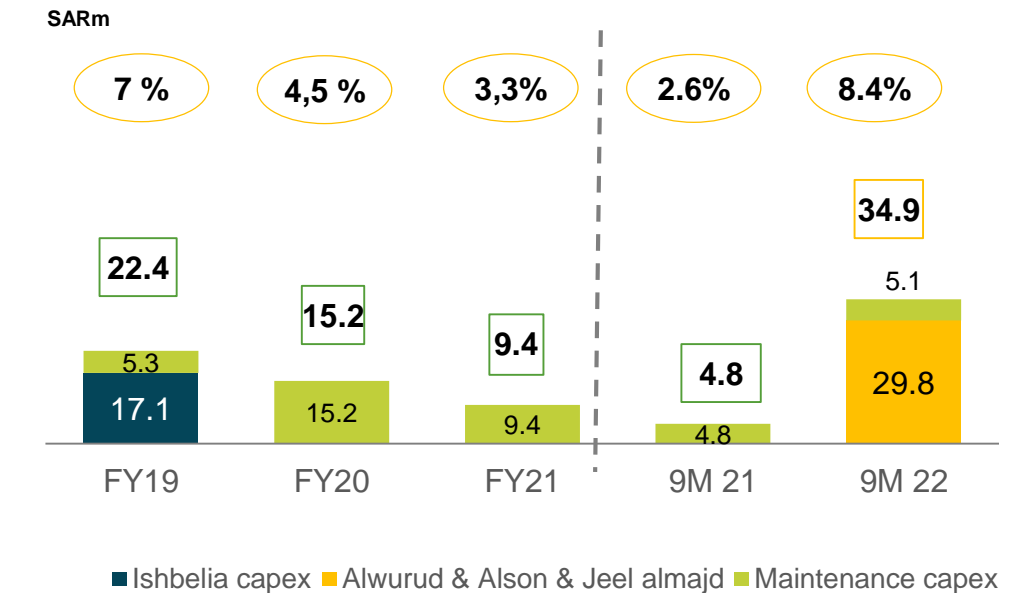
## Revenues



## Net Income and EBITDAR



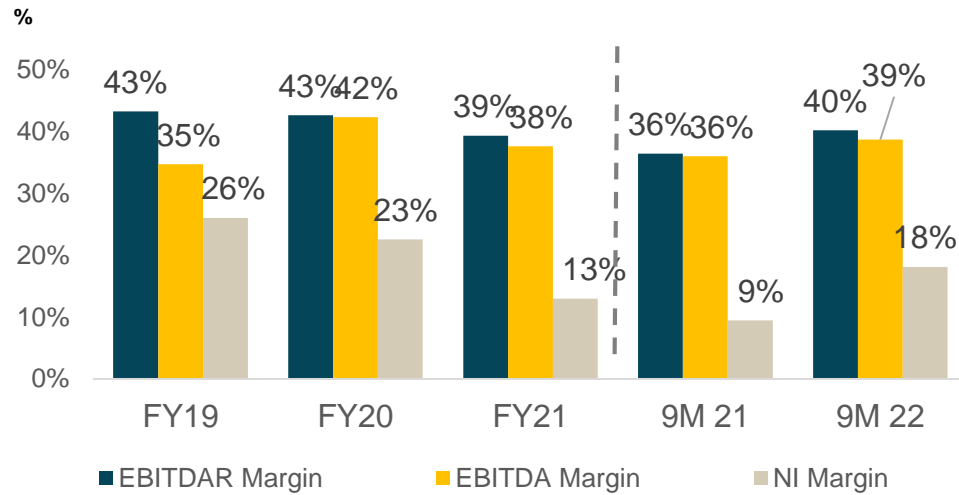
## CAPEX



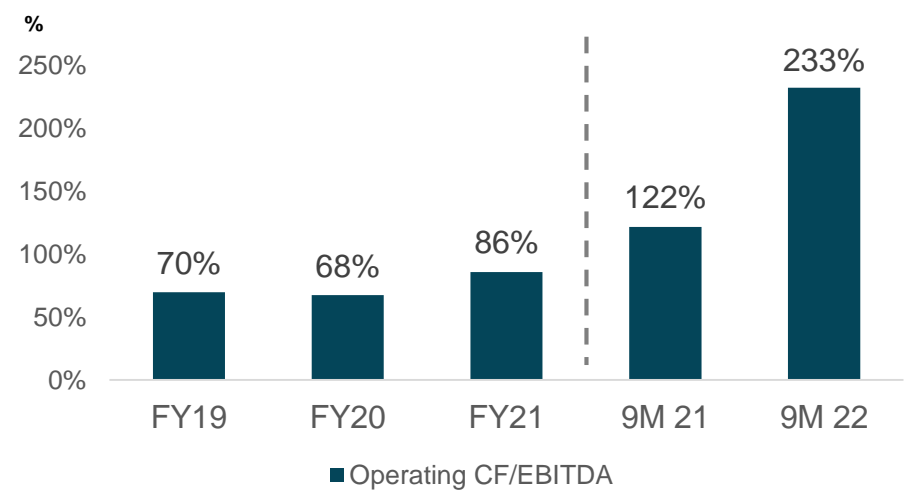
Denotes CAPEX as a percentage of Revenues

# Strong margins to drive cash generation with significant headroom to grow

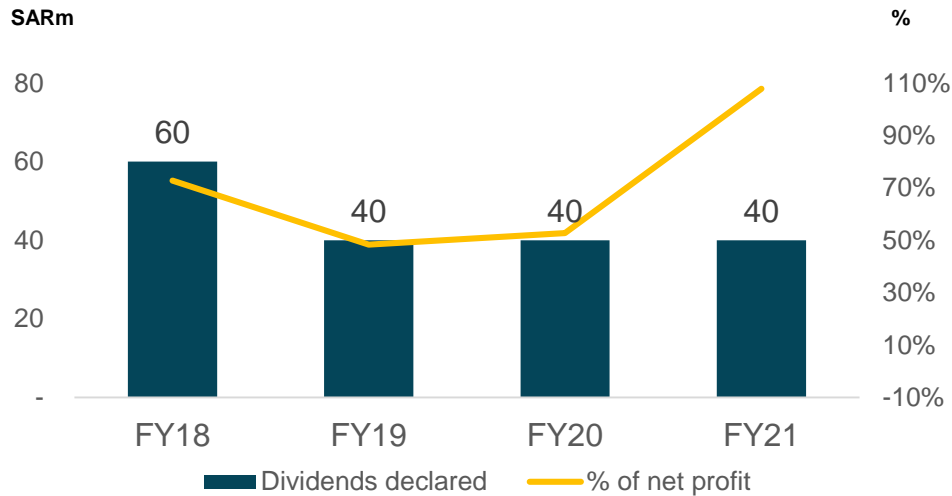
## Strong sustainable margins...



