

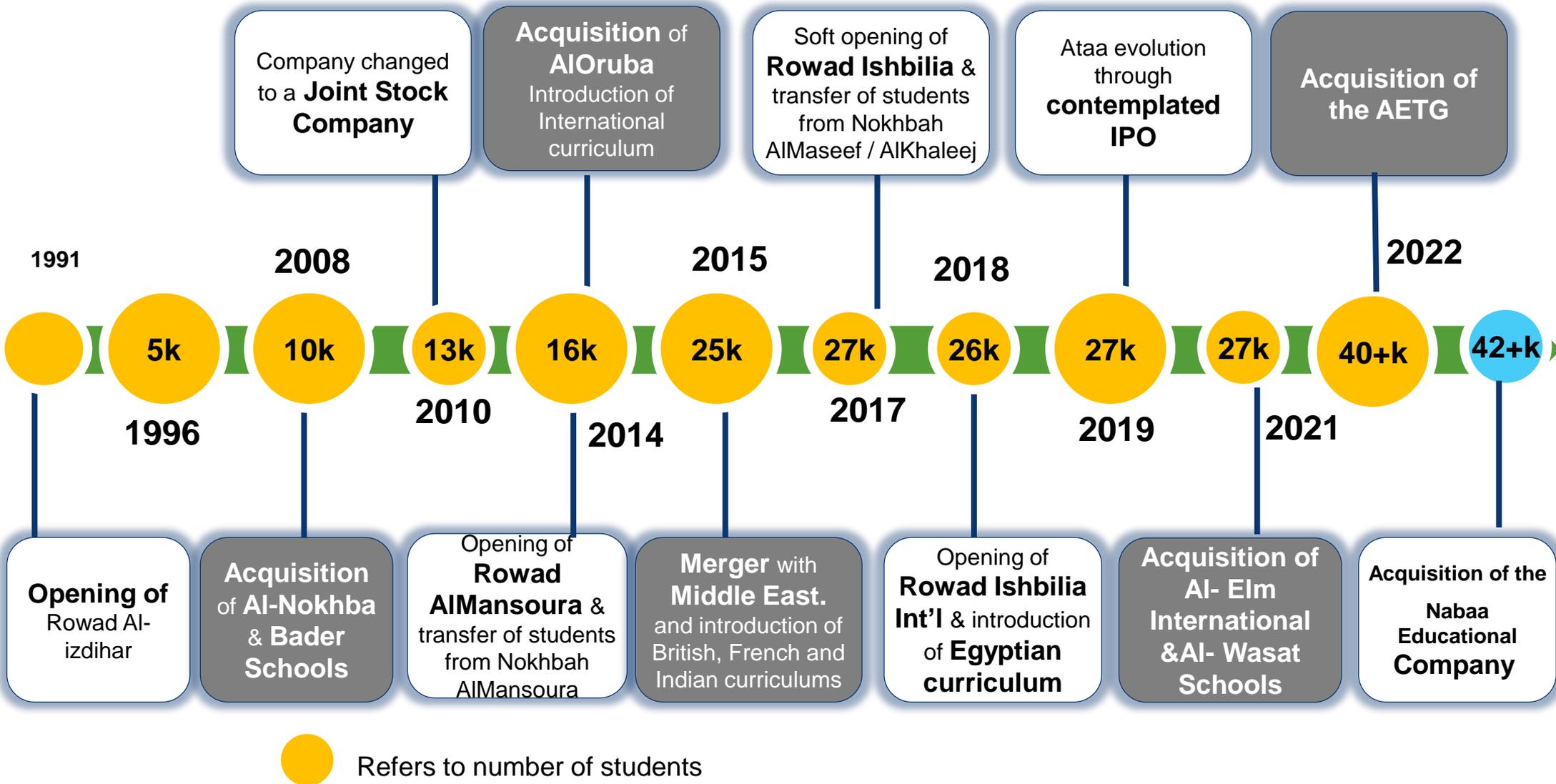
# Ataa Educational Company

Investor Presentation  
31 July 2022



## Ataa key milestones

Our journey so far



# Introduction to Ataa Educational Company (“Ataa”)

Ataa snapshot

2022	2021	2022	2021
<b>577M SAR</b> Revenues 106% growth	<b>280M SAR</b> Revenues	<b>71M SAR</b> Net Income Shareholders in the company	<b>36M SAR</b> Net Income
<b>208M SAR</b> EBITDAR 89% <b>170M SAR</b> Excluding the gains from Acquisitions	<b>110M SAR</b> EBITDAR	<b>35%</b> EBITDAR Margin <b>29%</b> Excluding the gains from Acquisitions	<b>39%</b>
<b>42,424</b> Number Of Student 56% growth	<b>27,226</b> Number Of Student	<b>13,4</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:

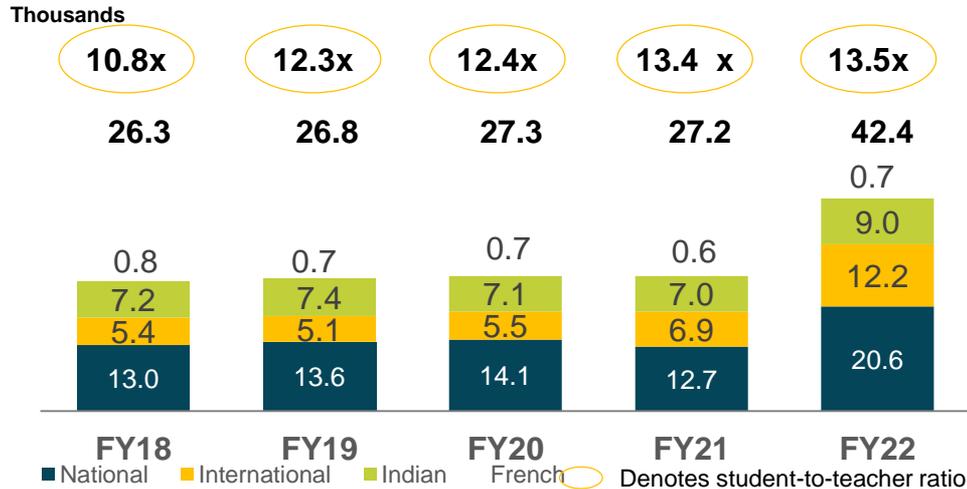
1. As of 12M 2022 (ending July 2022), unless mentioned otherwise



