

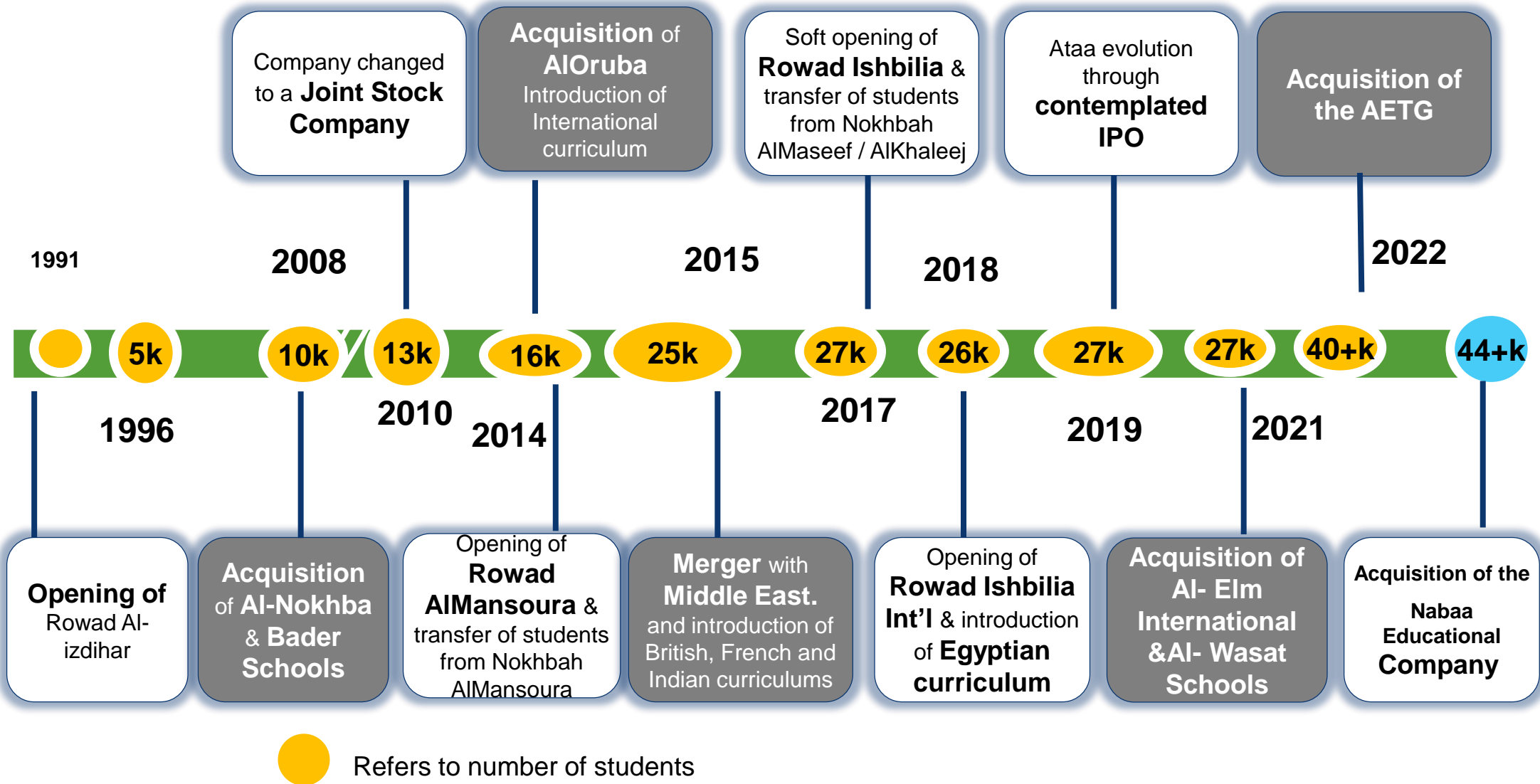
# Ataa Educational Company

Investor Presentation  
H1 2023



## Ataa key milestones

Our journey so far







# Introduction to Ataa Educational Company (“Ataa”)

Ataa snapshot

H1 2023	H1 2022	H1 2023	H1 2022
<b>335M SAR</b> Revenues 23 % growth	<b>272M SAR</b> Revenues	<b>31M SAR</b> Net Income Shareholders in the company	<b>52M SAR</b> Net Income Including the gains from Acquisitions
<b>103M SAR</b> EBITDAR	<b>118M SAR</b> EBITDAR <b>80M SAR</b> Excluding the gains from Acquisitions	<b>31%</b> EBITDAR Margin	<b>43%</b> Excluding the gains from Acquisitions <b>29%</b> Excluding the gains from Acquisitions
<b>44,920</b> Number Of Student 14 % growth	<b>39,327</b> Number Of Student	<b>12.9</b> Student / Teacher ratio	<b>12.3</b> Student / Teacher ratio

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

Note:

1. As of 6M 203 (ending Jan 2023), unless mentioned otherwise



# Introduction to Ataa Educational Company (“Ataa”)

## Educational sector

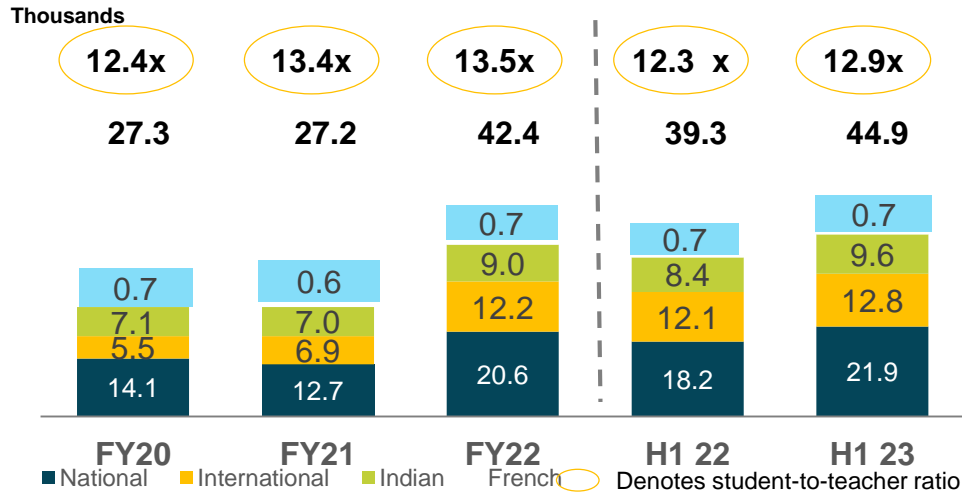
H1 2023	H1 2022	H1 2023	H1 2022
<b>310M SAR</b> Revenues 35 % growth	<b>230M SAR</b> Revenues	<b>44,7M SAR</b> Net Income 184 % growth	<b>15,8M SAR</b> Net Income
<b>110M SAR</b> EBITDAR 52 % growth	<b>72M SAR</b> EBITDAR	<b>35%</b> EBITDAR Margin	<b>31%</b>
<b>44,920</b> Number Of Student 14 % growth	<b>39,327</b> Number Of Student	<b>12.9</b> Student / Teacher ratio	<b>12.3</b> Student /Teacher ratio
		<b>2,412 SAR</b> EBITDA / Student	<b>1,721 SAR</b> EBITDA / Student



