Company

Ataa Educational Company

FY26 Result Review

Rating

Under Review

Bloomberg Ticker

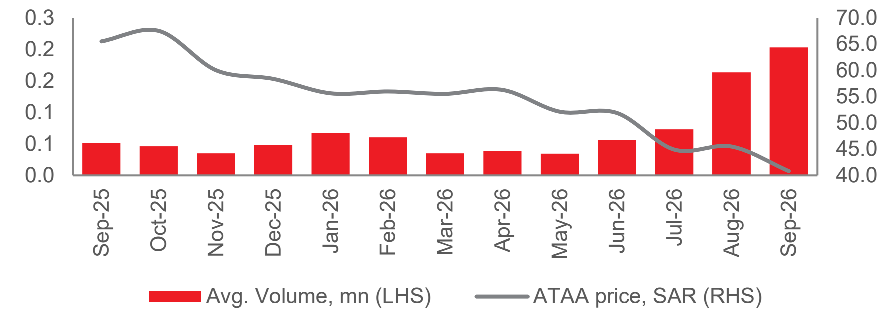
ATAA AB

Date

16 September 2026

Results

Target Price SAR	Under Review
Total Return	-



Current Market Price (SAR)	40.8
52-week High | Low	69.5 | 40.8
Price Perf. (1m | 3m)	-13.8% | -22.9%
Mkt. Cap. (USD/SAR mn)	458 | 1,718
Free Float	66.8%
3m ADTO (000 shares)	128
6m ADTO (000 shares)	85
3m ADTV (SAR 000)	5,853
6m ADTV (SAR 000)	4,061
P/E 27e	14.0x
P/B 27e	1.9x
DY 27e	4.2%

Moderate increment of 3% in the Topline

Revenue increased by 3% YoY to SAR 661.3mn in FY26 compared to SAR 640.8mn in FY25. Topline growth was mainly driven by higher tuition fees across certain educational complexes, which supported an increase in revenue during the current year versus the previous year.

Bottom line growth supported by lower ECL provisions

Net profit settled at SAR 97.3mn, 18% YoY increase. This momentum was supported by 3% revenue growth, an 83% decline in expected credit loss provisions, and the absence of losses from discontinued operations versus SAR 3.3mn in the previous year. This was achieved despite the absence of Ministry of Education subsidies and a 39% decline in other income following non-recurring income recognized in the SPLY.

U-Capital view

Improved operating performance and tuition-led revenue growth induced positive impact. We are placing our investment case under review; an updated view will follow shortly. The stock is currently trading at an FY27 P/E of 14.0x with a dividend yield of 4.2%. Placing it under review, we will update our investment case shortly.

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Financial Statements

SAR mn	4Q25	1Q26	2Q26	3Q26	4Q26	4Q26e	YoY	QoQ	Var.	FY25	FY26	YoY
P&L												
Revenue	98.4	165.2	195.1	178.0	122.9	164.0	25%	-31%	-25%	640.8	661.3	3%
Gross profit	32.0	54.8	71.2	55.5	35.6	59.2	11%	-36%	-40%	200.1	217.0	8%
Operating profit	18.3	33.3	48.8	41.2	36.7	44.5	100%	-11%	-18%	128.4	160.0	25%
Net Profit	3.1	22.0	37.4	29.3	8.7	32.3	185%	-70%	-73%	82.8	97.3	18%
BS												
Shareholders' Equity	827.5	849.5	823.7	821.4	824.2		0%	0%		827.5	824.2	0%
Ratios												
Gross margin	32.5%	33.2%	36.5%	31.2%	28.9%	36.1%				31.2%	32.8%	
Operating margin	18.6%	20.2%	25.0%	23.1%	29.9%	27.1%				20.0%	24.2%	
Net profit margin	3.1%	13.3%	19.1%	16.4%	7.1%	19.7%				12.9%	14.7%	
TTM RoE (%)					11.8%							
TTM P/E (x)					17.6							
Current P/Bv					2.1							

Source: Financials, Tadawul, Bloomberg, U Capital Research

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Research

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