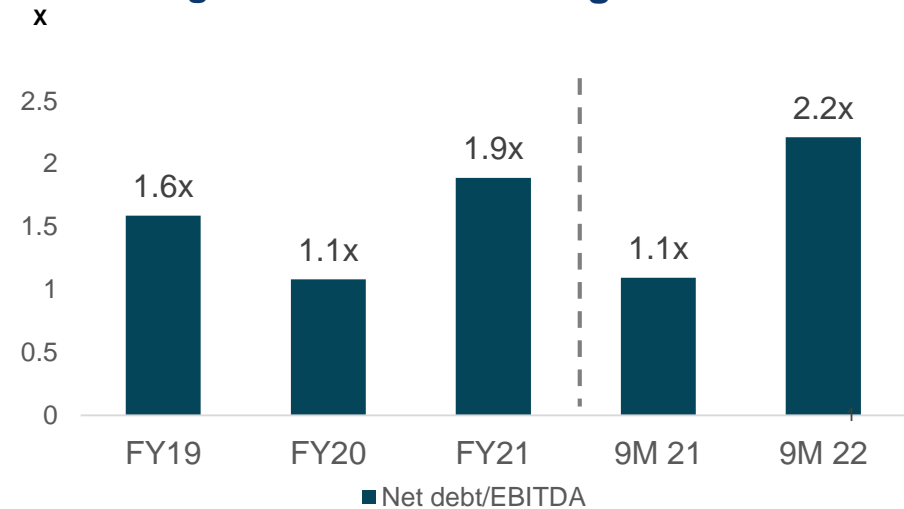
## ...driving cash generating profile...



## ...and dividends distributions...



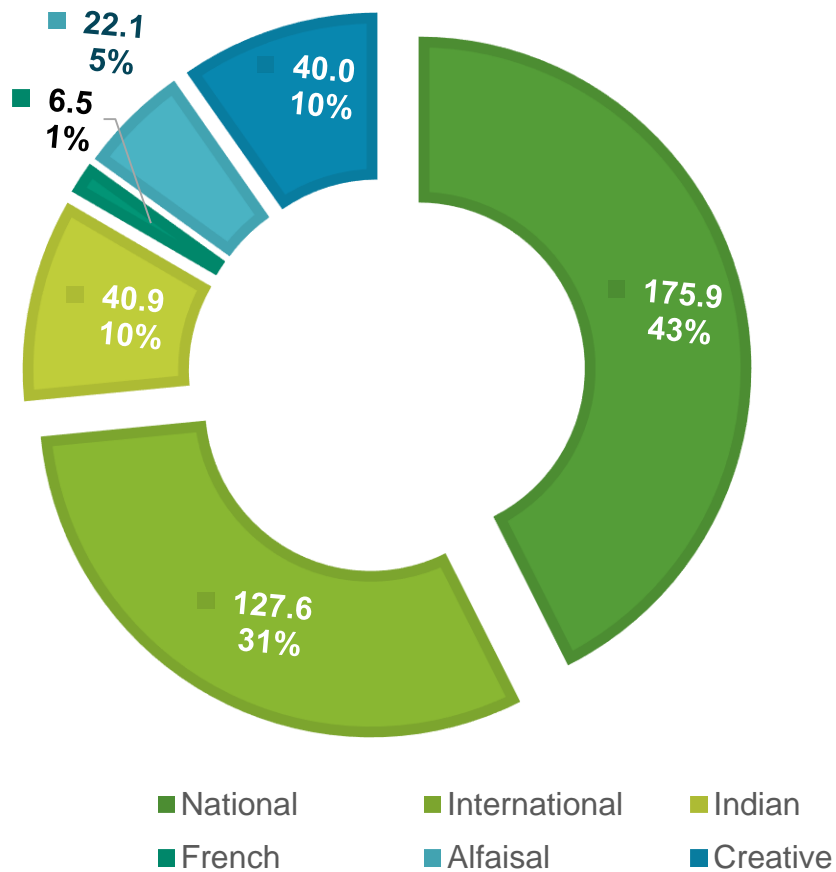
## ...with significant headroom to grow



Source: Company information  
1. Based on LTM figures (12Month)

# Revenue Break-Down

## Revenue by School



## Segment Reporting

SR in 000s	9M 2021	%	9M 2022	%	Var (YTD 21-22)
National	96,300	51%	175,939	42%	82.7%
International	55,536	30%	127,627	31%	129.8%
Indian	29,443	16%	40,910	10%	38.9%
French	5,667	3%	6,537	2%	15.3%
Alfaisal- Training	0	0%	22,140	5%	0.0%
Creative-Recruitment	0	0%	40,013	10%	0.0%
<b>Total net revenue</b>	<b>186,946</b>		<b>413,166</b>		<b>121.0%</b>

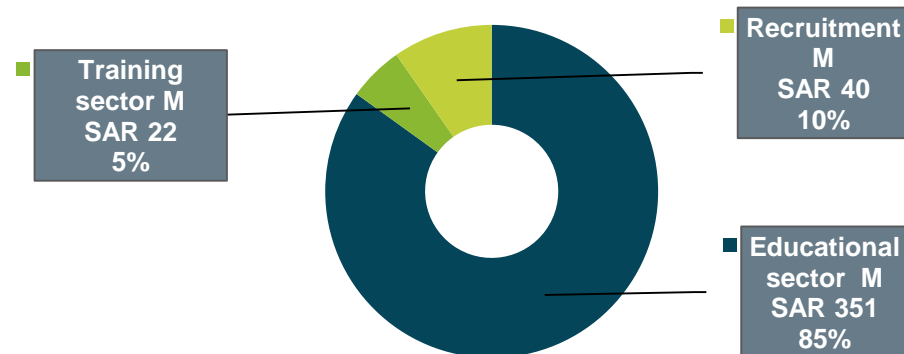
# Revenue Break-Down

## Revenue by School

Revenue by Type	Rowad Al-Izdihar	Rowad Al-Rowabi	Rowad Al-Mansoura	Rowad Ishbilia	Rowad Al-Andalus	Nokhba Al-Kharj	Al-Fikr	Al-Oruba International	Middle East International	Sulaimaniya International	New Middle East
9M 2022	42,520	20,734	13,130	24,851	7,273	4,847	5,331	30,435	36,518	6,537	21,408
%	10%	5%	3%	6%	2%	1%	1%	7%	9%	2%	5%
9M 2021	37,102	17,100	11,000	17,100	5,987	3,498	4,513	25,358	26,591	5,667	19,724
%	20%	9%	6%	9%	3%	2%	2%	14%	14%	3%	11%
Var (YTD 21-22)	15%	21%	19%	45%	21%	39%	18%	20%	37%	15%	9%