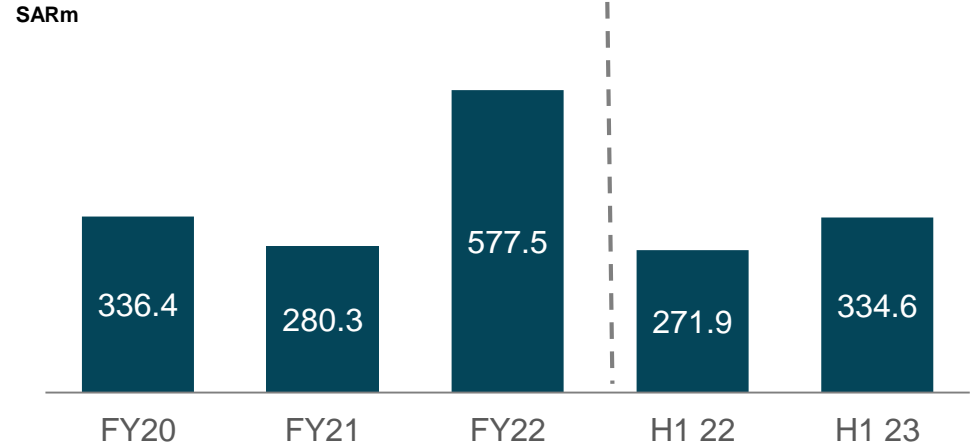
## Key Financial Summary

# Robust financial performance despite economic headwinds

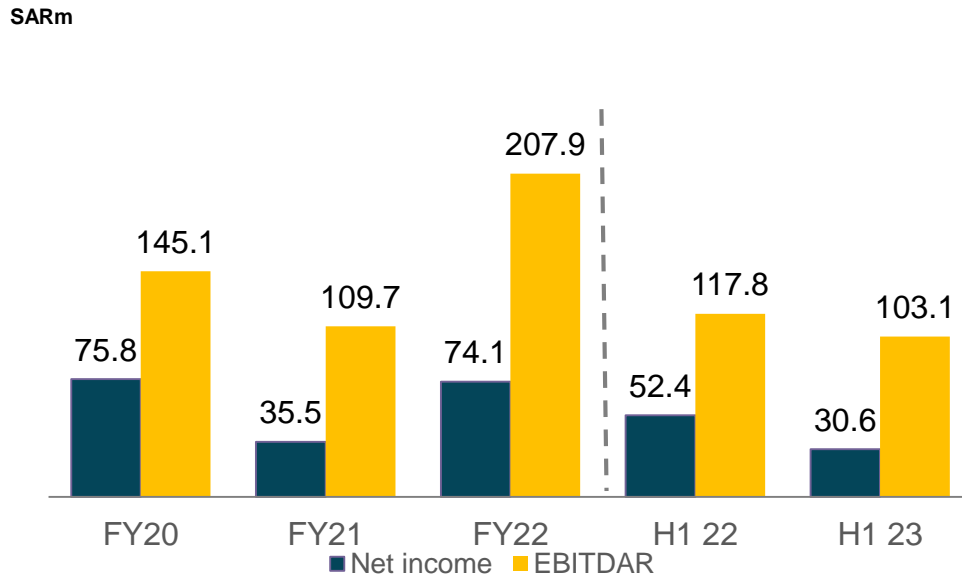
## Number of students



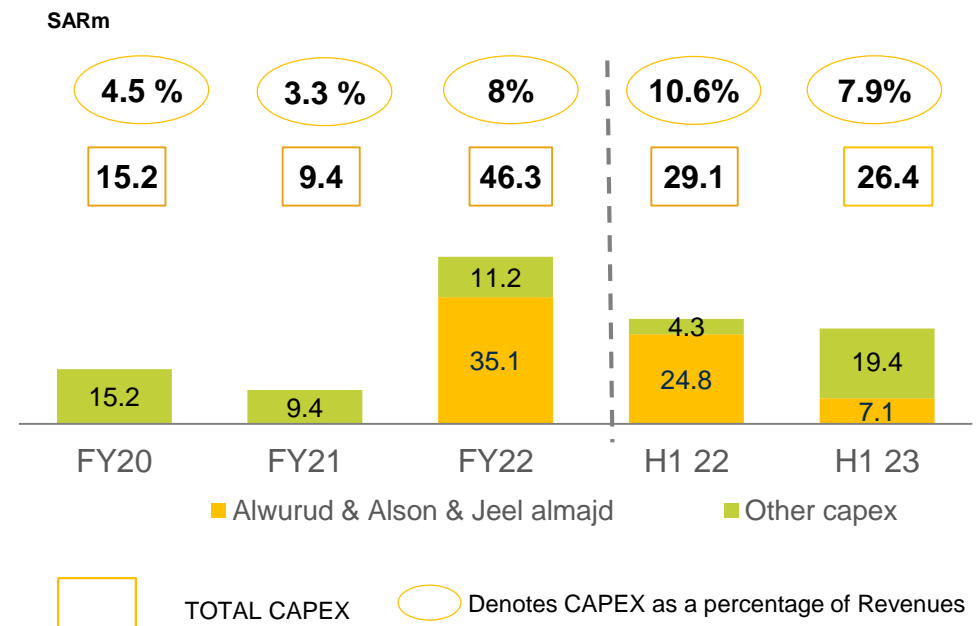
## Revenues



## Net Income and EBITDAR

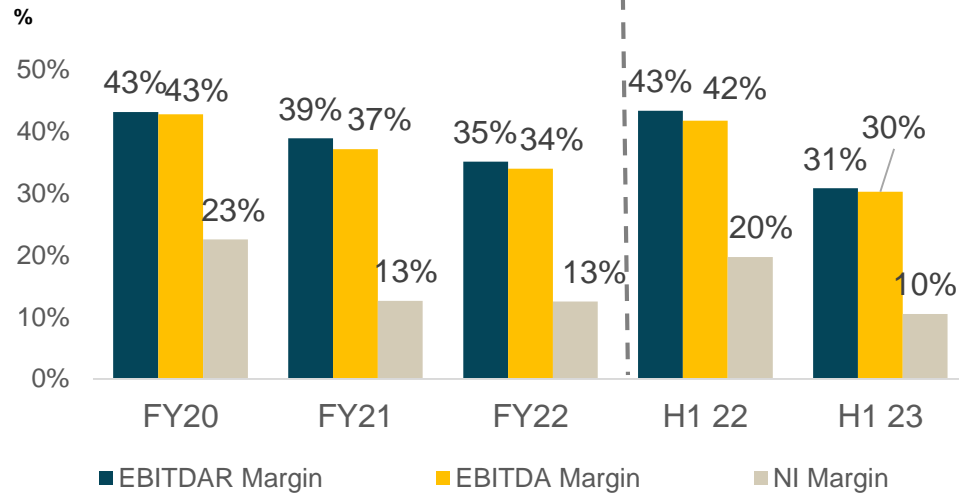