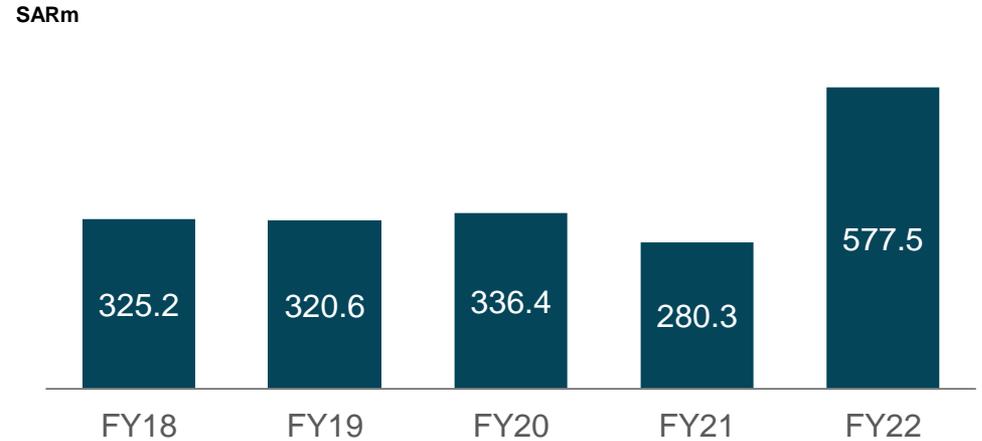
## Key Financial Summary

# Robust financial performance despite economic headwinds

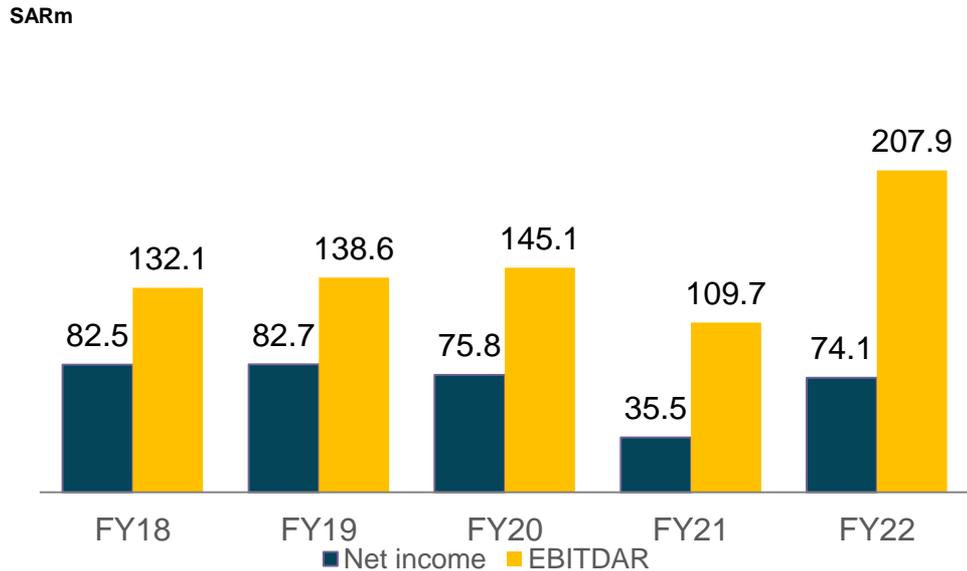
## Number of students



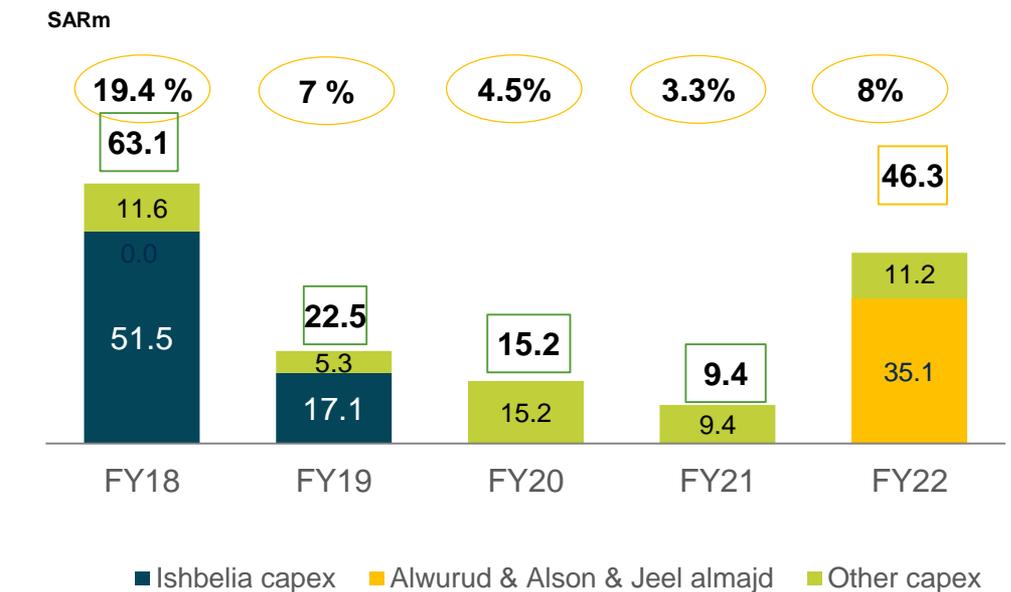
## Revenues



## Net Income and EBITDAR



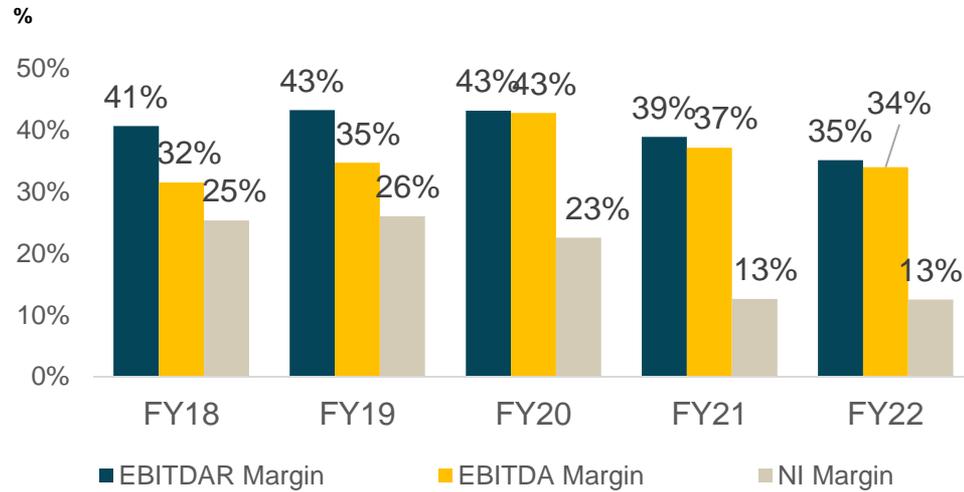
## CAPEX



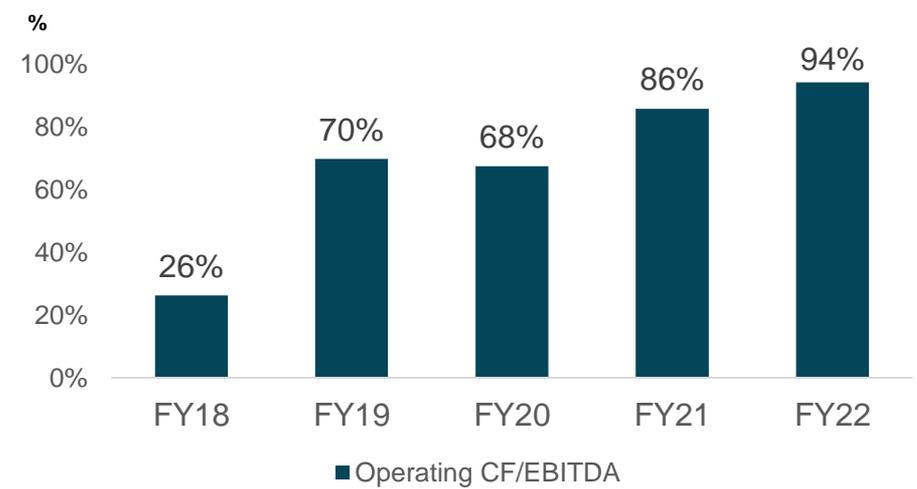
○ Denotes CAPEX as a percentage of Revenues