Revenue by Type	Modern Middle East	Rowad Ishbilia Int'I2	Aleilm International	Al-Awsat	Amjad Qurtabe	Al-jawdah	Al-Alson	Jeel Al-majd	Al-Yasmin	Alfaisal	Creative
9M 2022	10,259	5,905	16,132	7,576	28,378	21,300	31,183	7,454	9,243	22,140	40,012
%	3%	1%	4%	2%	7%	5%	8%	2%	2%	5%	10%
9M 2021	9,719	3,587	14,041	6,357	15,744	12,660	14,931	5,079	7,593	0	0
%	5%	2%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Var (YTD 21-22)	5.6%	65%	15%	19%	80%	68%	109%	47%	21.7%	0%	0.0%

## SEGMENT REPORTING













# Ataa school portfolio

## Overview of national curriculum portfolio

	 <b>Rowad Al-Izdihar</b> <small>مدارس الرواد الأهلية Al-Rowad Private Schools الرياض Al-Riyadh</small>	 <b>Rowad Al-Rawabi</b> <small>مدارس الرواد الأهلية Al-Rowad Private Schools الرياض Al-Riyadh</small>	 <b>Rowad Al-Mansoura</b> <small>مدارس الرواد الأهلية Al-Rowad Private Schools الرياض Al-Riyadh</small>	 <b>Rowad Al-Ishbilia</b> <small>مدارس الرواد الأهلية Al-Rowad Private Schools الرياض Al-Riyadh</small>	 <b>Rowad Al-Andalus</b> <small>مدارس الرواد الأهلية Al-Rowad Private Schools الرياض Al-Riyadh</small>	 <b>Nokhba Al-Kharj</b>	 <b>Al-Fikr</b>	 <b>Al-wsat Schools</b> <small>مدارس الوسط Alwasat Schools</small>
Curriculum								
Area (sqm)	60,600	15,000	14,225	18,562	12,100	11,046	9,600	9,600
Ownership	Owned / leased	Owned	Owned	Owned	Owned	Leased	Leased	Leased
Classrooms	245	174	115	175	64	46	49	97
Capacity	6,125	4,350	2,875	4,375	1,600	920	980	2,424
Number of students	3,193	2,161	1,819	3,432	933	896	621	1,211
Utilization	52%	50%	63%	78%	58%	97%	63%	50%
Avg. net tuition (SAR)	19.100	13.900	10.600	11.400	12.200	8.200	13.400	9.100
EBITDA contribution <sup>1</sup>	11.9%	4%	0.6%	4.6%	(0.02%)	1%	(1.3%)	(1.9%)
Student to teacher ratio	11.9	12.9	13.4	13	10.8	13	11.3	10.7

# Ataa school portfolio

## Overview of international curriculum portfolio

	 <b>Rowad Ishbilia Int'l<sup>2</sup></b>	 <b>Al-Oruba International</b>	 <b>Middle East Int'</b>	 <b>Sulaimaniya Int'l</b>	 <b>New Middle East</b>	 <b>Modern Middle East</b>	 <b>Al-Elm International School</b>
Curriculum							
Area (sqm)	9,240	19,485	4,558	2,641	7,981	14,000	14,000
Ownership	Owned	Leased	Leased	Leased	Leased	Leased	Leased
Classrooms	108	142	148	44	233	142	80
Capacity	2,700	3,550	3,600	880	4,660	3,550	1,987
Number of students	568	2,654	3,155	655	4,255	2,443	1,391
Utilization	21%	75%	88%	74%	91%	69%	70%
Avg. net tuition (SAR)	17.400	16.100	17.300	13.500	6.500	5.200	14.400
EBITDA contribution <sup>1</sup>	1.6%	11%	15.1%	0.6%	9.5%	4.6%	2.3%
Student to teacher ratio	10.9	16.1	12.9	8	10.6	14	13.9