## CAPEX

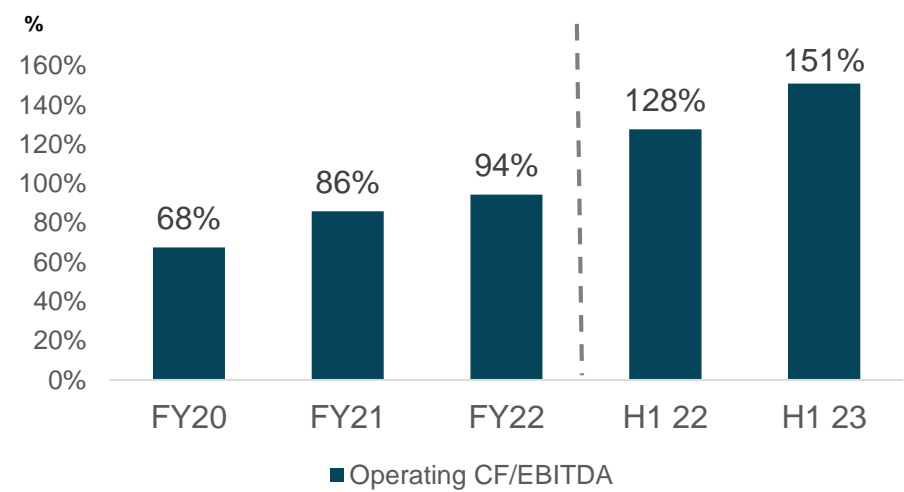


# Strong margins to drive cash generation with significant headroom to grow

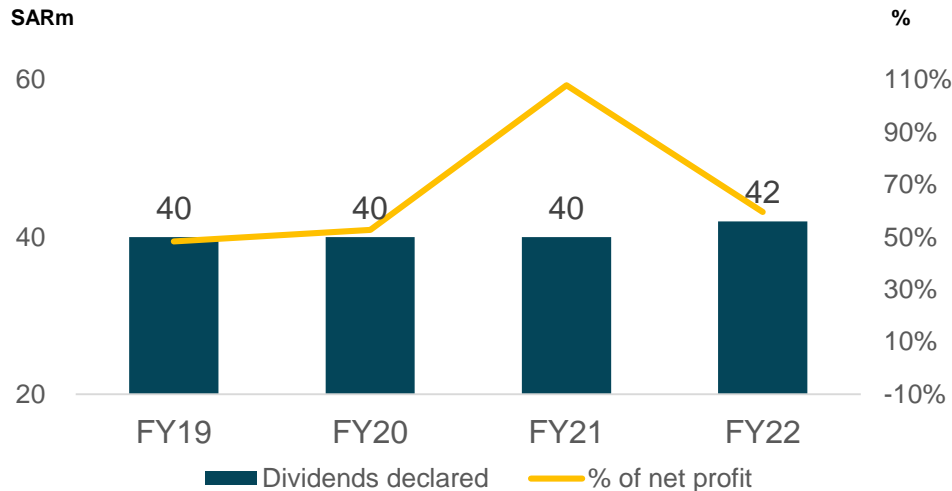
## Strong sustainable margins...



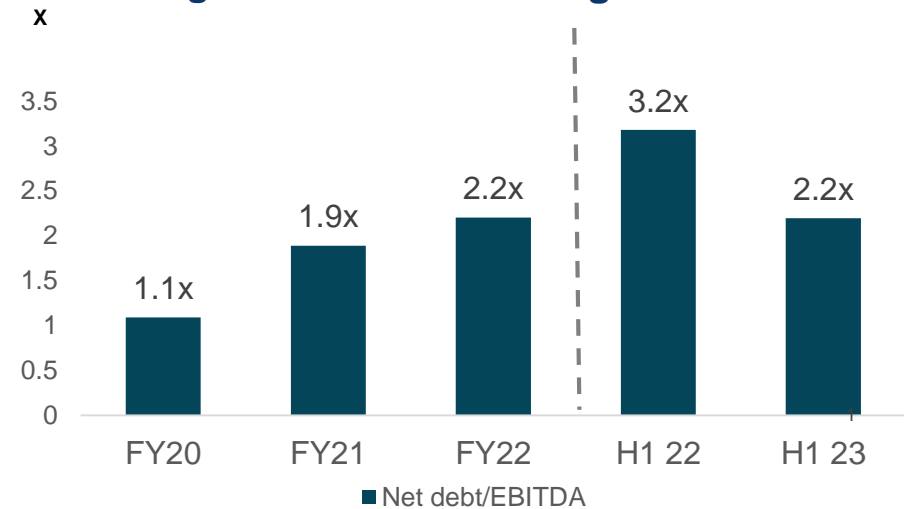
## ...driving cash generating profile...