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

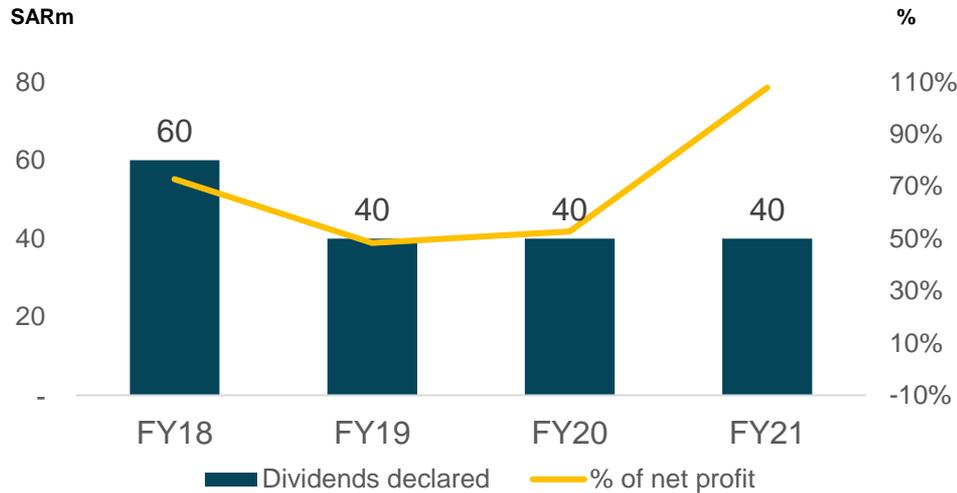
## Strong sustainable margins...



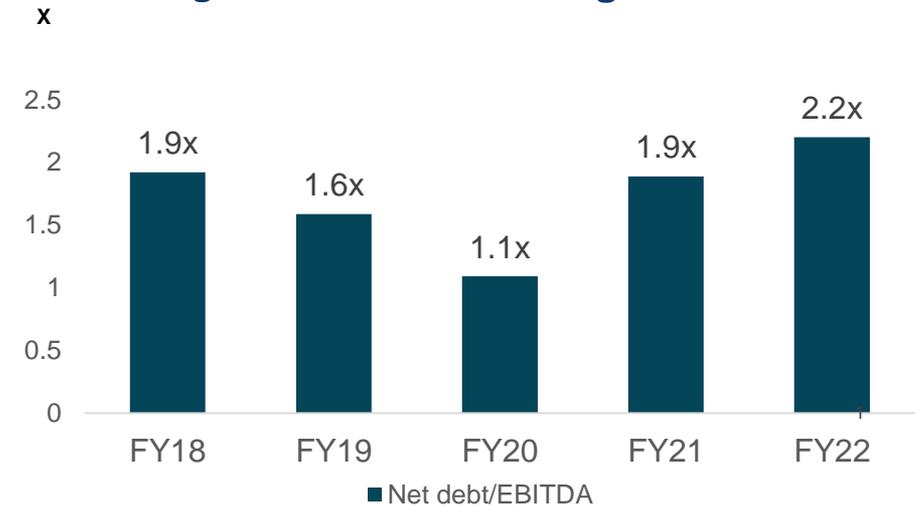
## ...driving cash generating profile...



## ...and dividends distributions...

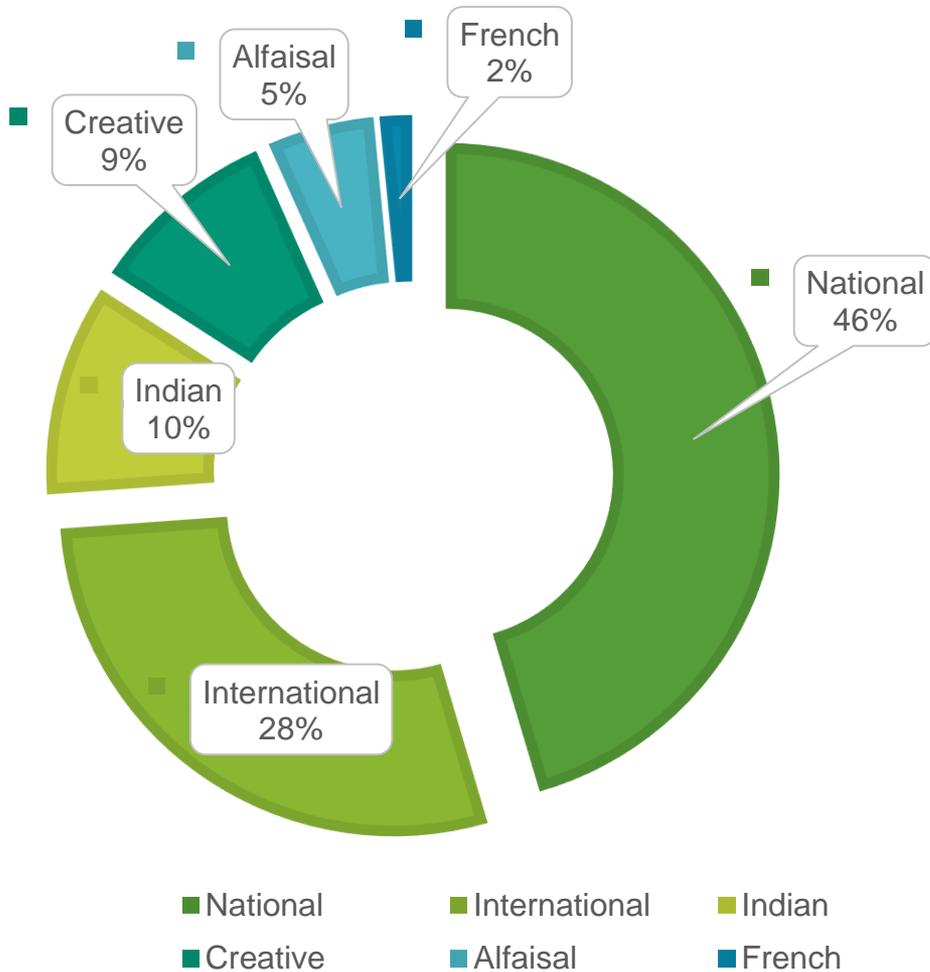


## ...with significant headroom to grow



# Revenue Break-Down

## Revenue by School



## Segment Reporting

SR in 000s	2021	%	2022	%	Var (YTD 21-22)
National	136,210	48.6%	262,565	45.5%	92.8%
International	91,925	32.8%	163,925	28.4%	78.3%
Indian	44,833	16.0%	59,895	10.4%	33.6%
French	7,379	2.6%	8,584	1.5%	16.3%
Alfaisal- Training	0	0.0%	29,798	5.2%	N/A
Creative-Recruitment	0	0.0%	52,725	9.1%	N/A
<b>Total net revenue</b>	<b>280,347</b>		<b>577,493</b>		<b>106.0%</b>