# Arabian Group

## Educational sector



**Amjad Qurtabe**



**Al-jawdah**



**Al-Alson**



**Jeel Al-majd**



**Al-Yasmin**

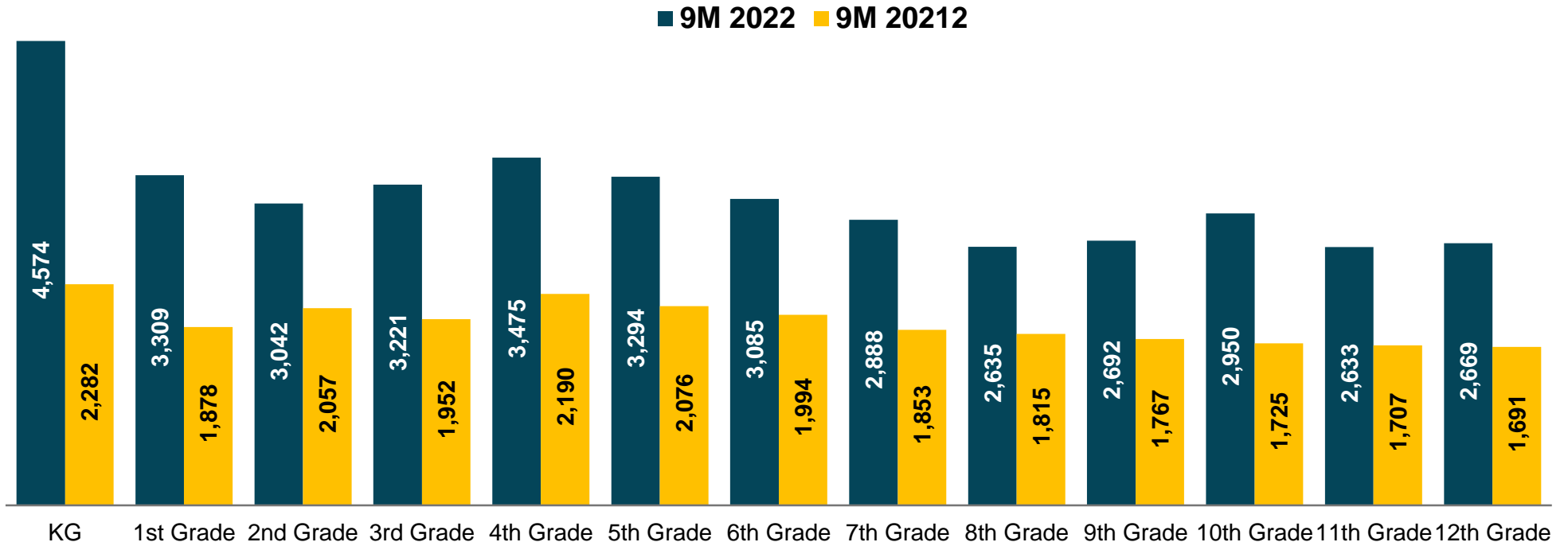
Curriculum					
Area (sqm)	20,455	42,28	20,199	19,770	8,571
Ownership	Leased	Owned	Leased	Leased	Leased
Classrooms	125	167	148	60	83
Capacity	3.600	4,500	3,708	1.500	2,065
Number of students	2.762	1.847	3.624	785	2,062
Utilization	77%	41%	98%	52%	100%
Avg. net tuition (SAR)	15,500	16.500	12.000	10.000	5.500
EBITDA contribution <sup>1</sup>	10.6%	3%	9.5%	1.5%	3%
Student to teacher ratio	12	12.2	12.1	9.2	19.1

# Ataa school portfolio

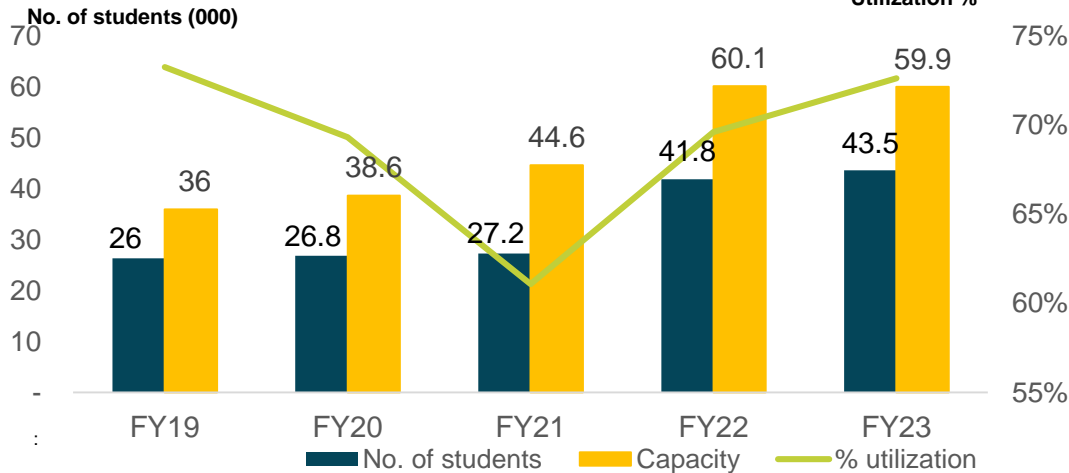
Highly diversified student base with further room to consolidate

## Stable student base across different grades...

Number of students in each grade as of 2022(# students)

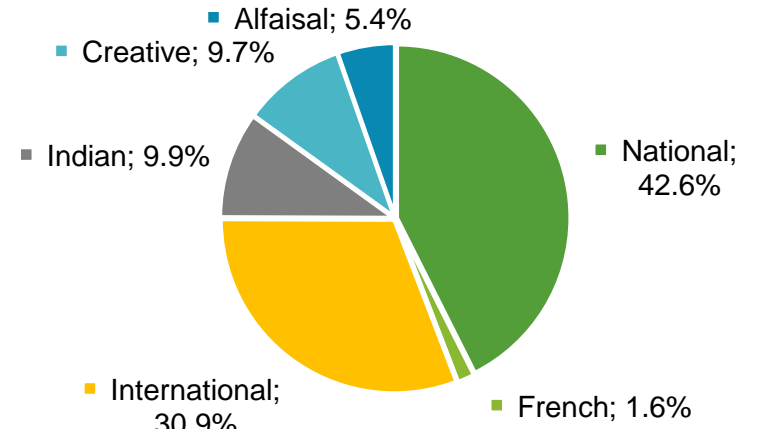


## ...and further room to consolidated...



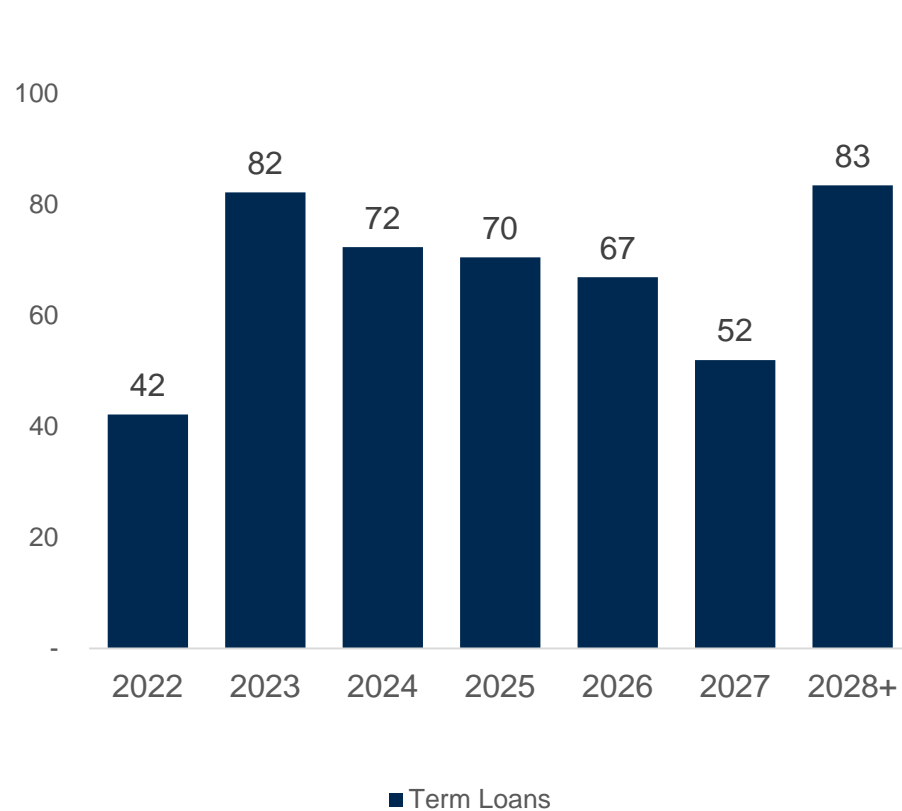
## ...with a diversified revenue base...