## ...and dividends distributions...



## ...with significant headroom to grow

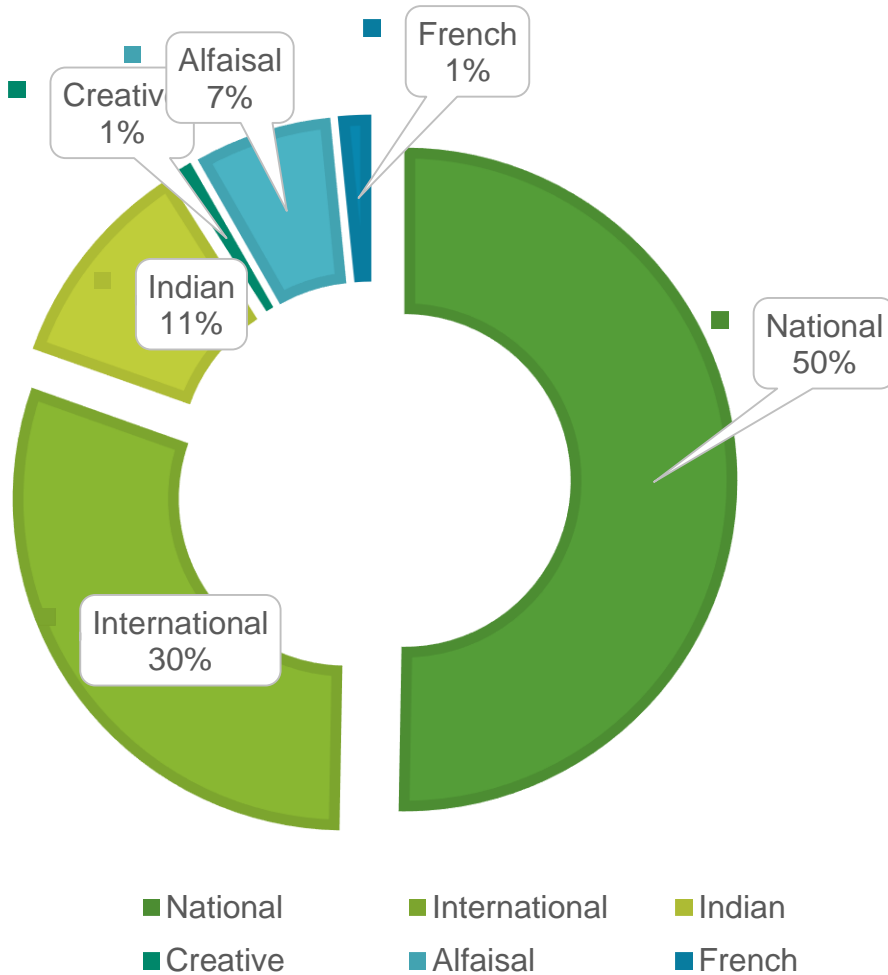


Source: Company information  
1. Based on LTM figures (12Month)



# Revenue Break-Down

## Revenue by School



## Segment Reporting

SR in 000s	H1 22	%	H1 23	%	Var (YTD 22-23)
National	117,360	43.2%	168,235	50.4%	43.3%
International	84,162	31.0%	100,837	30.1%	19.8%
Indian	24,266	8.9%	35,399	10.6%	45.9%
French	4,424	1.6%	5,177	1.5%	17.0%
Alfaisal- Training	15,294	5.6%	22,418	6.7%	46.6%
Creative-Recruitment	26,412	9.7%	2,552	0.8%	(90.3%)
Total net revenue	271,919		334,618		23.1%

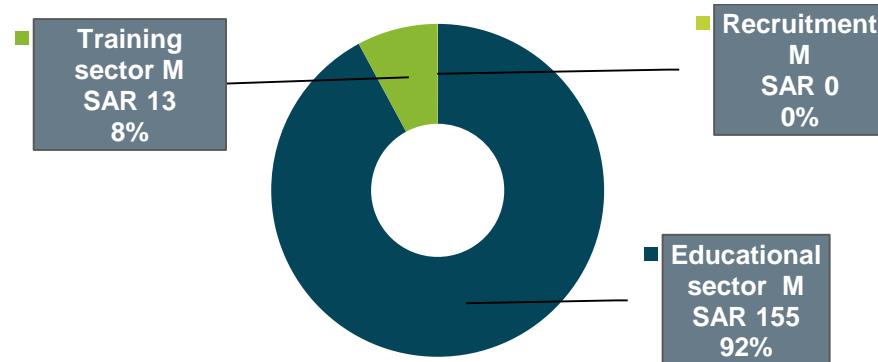
# Revenue Break-Down

## Revenue by School

Revenue by Type	Rowad Al-Izdihar	Rowad Al-Rowabi	Rowad Al-Mansoura	Rowad Ishbilila	Rowad Al-Andalus	Nokhba Al-Kharj	Al-Fikr	Al-Oruba International	Middle East International	Sulaimaniya International	New Middle East	Modern Middle East
H1 2023	33,228	17,497	11,642	26,225	6,144	4,740	4,628	23,296	27,946	5,177	18,356	8,639
%	9.9%	5.2%	3.5%	7.8%	1.8%	1.4%	1.4%	7.0%	8.4%	1.5%	5.5%	2.6%
H1 2022	28,673	13,841	8,748	16,571	4,823	3,200	3,508	20,512	24,789	4,424	13,045	6,433
%	10.5%	5.1%	3.2%	6.1%	1.8%	1.2%	1.3%	7.5%	9.1%	1.6%	4.8%	2.4%
Var (YTD 22-23)	15.9%	26.4%	33.1%	58.3%	27.4%	48.1%	31.9%	13.6%	12.7%	17.0%	40.7%	34.3%

Revenue by Type	Rowad Ishbilila Int'l2	Aleilm International	Al-Awsat	Nabaa	Amjad Qurtabe	Al-jawdah	Al-Alson	Jeel Al-majd	Al-Yasmin	Alfaisal	Creative
H1 2023	4,889	11,697	5,193	15,469	23,267	20,200	27,330	5,679	8,403	22,418	2,552
%	1.5%	3.5%	1.6%	4.6%	7.0%	6.0%	8.2%	1.7%	2.5%	6.7%	0.8%
H1 2022	4,012	11,362	5,154	14,528	18,974	13,868	20,038	3,450	4,788	15,294	26,412
%	1.5%	4.2%	1.9%	0.0%	7.0%	5.1%	7.4%	1.3%	1.8%	5.6%	9.7%
Var (YTD 22-23)	21.9%	2.9%	0.8%	6.5%	22.6%	45.7%	36.4%	64.6%	75.5%	46.6%	(90.3%)