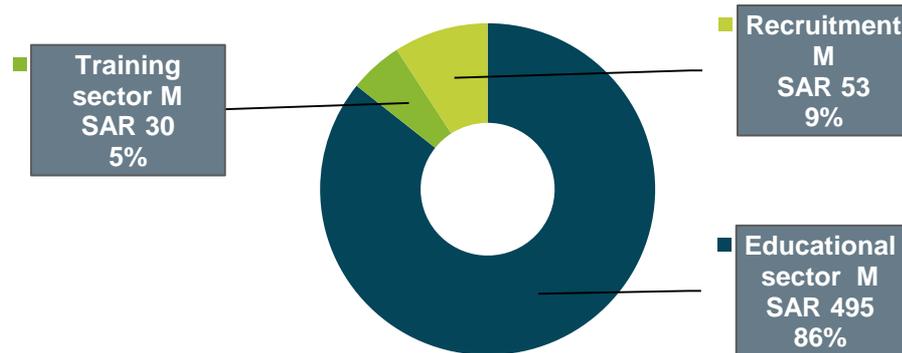
# Revenue Break-Down

## 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
FY 22	57,276	27,465	17,288	32,985	9,738	6,489	7,159	40,431	48,221	8,584	32,938	15,563
%	10%	5%	3%	6%	2%	1%	1%	7%	8%	1%	6%	3%
FY 21	48,793	22,637	14,627	22,756	7,963	4,605	6,008	33,046	35,370	7,380	30,120	14,713
%	17%	8%	5%	8%	3%	2%	2%	12%	13%	3%	11%	5%
Var (YTD 21-22)	17%	21%	18%	45%	22%	41%	19%	22%	36%	16%	9%	5.8%

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
FY 22	7,731	20,735	9,923	29,058	36,710	28,475	38,697	8,109	11,394	29,798	52,725
%	1%	4%	2%	5%	6%	5%	7%	1%	2%	5%	9%
FY 21	4,788	18,721	8,475	20,506	20,689	12,660	17,307	5,914	9,387	26,024	70,654
%	2%	7%	3%	0%	0%	0%	0%	0%	0%	0%	0%
Var (YTD 21-22)	61%	11%	17%	41.7%	77.4%	124.9%	123.6%	37.1%	21.4%	14.5%	(25.4%)

## SEGMENT REPORTING



# Ataa school 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 الرواد الأهلية Al-Rowad Private Schools الرياض Al-Riyadh	 مدارس الرواد الأهلية Al-Rowad Private Schools الرياض Al-Riyadh	 مدارس الرواد الأهلية Al-Rowad Private Schools الرياض Al-Riyadh			 مدارس الوسط Alwasat Schools	<b>TOTAL/ AVG</b>
Curriculum									
Area (sqm)	60,600	15,000	14,225	18,562	12,100	11,046	9,600	9,600	150,733
Ownership	Owned / leased	Owned	Owned	Owned	Owned	Leased	Leased	Leased	-----
Classrooms	245	174	115	175	64	46	49	97	965
Capacity	6,125	4,350	2,875	4,375	1,600	920	980	2,424	23,649
Number of students	3,189	2,163	1,816	3,433	938	899	622	1,210	14,270
Utilization	52%	50%	63%	78%	59%	98%	63%	50%	60%
Avg. net tuition (SAR)	19,100	13,900	10,600	11,400	12,200	8,200	13,400	9,100	12,237
EBITDA contribution <sub>1</sub>	10.4%	3.3%	0.5%	3.6%	(0.4%)	0.6%	0.3%	(1.2%)	17.1%
Student to teacher ratio	13.2	13.7	13.9	15.1	12.0	16.3	12.4	12.9	13.78

# Ataa school 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>New Middle East</b>	 <b>Modern Middle East</b>	 <b>AI-Elm International School</b>	<b>TOTAL/AVG</b>
Curriculum								
Area (sqm)	9,240	19,485	4,558	2,641	7,981	14,000	14,000	71,905
Ownership	Owned	Leased	Leased	Leased	Leased	Leased	Leased	---
Classrooms	108	142	148	44	233	142	80	897
Capacity	2,700	3,550	3,600	880	4,660	3,550	1,987	20,927
Number of students	567	2,654	3,147	655	4,402	2,456	1,391	15,272
Utilization	21%	75%	87%	74%	94%	69%	70%	73%
Avg. net tuition (SAR)	17,400	16,100	17,300	13,500	6,500	5,200	14,400	12,914
EBITDA contribution <sup>1</sup>	1.3%	10.1%	12.7%	0.7%	10%	4.9%	1.6%	41.2%
Student to teacher ratio	15.3	18.3	15.4	8.2	11.0	13.7	15.6	13.5

# 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>ALMANAHIJ</b>	<b>TOTAL/AVG</b>
Curriculum							
Area (sqm)	20,455	27,874	20,199	19,770	8,571	9,200	106,069
Ownership	Leased	Owned	Leased	Leased	Leased	Leased	----
Classrooms	125	167	148	60	83	96	679
Capacity	3,600	4,500	3,708	1,500	2,065	2,100	17,473
Number of students	2,762	1,851	3,625	785	2,178	1,678	12,879
Utilization	77%	41%	98%	52%	106%	80%	73.7%
Avg. net tuition (SAR)	15,500	16,500	12,000	10,000	5,500	20,250	13,291
EBITDA contribution <sup>1</sup>	8.7%	3.7%	9.2%	1.3%	3.4%	5.1%	31.5%
Student to teacher ratio	11.2	10.8	13.5	9.6	18.0	12.3	12.6