Net tuition revenue per curriculum (%)



## DEBT SUMMARY

### ...DEBT MATURITY PROFILE ...



SR in 000s	9M 2022	%
2022	42,127	9.0%
2023	82,112	17.5%
2024	72,266	15.4%
2025	70,405	15.0%
2026	66,870	14.3%
2027	51,962	11.1%
2028	31,639	6.7%
2029	28,773	6.1%
2030	15,333	3.3%
2031	7,667	1.6%
<b>Total</b>	<b>469,154</b>	

## Subsequent Events



Nabaa Educational Company



<b>Curriculum</b>				
<b>Ownership</b>	leased		<b>Avg. net tuition (SAR)</b>	20,250
<b>Area (sqm)</b>	9,200		<b>Revenues</b>	22 M SAR
<b>Classrooms</b>	96		<b>Net Income</b>	1,1 M SAR
<b>Capacity</b>	2,100		<b>NI Margin</b>	5%
<b>Number of students</b>	1,678		<b>EBITDA Margin</b>	25%
<b>Utilization</b>	80%		<b>Student to teacher ratio</b>	12,4

On 26 May 2022, The Company obtained the approval of CMA To Acquire Nabaa Educational Co.(Al-manahij Schools ) by issuing 2,087,150 new shares .




As of 9M 2022 (ending April 2022)



**New Academic Years 2022-2023 Updates**

# Ataa school portfolio













## Overview of national curriculum portfolio

	Rowad Al-Izdihar	Rowad Al-Rawabi	Rowad Al-Mansoura	Rowad Ishbilia	Rowad Al-Andalus	Nokhba Al-Kharj	Al-Fikr	Al-wsat Schools
Curriculum								
Capacity	6,125	4,350	2,875	4,375	1,600	920	980	2,424
Number of students 2022	3,189	2,161	1,816	3,434	938	899	622	1,210
Number of students 2023	3,156	2,122	1,752	3,866	846	876	584	911
Avg. net tuition (SAR) 2022	19.100	13.900	10.600	11.400	12.200	8.200	13.400	9.100
Avg. net tuition (SAR) 2023	21.200	15.800	12.500	13.400	12.800	10.100	15.200	10.700
	Rowad Ishbilia Int'l <sup>2</sup>	Al-Oruba	Middle East'	Sulaimaniya	New Middle East	Modern Middle East	Al-Elm	
Curriculum								
Capacity	2,700	3,550	3,600	880	4,660	3,550	1,200	
Number of students 2022	567	2,655	3,147	655	4,399	2,443	1,391	
Number of students 2023	507	2,347	2,902	637	4,540	2,603	1,290	
Avg. net tuition (SAR) 2022	17.400	16.100	17.300	13.500	6.500	5.200	14.400	
Avg. net tuition (SAR) 2023	18.400	18.400	19.600	15.500	8.000	6.200	16.300	



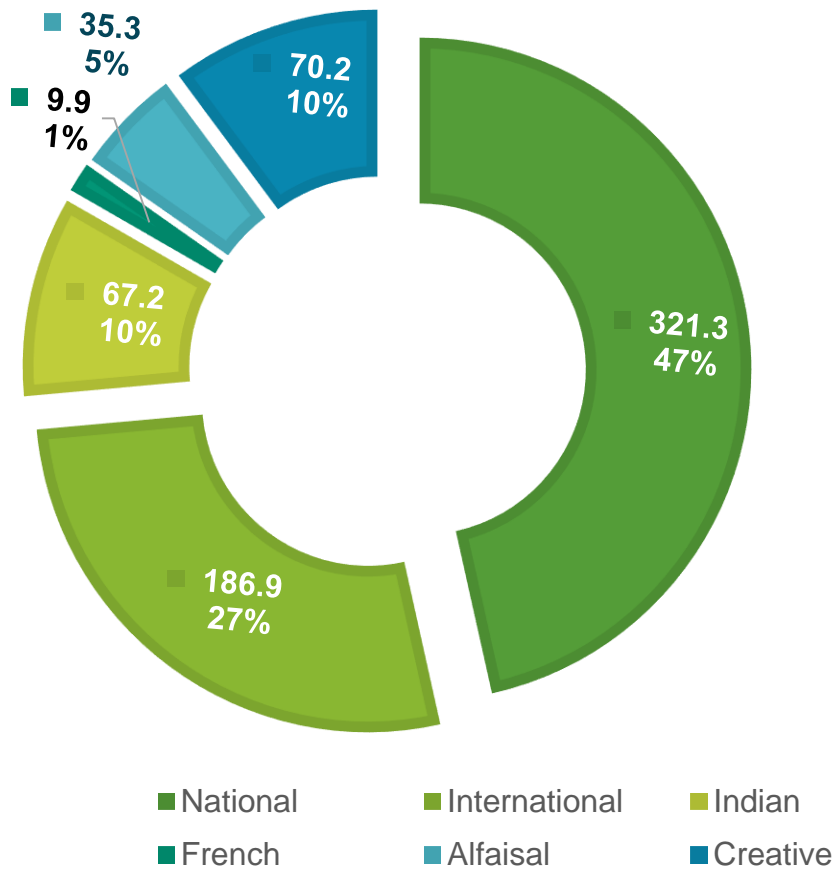
# Arabian Group

## Educational sector

	 <b>Amjad Qurtabe</b>	 <b>Al-jawdah</b>	 <b>Al-Alson</b>	 <b>Jeel Al-majd</b>	 <b>Al-Yasmin</b>	 <b>Nabaa</b>
Curriculum						
Capacity	3.600	4,500	3,708	1.500	2,200	2,100
Number of students 2022	2.771	1.848	3,624	785	2,062	1,678
Number of students 2023	2,962	2,250	4,609	929	2,290	1,699
Avg. net tuition (SAR) 2022	15,500	16.500	12.000	10.000	5.500	20,250
Avg. net tuition (SAR) 2023	16,500	16.500	13,000	10,000	5,500	20,250