### SEGMENT REPORTING



# National schools portfolio















## Overview of national curriculum portfolio

	 مدارس الرواد الأهلية Al-Rowad Private Schools الرياض Al-Riyadh	 مدارس الرواد الأهلية Al-Rowad Private Schools الرياض Al-Riyadh	 مدارس من الرواد الأهلية Al-Rowad Private Schools الرياض Al-Riyadh	 مدارس من الرواد الأهلية Al-Rowad Private Schools الرياض Al-Riyadh	 مدارس من الرواد الأهلية Al-Rowad Private Schools الرياض Al-Riyadh			 مدارس الوسط Alwasat Schools	 مدارس أمجد قرطبة Amjad Qurtaba Schools	 ACES أكاديمية جدة امجد	 نبتة NABA	
Curriculum												
Area (sqm)	60,600	15,000	14,225	18,562	12,100	11,046	9,600	9,600	20,455	27,874	9,200	208,262
Ownership	Owned / leased	Owned	Owned	Owned	Owned	Leased	Leased	Leased	Leased	Owned	Leased	-----
Classrooms	245	174	115	175	64	46	49	97	125	167	96	1,353
Capacity	6,125	4,350	2,875	4,375	1,600	920	980	2,424	3,600	4,500	2,100	33,849
Number of students	3,175	2,232	1,911	3,885	943	970	610	972	2,953	2,518	1,725	21,894
Utilization	52%	51%	66%	89%	59%	105%	62%	40%	82%	56%	82%	65%
Avg. net tuition (SAR)	20,900	15,700	12,200	13,500	13,000	9,800	15,200	10,700	15,750	16,000	17,905	15,368
EBITDA contribution <sup>n1</sup>	12.6%	6.0%	2.5%	10.1%	0.8%	0.6%	1.1%	(0.6%)	9.2%	4.9%	4.7%	51.9%
Student to teacher ratio	13.8	13.8	14.6	14.2	13.5	14.9	11.7	12.6	13.0	10.7	12.1	13.1









# International schools portfolio

## Overview of international curriculum portfolio

	 <b>Rowad Ishbilila Int'l<sup>2</sup></b>	 <b>Al-Oruba International</b>	 <b>Middle East Int'</b>	 <b>Sulaimaniya Int'l</b>	 <b>Al-Elm International School</b>	 <b>Al-Alson</b>	 <b>Jeel Al-majd</b>	<b>TOTAL/AVG</b>
Curriculum								
Area (sqm)	9,240	19,485	4,558	2,641	14,000	20,199	19,770	89,893
Ownership	Owned	Leased	Leased	Leased	Leased	Leased	Leased	---
Classrooms	108	142	148	44	80	184	60	766
Capacity	2,700	3,550	3,600	880	1,750	4,700	1,500	18,680
Number of students	534	2,656	2,846	656	1,395	4,449	896	13,432
Utilization	20%	75%	79%	75%	80%	95 %	60 %	72%
Avg. net tuition (SAR)	18,300	17,500	19,600	15,800	16,800	12,300	12,700	15,785
EBITDA contribution <sup>1</sup>	1.1%	9.1%	12.4%	1.2%	2.9%	12.6 %	1.4%	40.7%
Student to teacher ratio	10.1	16.1	13.0	8.9	14.2	11.2	9.1	12,2

# Indian schools portfolio

## Overview of international curriculum portfolio

	 <b>New Middle East</b>	 <b>Modern Middle East</b>	 <b>Al-Yasmin</b>	<b>TOTAL/AVG</b>
<b>Curriculum</b>				
<b>Area (sqm)</b>	7,981	14,000	8,571	30,552
<b>Ownership</b>	Leased	Leased	Leased	----
<b>Classrooms</b>	233	142	88	463
<b>Capacity</b>	6,700	3,550	2,200	12,450
<b>Number of students</b>	4,645	2,668	2,281	9,594
<b>Utilization</b>	69%	75%	105%	77%
<b>Avg. net tuition (SAR)</b>	7,900	6,500	7,400	7,379
<b>EBITDA contribution<sup>1</sup></b>	7.9 %	3.9 %	2.6%	14.4%
<b>Student to teacher ratio</b>	12.0	14.2	18.1	13,7

**NOTE:EBITDA**

Al-Faisal Academy = 4.6 %

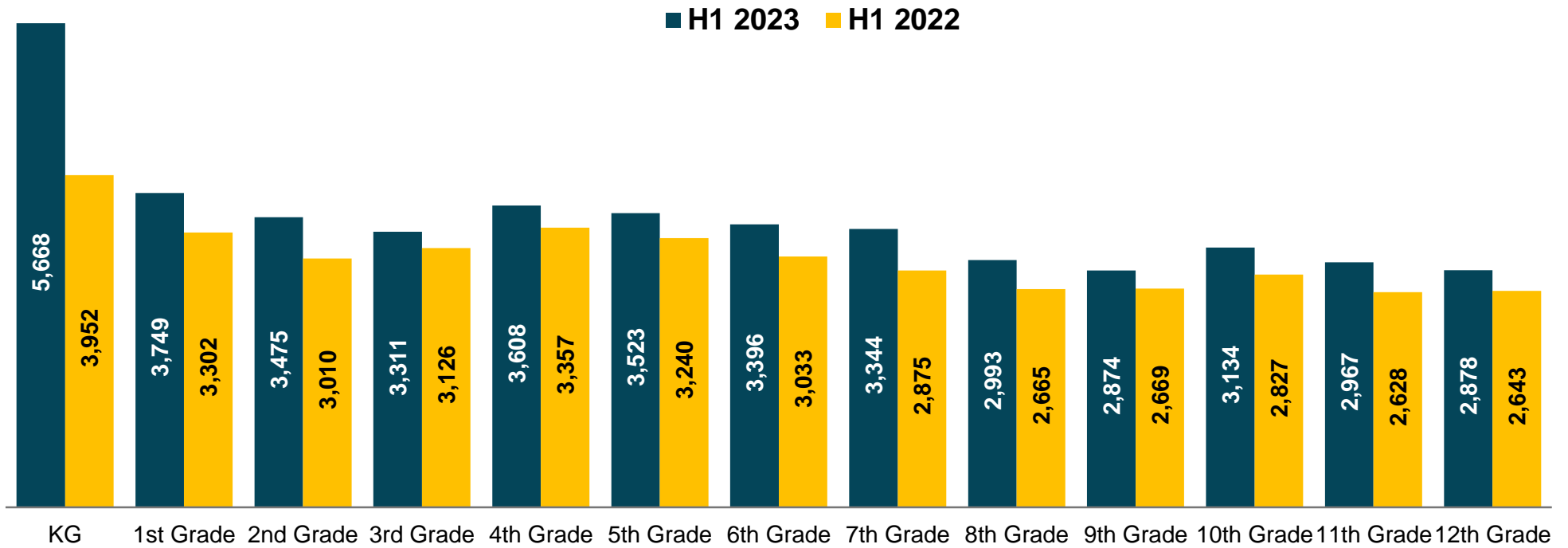
Creative Development =(-11.6%)