**NOTE:EBITDA**

Al-Faisal Academy = 3.4 %

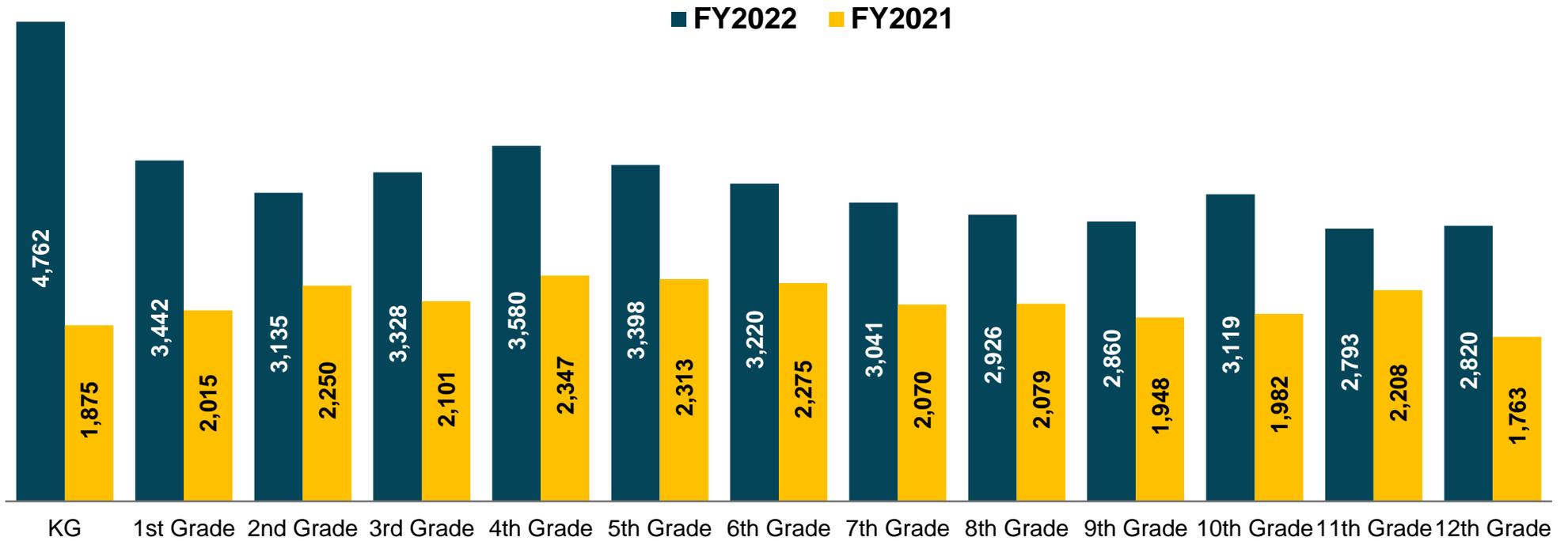
Creative Development =6.9%

# Ataa school portfolio

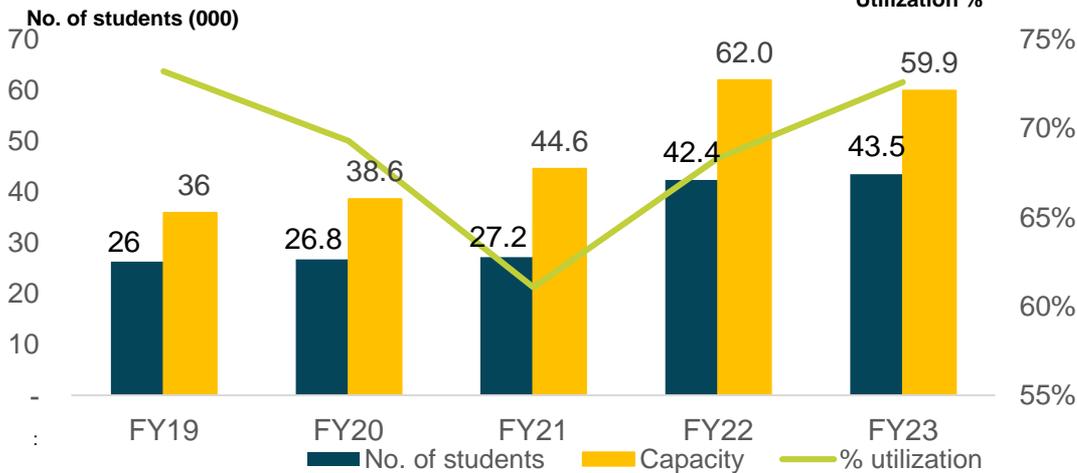
Highly diversified student base with further room to consolidate

## Stable student base across different grades...

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

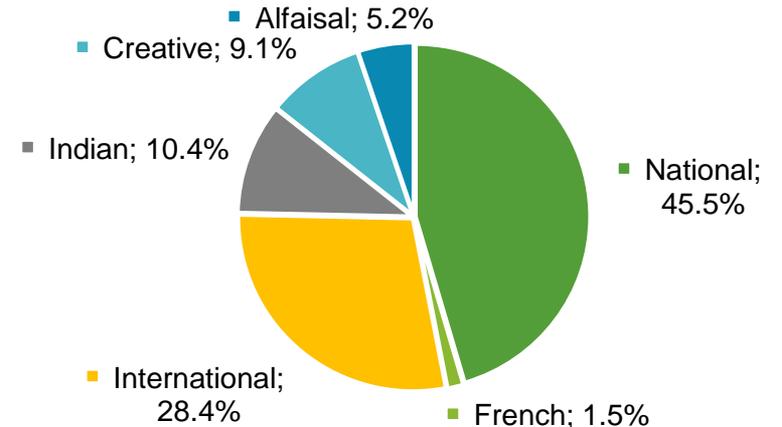


## ...and further room to consolidated...



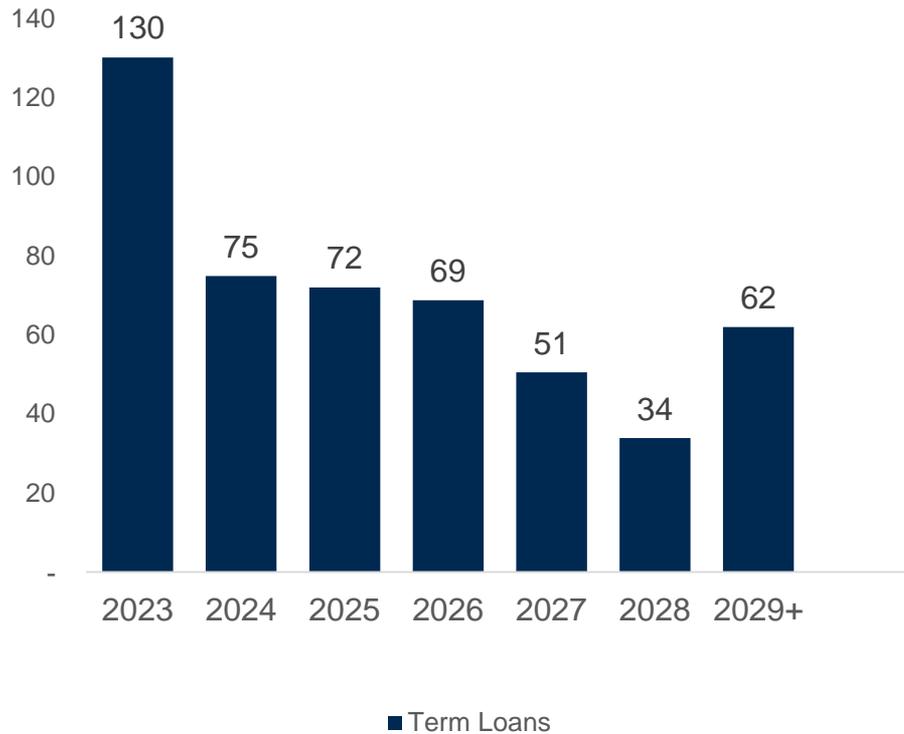
## ...with a diversified revenue base...