# Revenue Break-Down

## Revenue by School



## Segment Reporting

SR in 000s	2022	%	2023	%	Var (YTD 22-23)
	Expected		Expected		
National	261,907	45.0%	321,274	46.5%	22.7%
International	168,012	28.9%	186,937	27.1%	11.3%
Indian	60,980	10.5%	67,244	9.7%	10.3%
French	8,584	1.5%	9,882	1.4%	15.1%
Alfaisal- Training	29,798	5.1%	35,306	5.1%	18.5%
Creative-Recruitment	52,725	9.1%	70,172	10.2%	33.1%
<b>Total net revenue</b>	<b>582,006</b>		<b>690,815</b>		<b>18.7%</b>

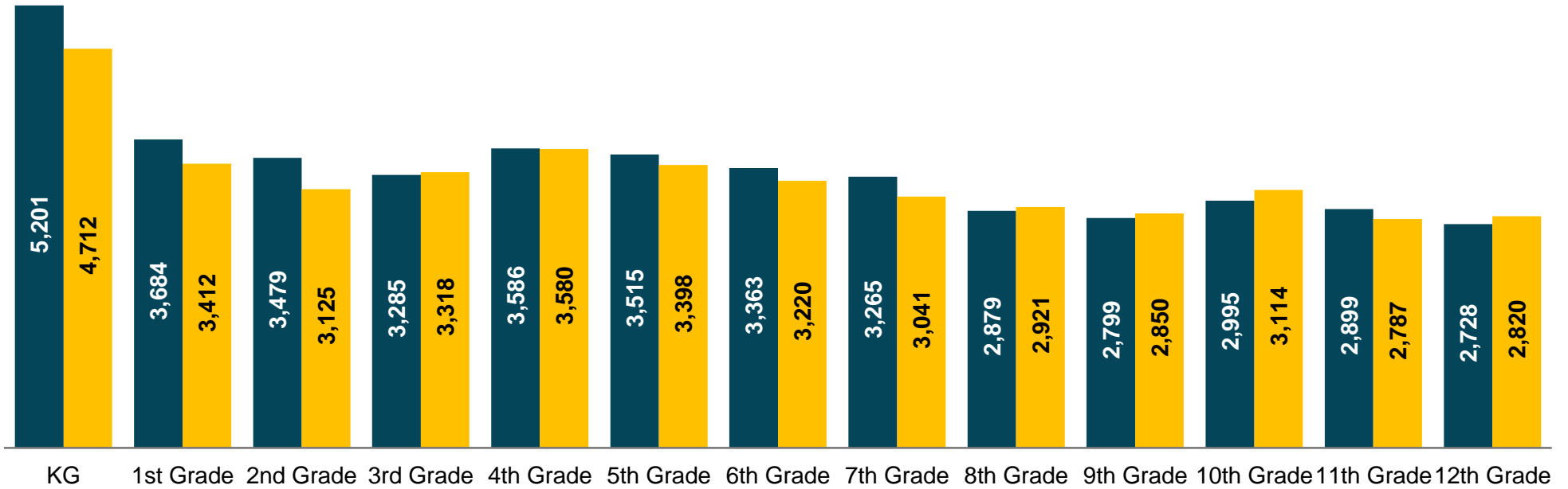
# Ataa school portfolio

Highly diversified student base with further room to consolidate

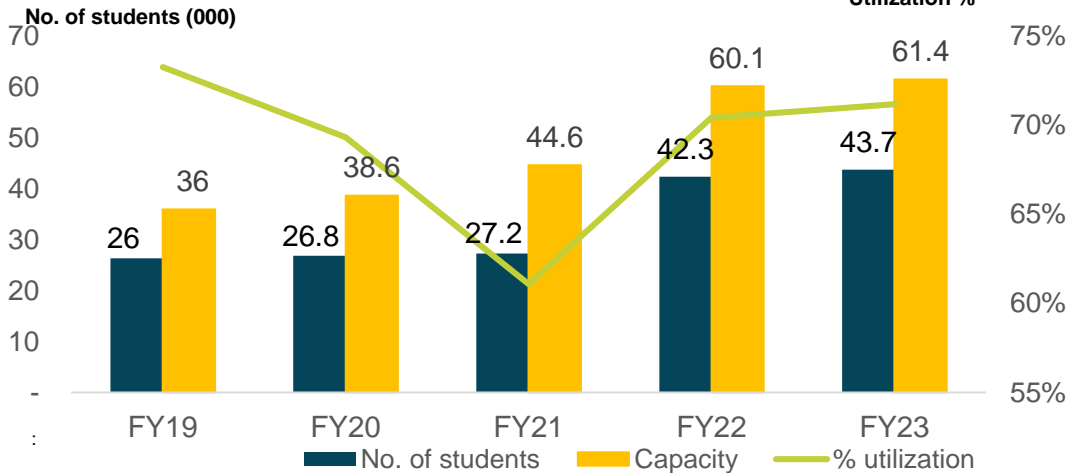
## Stable student base across different grades...

Number of students in each grade as of 2022(# students)

■ 2023 ■ 2022

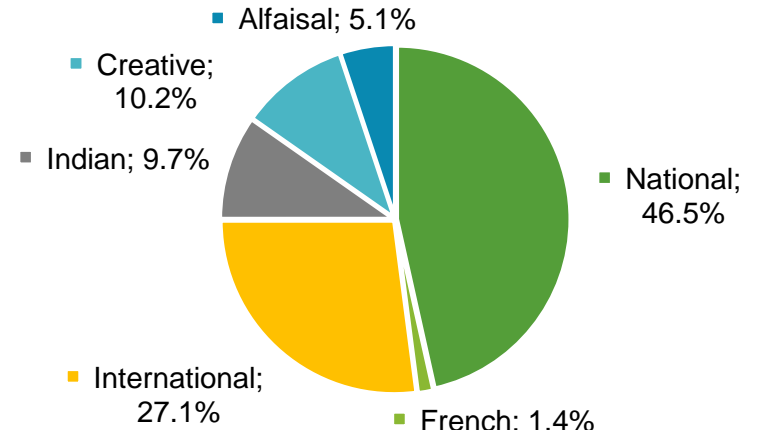


## ...and further room to consolidated...



## ...with a diversified revenue base...

Net tuition revenue per curriculum (%)