# Ataa school portfolio

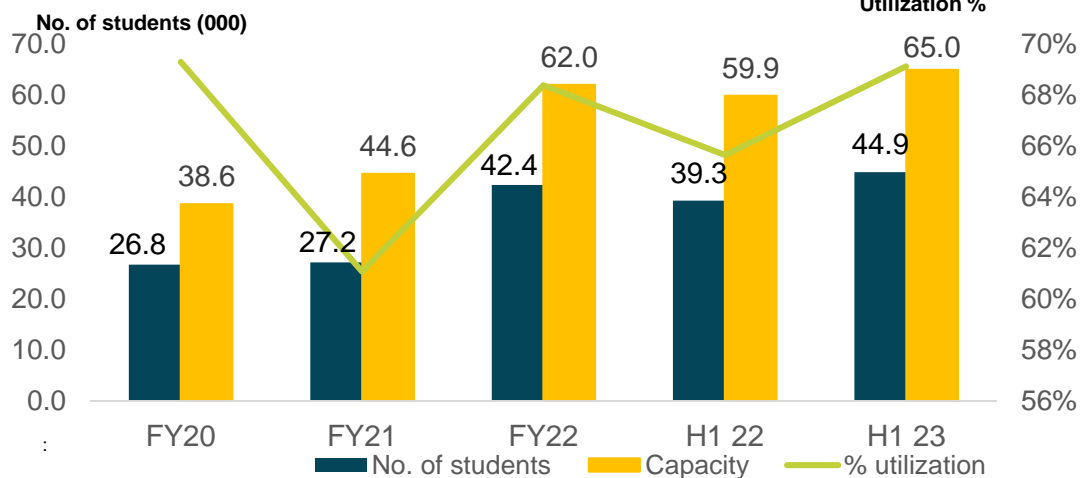
Highly diversified student base with further room to consolidate

## Stable student base across different grades...

Number of students in each grade as of 2023(# students)

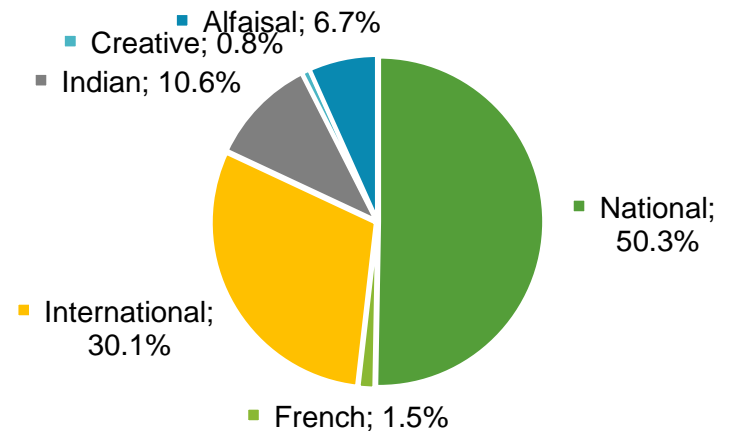


## ...and further room to consolidated...



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

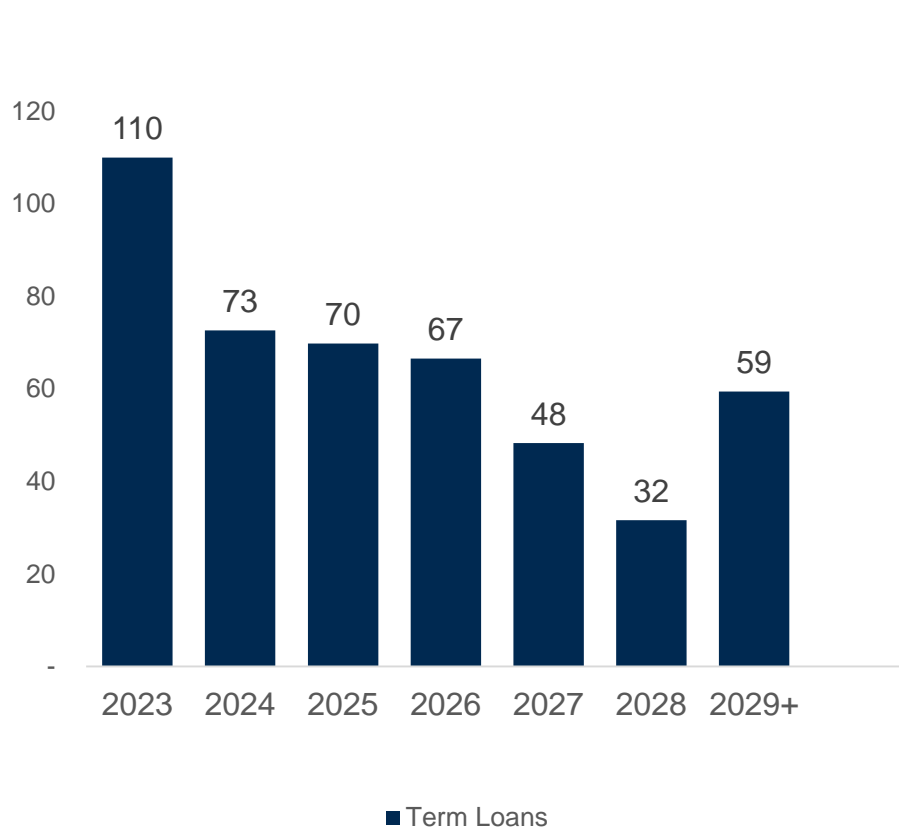
Net tuition revenue per curriculum (%)





# DEBT SUMMARY

## ...DEBT MATURITY PROFILE ...



	SR in 000s	%
2023	110,459	24.1%
2024	72,629	15.8%
2025	69,769	15.2%
2026	66,555	14.5%
2027	48,271	10.5%
2028	31,639	6.9%
2029	28,773	6.3%
2030	15,333	3.3%
2031	15,333	3.3%
<b>Total</b>	<b>458,762</b>	