Net tuition revenue per curriculum (%)



## DEBT SUMMARY

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



	SR in 000s	%
2023	130,167	26.4%
2024	74,869	15.2%
2025	72,009	14.6%
2026	68,795	14.0%
2027	50,511	10.3%
2028	33,879	6.9%
2029	31,333	6.4%
2030	15,333	3.1%
2031	15,333	3.1%
<b>Total</b>	<b>492,231</b>	



**New Academic Years 2022-2023 Updates**

# Ataa school portfolio

## Overview of national curriculum portfolio

	Rowad Al-Izdihar	Rowad Al-Rawabi	Al-Mansoura	Rowad Ishbilia	Rowad Al-Andalus	Nokhba Al-Kharj	Al-Fikr	Al-wsat Schools	TOTEL/AVG
Curriculum									
Capacity	6,125	4,350	2,875	4,375	1,600	920	980	2,424	23,649
Number of students 2022	3,189	2,163	1,816	3,433	938	899	622	1,210	14,270
Number of students 2023	3,145	2,209	1,923	3,911	884	941	602	972	14,587
Avg. net tuition (SAR) 2022	19.100	13.900	10.600	11.400	12.200	8.200	13.400	9.100	12.237
Avg. net tuition (SAR) 2023	21.200	15.800	12.500	13.400	12.800	10.100	15.200	10.700	13,962

	Rowad Ishbilia Int'l <sup>2</sup>	Al-Oruba	Middle East'	Sulaimaniya	New Middle East	Modern Middle East	Al-Elm	TOTEL/AVG
Curriculum								
Capacity	2,700	3,550	3,600	880	4,660	3,550	1,987	20,927
Number of students 2022	567	2,654	3,147	655	4,402	2,456	1,391	15,272
Number of students 2023	515	2,608	2,874	655	4,552	2,646	1,361	15,211
Avg. net tuition (SAR) 2022	17.400	16.100	17.300	13.500	6.500	5.200	14.400	12,941
Avg. net tuition (SAR) 2023	18.400	18.400	19.600	15.500	8.000	6.200	16.300	14,628

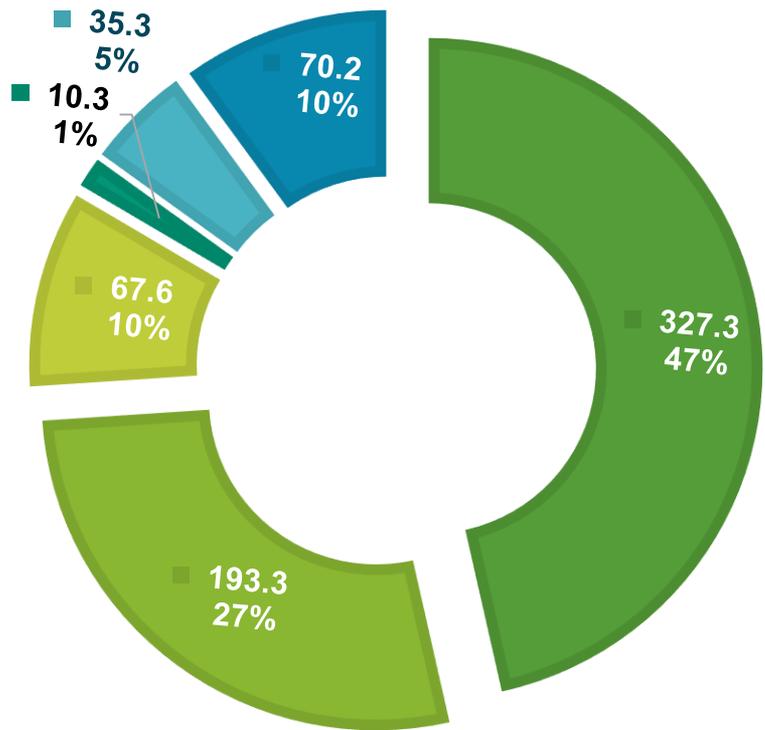
# Arabian Group

## Educational sector

	 <b>Amjad Qurtabe</b>	 <b>Al-jawdah</b>	 <b>Al-Alson</b>	 <b>Jeel Al-majd</b>	 <b>Al-Yasmin</b>	 <b>ALMANAHIJ</b>	<b>TOTEL/AVG</b>
<b>Curriculum</b>	 	 					
<b>Capacity</b>	3,600	4,500	3,708	1,500	2,065	2,100	17,473
<b>Number of students 2022</b>	2,762	1,851	3,625	785	2,178	1,678	12,879
<b>Number of students 2023</b>	2,962	2,250	4,609	929	2,290	1,699	14,739
<b>Avg. net tuition (SAR) 2022</b>	15,500	16.500	12.000	10.000	5.500	20,250	13,291
<b>Avg. net tuition (SAR) 2023</b>	16,500	16.500	13,000	10,000	5,500	20,250	13,625

# Revenue Break-Down

## Revenue by School



- National
- International
- Indian
- French
- Alfaisal
- Creative

## Segment Reporting

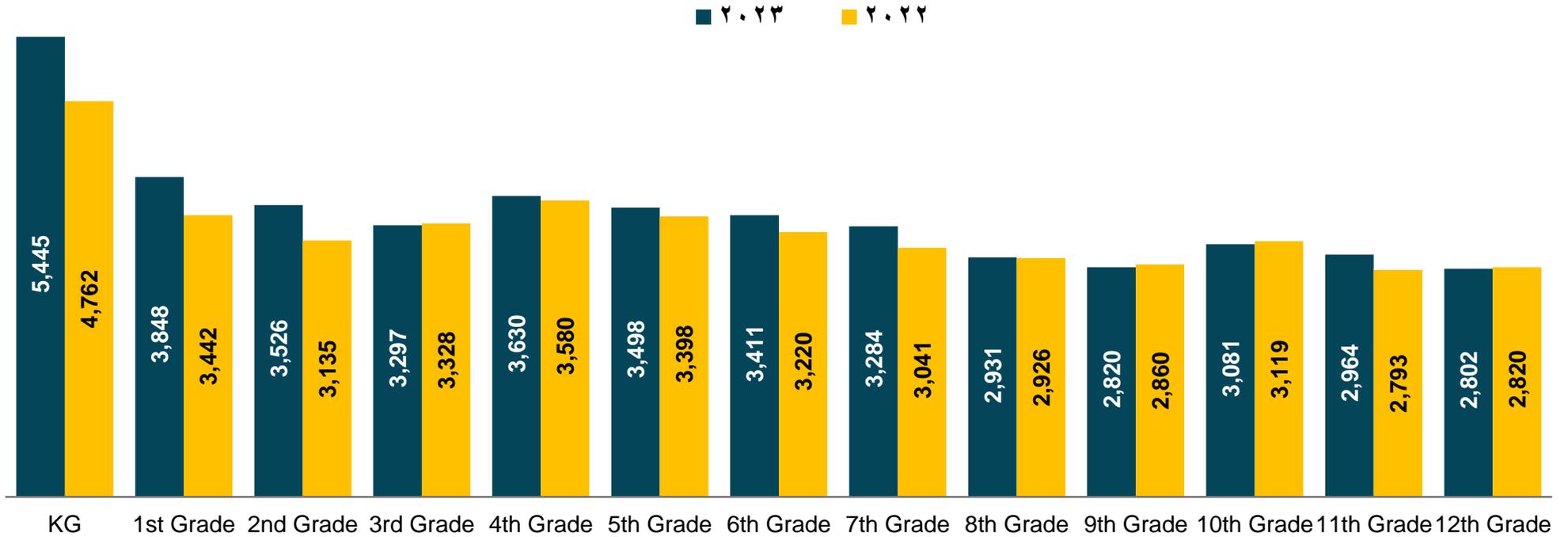
SR in 000s	2022	%	2023	%	Var (YTD 22-23)
	Expected				
National	262,566	45.5%	327,277	46.5%	24.6%
International	163,924	28.4%	193,298	27.5%	17.9%
Indian	59,895	10.4%	67,587	9.6%	12.8%
French	8,584	1.5%	10,345	1.5%	20.5%
Alfaisal- Training	29,798	5.2%	35,306	5.0%	18.5%
Creative-Recruitment	52,725	9.1%	70,172	10.0%	33.1%
<b>Total net revenue</b>	<b>577,492</b>		<b>703,986</b>		<b>21.9%</b>