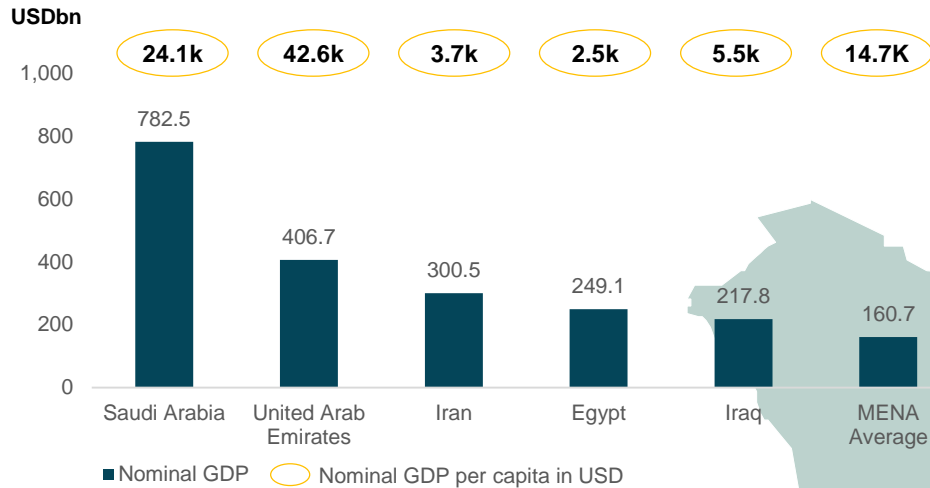


## **Investment Highlights**

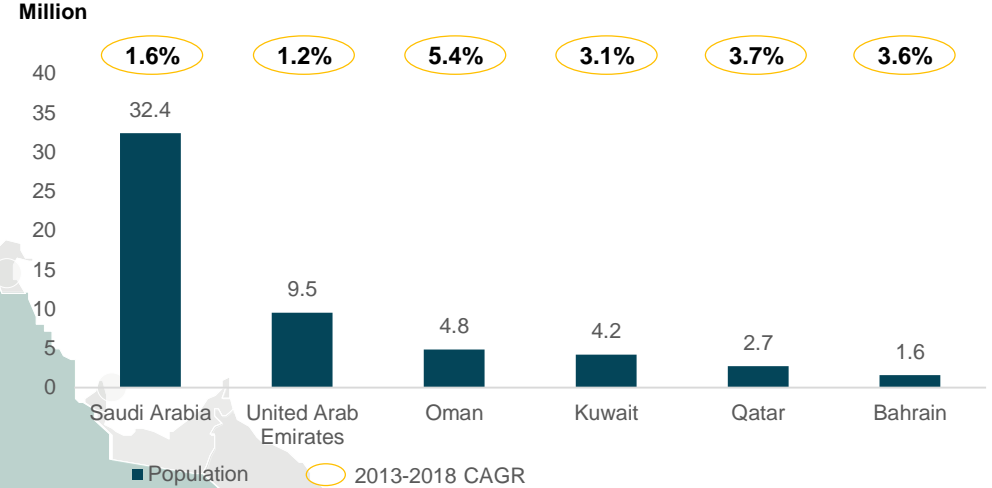
Leading K-12 operator with one of the most diversified offerings in KSA

# Saudi macroeconomic indicators are highly attractive

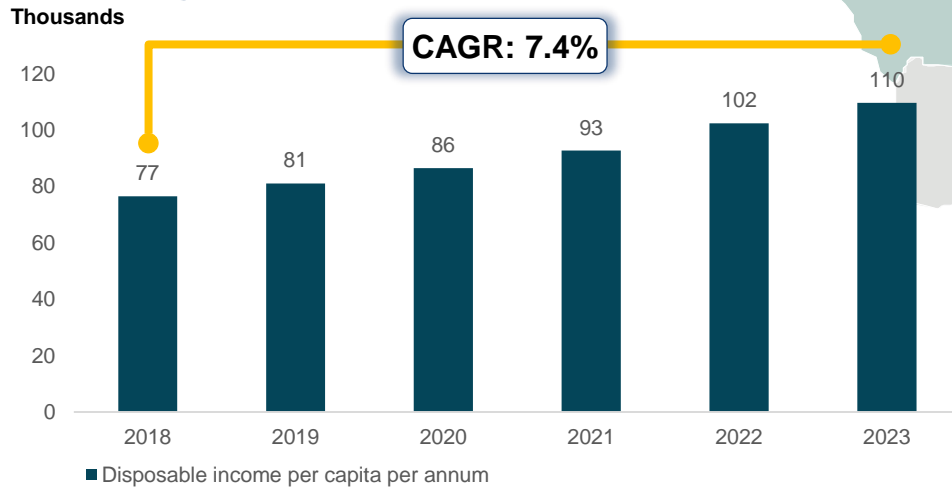
## Largest economy in MENA...



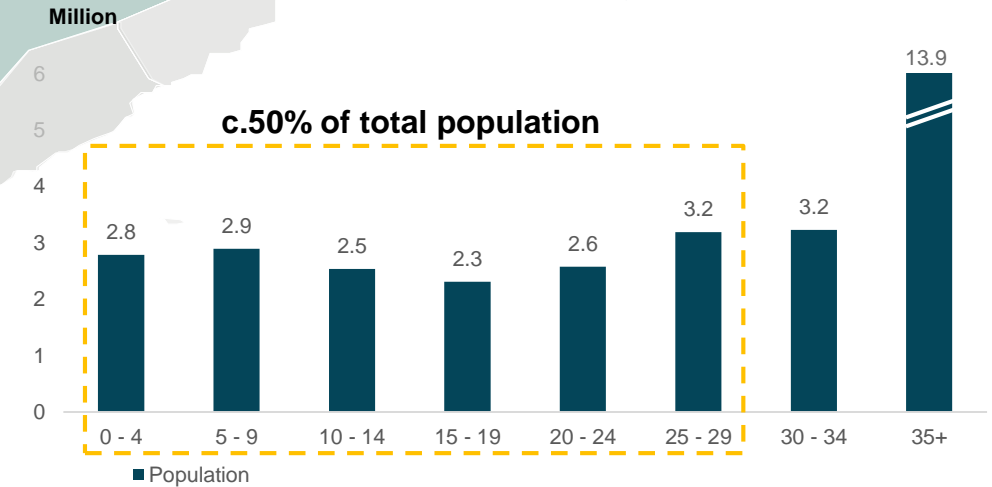
## ...with the largest population in GCC