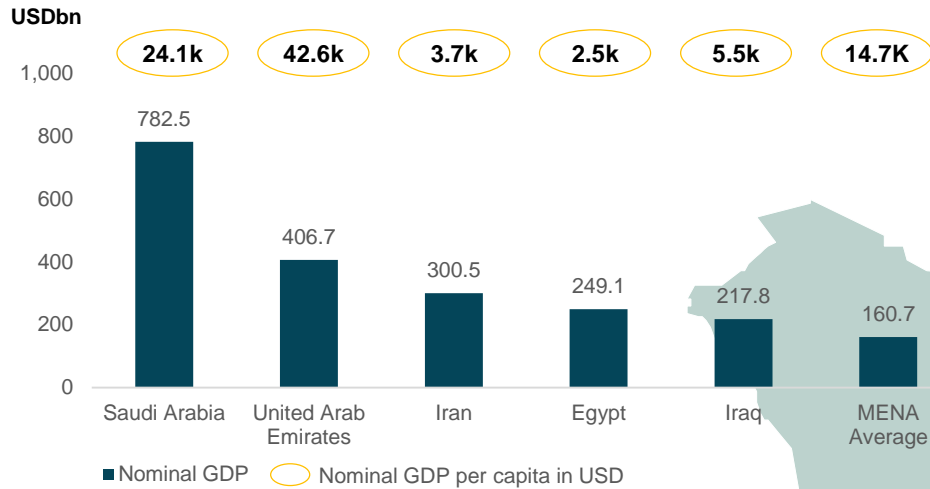


## **Investment Highlights**

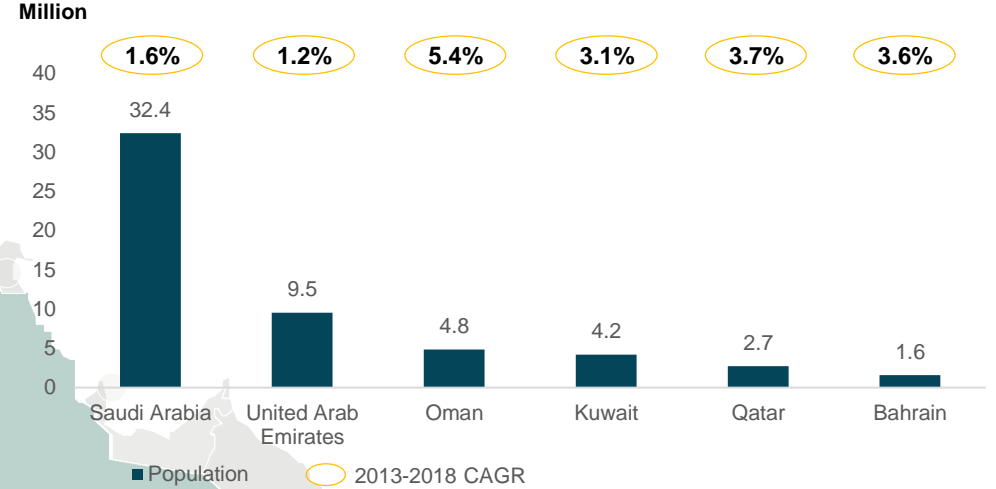
Leading K-12 operator with one of the most diversified offerings in KSA

# Saudi macroeconomic indicators are highly attractive

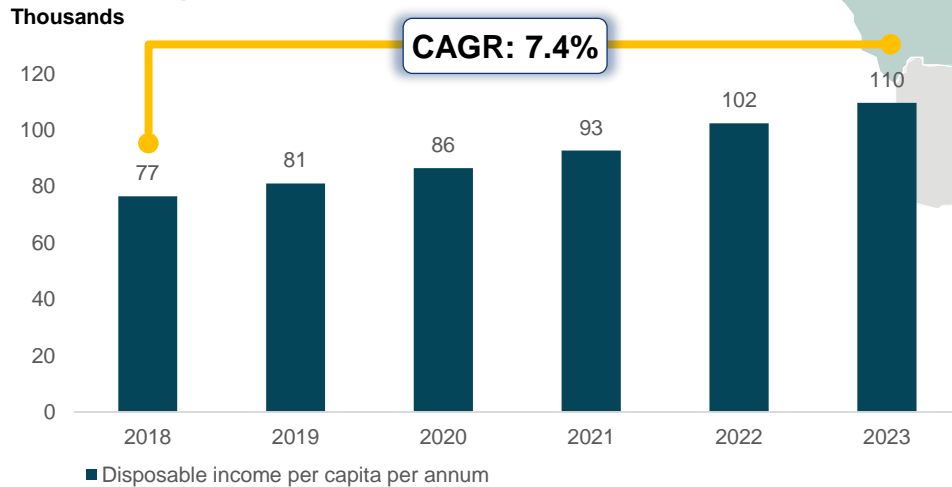
## Largest economy in MENA...



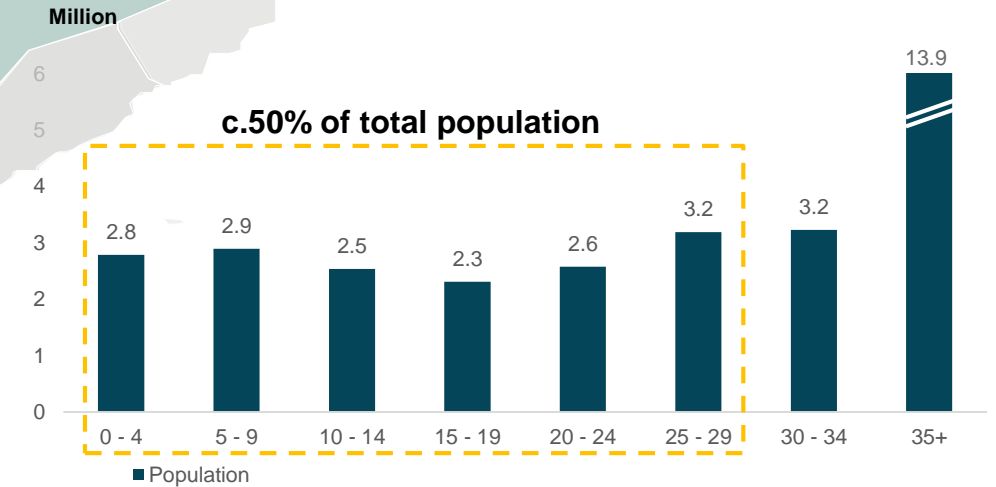
## ...with the largest population in GCC