# Ataa school portfolio

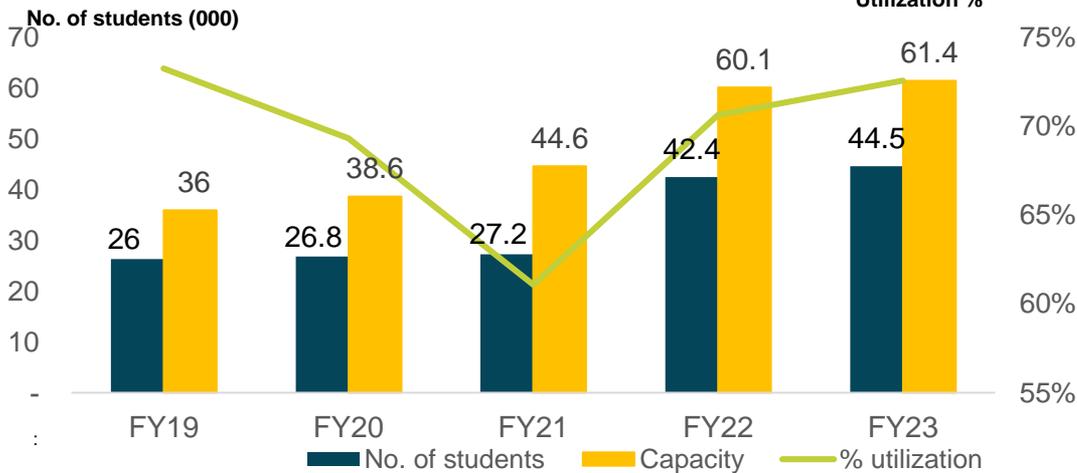
Highly diversified student base with further room to consolidate

## Stable student base across different grades...

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

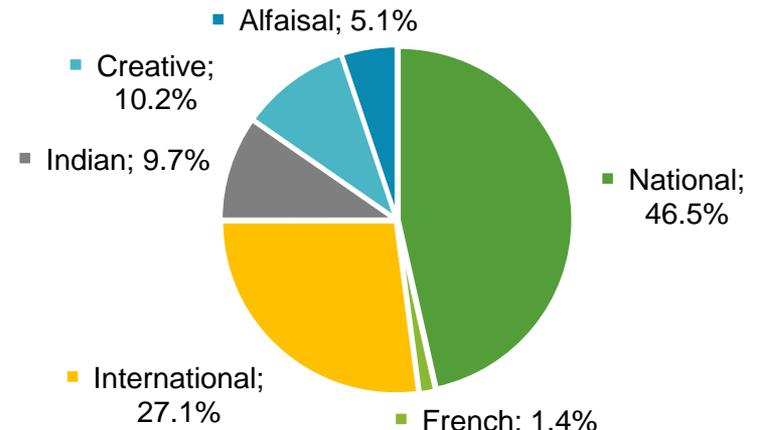


## ...and further room to consolidated...



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

Net tuition revenue per curriculum (%)



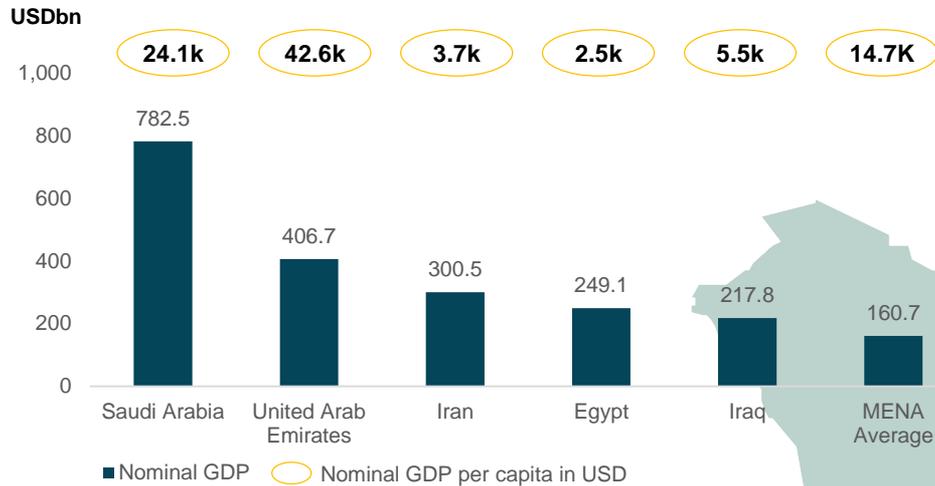


## **Investment Highlights**

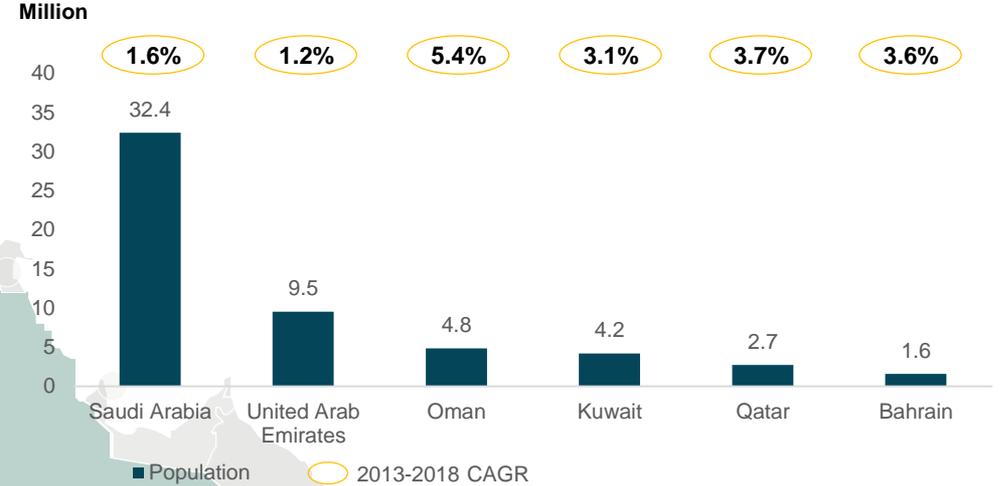
Leading K-12 operator with one of the most diversified offerings in KSA

# Saudi macroeconomic indicators are highly attractive

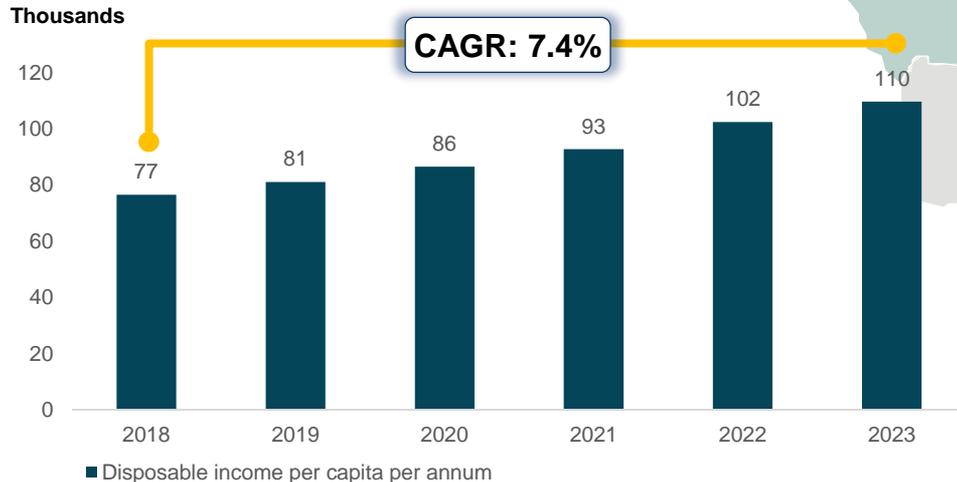
## Largest economy in MENA...