## Increasing disposable income...



## ...with an attractive population dynamics



# Market fundamentals conducive to support growth

## Strong sector fundamentals



Saudi macroeconomic indicators are highly attractive



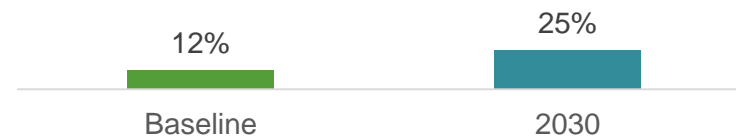
Defensive sector with strong growth potential



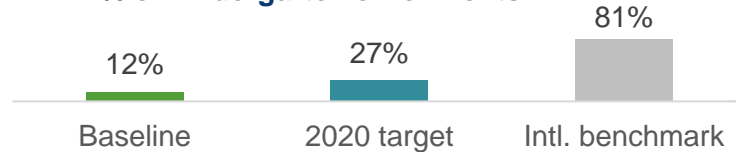
High margin cash business

Key area of focus by the government with KPIs included in Vision 2030

% of students enrolled in private education

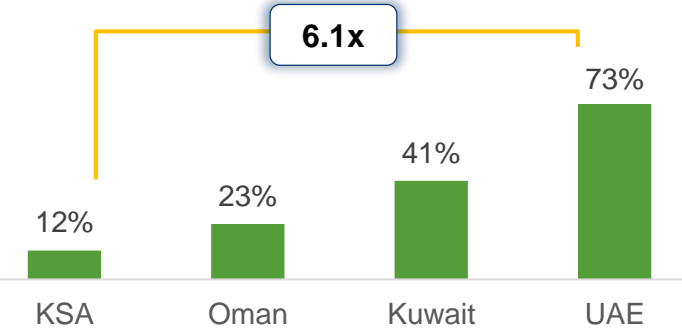


% of kindergarten enrollments



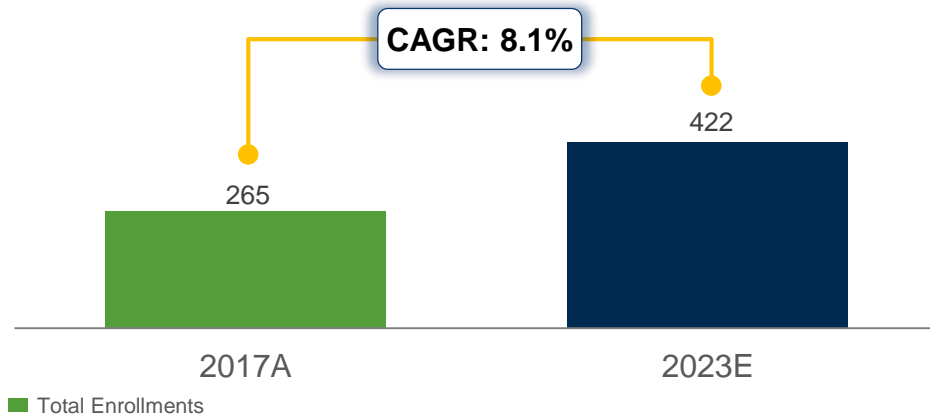
Saudi remains behind region in terms of private sector participation

% of students enrolled in private education



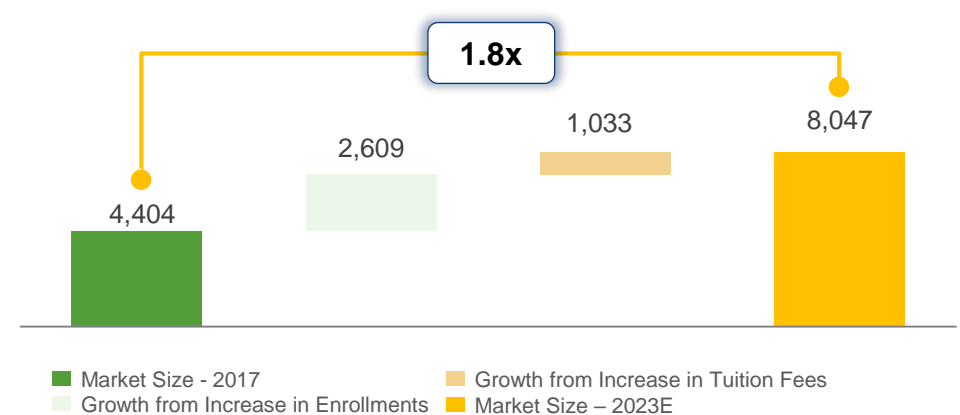
## Strong expected growth in enrollments...

Private School Enrollments Evolution – Riyadh City ('000s)



## ...and the overall market size

Market size growth – Riyadh (SARm)



Source: Source: ADL, Vision 2030, NTP, Kuwait Statistics Authority, World Bank; Saudi Arabia MoE data; Dubai Statistics Center; UAE MoE data; ADEK Annual 2016-2017 Report; Edarabia; Ministry of Information Affairs Bahrain



## **Ataa strategy overview**

Clear defined strategy to drive growth

# Clear defined strategy to drive growth



**Enhance academic quality**



**Maximize schools' utilization**



**Optimizing operational efficiency**



**Enriching services provided**

**Cascade HoldCo strategy into objectives and targets by school**

**5-years targets**

- Leading school in Qiyas Al qudrat and Tahseeli in its catchment areas
- Top scores in international curricula standardized test scores

- Reaching c. 66,000 students through organic and inorganic expansion

- Achieve a ~53% EBITDAR margin

- Increased partnerships with top universities and scientific institutes
- Enhancing non-tuition revenue

**Enablers**

- Attracting the best talent pool of teachers
- Incentivizing high performing students
- Implementation of best international practices

- Promoting Ataa's quality of education
- Focus on attracting students at early grades
- Acquisition strategy to enhance utilization levels

- Implementing Ataa's optimization initiatives
- Building performance management capabilities

- Engage with universities and scientific institutes
- Enhanced extra-curricular activities
- E-services/ e-learning



# Thank you for your time

## Q&A