## Increasing disposable income...



## ...with an attractive population dynamics



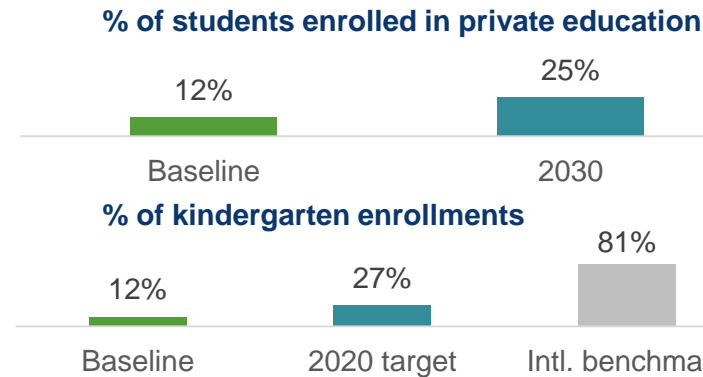


# Market fundamentals conducive to support growth

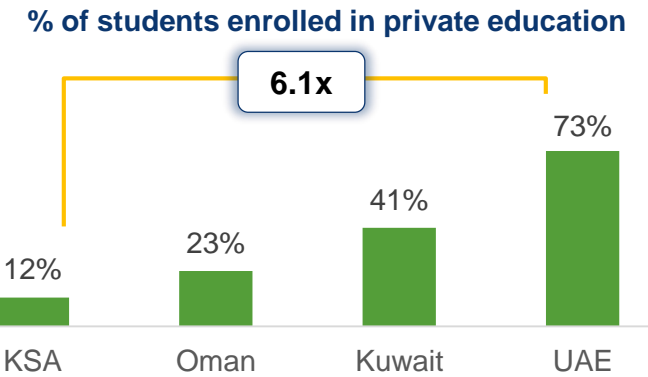
## Strong sector fundamentals

- ✓ 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

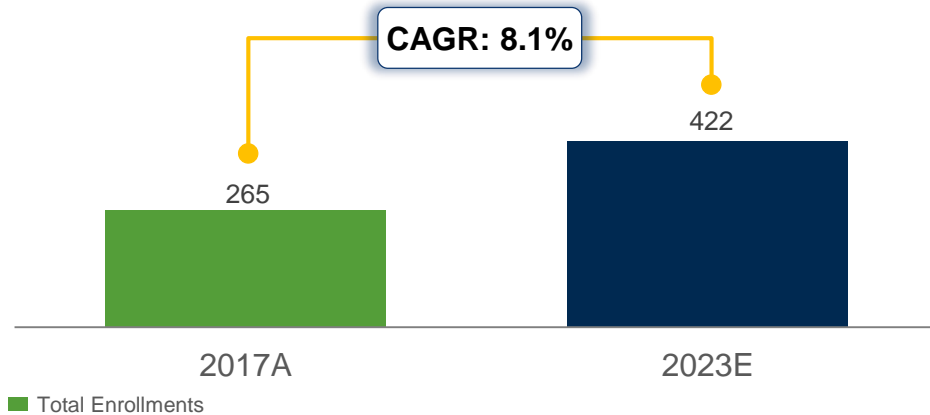


## Saudi remains behind region in terms of private sector participation



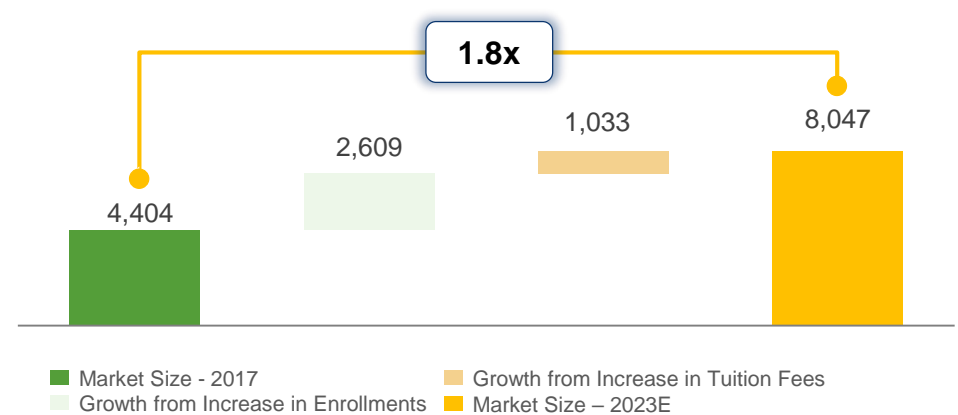
## Strong expected growth in enrollments...

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



## ...and the overall market size

Market size growth – Riyadh (SARm)





## **Ataa strategy overview**

Clear defined strategy to drive growth

# Clear defined strategy to drive growth



## Cascade HoldCo strategy into objectives and targets by school

5-years targets	<ul style="list-style-type: none"> <li>Leading school in Qiyas Al qudrat and Tahseeli in its catchment areas</li> <li>Top scores in international curricula standardized test scores</li> </ul>	<ul style="list-style-type: none"> <li>Reaching c. 66,000 students through organic and inorganic expansion</li> </ul>	<ul style="list-style-type: none"> <li>Achieve a ~53% EBITDAR margin</li> </ul>	<ul style="list-style-type: none"> <li>Increased partnerships with top universities and scientific institutes</li> <li>Enhancing non-tuition revenue</li> </ul>
Enablers	<ul style="list-style-type: none"> <li>Attracting the best talent pool of teachers</li> <li>Incentivizing high performing students</li> <li>Implementation of best international practices</li> </ul>	<ul style="list-style-type: none"> <li>Promoting Ataa's quality of education</li> <li>Focus on attracting students at early grades</li> <li>Acquisition strategy to enhance utilization levels</li> </ul>	<ul style="list-style-type: none"> <li>Implementing Ataa's optimization initiatives</li> <li>Building performance management capabilities</li> </ul>	<ul style="list-style-type: none"> <li>Engage with universities and scientific institutes</li> <li>Enhanced extra-curricular activities</li> <li>E-services/ e-learning</li> </ul>



# Thank you for your time

## Q&A