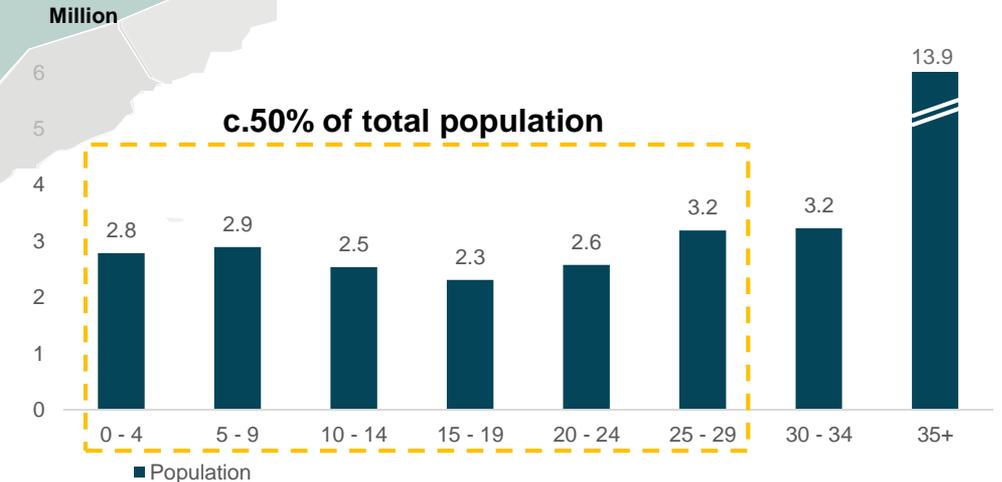
## ...with the largest population in GCC



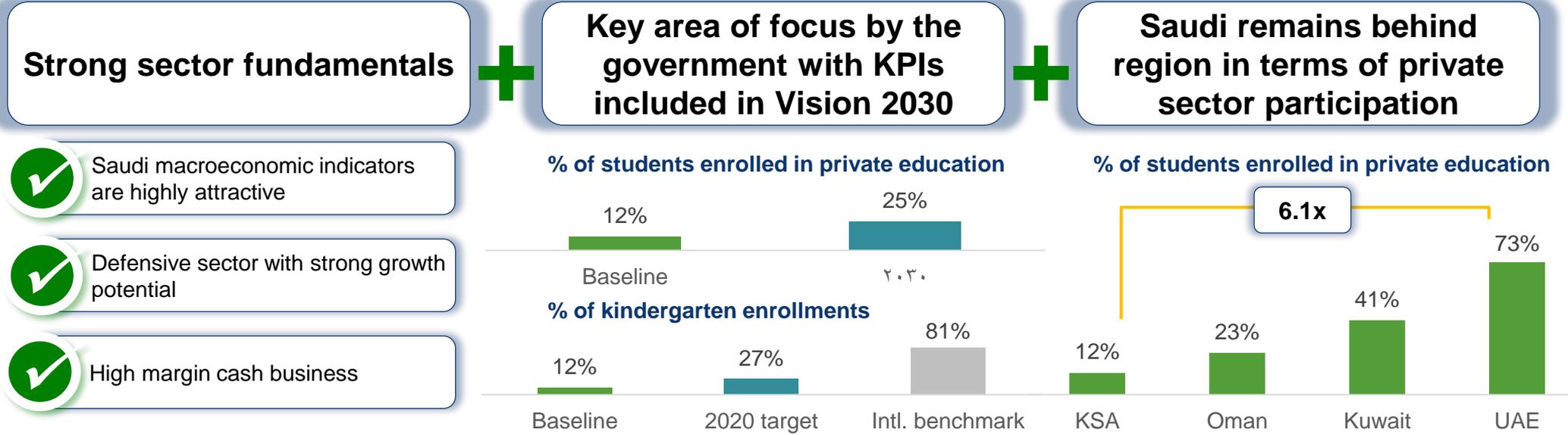
## Increasing disposable income...



## ...with an attractive population dynamics

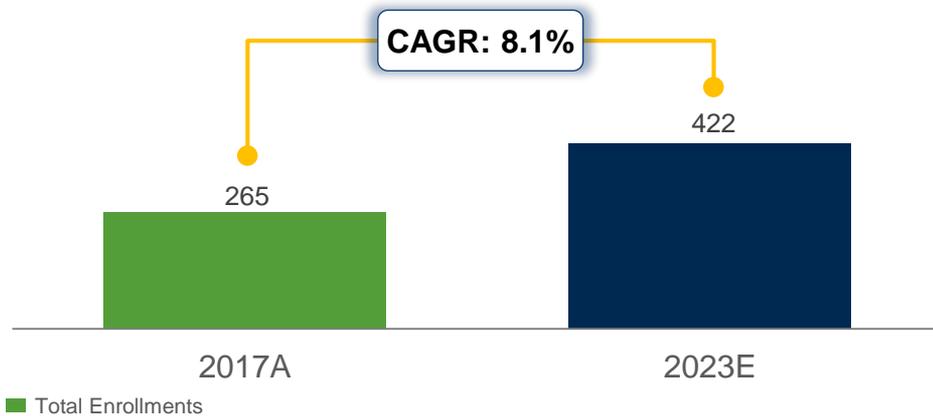


# Market fundamentals conducive to support growth



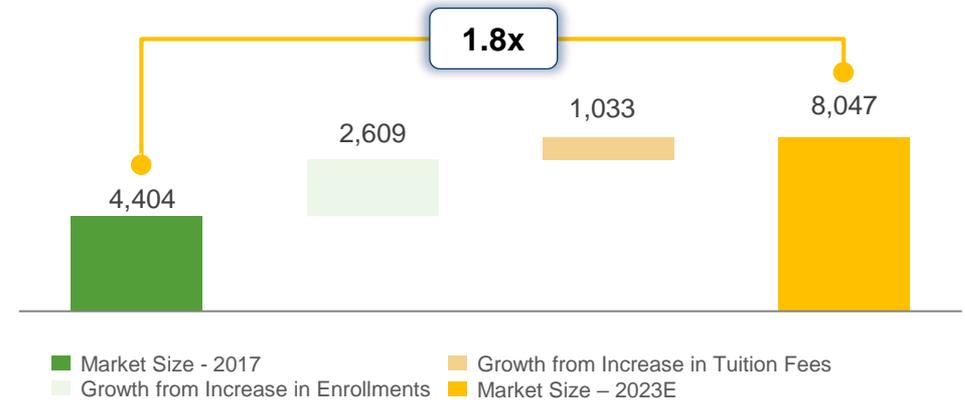
## Strong expected growth in enrollments...

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

