



الشركة الوطنية للتربية والتعليم
NATIONAL COMPANY FOR LEARNING & EDUCATION

INVESTOR PRESENTATION

Q3 2023

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NCLE Overview



NCLE is celebrating its 65th anniversary since its inception in 1958



65 Years

Of Excellence in
K-12 Education



23.4 k

Enrolled Students



32.9 k

Optimal Capacity



2.5 K

Academic Staff



11

School complexes under
operation



5

Announced upcoming school
projects



SAR 1.1 Billion

Total Assets



SAR 51.6 M

Dividends
For YE 2022



Enrolled students grew to 23.4 in Q3 2023 compared to 17.1k in Q3 2022

| |  |  |  |  |  |  |  |  |  |  |  |
|-------------------|---|---|---|--|---|---|---|---|---|---|---|
| | TNS – Al-Rayyan | TNS – Al-Rawabi | TNS – Al-Nozha | TNS – Qurtubah | TNS – Buraidah | Al-Khwarizmi | Al-Ghad | TNS – Al-Qairwan | TNS – Al-Aridh | TNS – Al-Dhahran | Al-Salam |
| Establishment | 1980 | 2009 | 2013 | 2017 | 2019 | 2010 | 1990 | 2020 | 2021 | 2022 | 2015 |
| Location | Riyadh | Riyadh | Riyadh | Riyadh | Qassim | Riyadh | Riyadh | Riyadh | Riyadh | Dhahran | Al-Khobar |
| Curriculum |  |  |  |  |  |  |  |  |  |  |  |
| Optimal Capacity | 5,250 | 4,375 | 4,375 | 1,050 | 2,625 | 1,220 | 2,200 | 4,550 | 3,000 | 2,300 | 1,950 |
| Enrolled Students | 3,804* | 3,800 | 2,987* | 1,034 | 1,565 | 1,174 | 1,686 | 3,247 | 2,170 | 394 | 1,543 |
| Utilization | 72 % | 87 % | 68 % | 98 % | 60 % | 96 % | 77 % | 71 % | 72 % | 17 % | 79 % |



32,895
Student

Q3 2023 Optimal Capacity



23,404
Student

Q3 2023 Enrolled Students



71% Of Optimal
Capacity

Q3 2023 Utilization Of Campuses

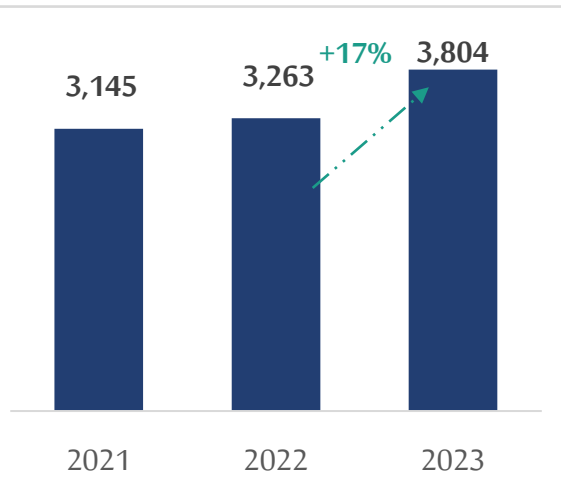
Diversified
Offering

National & International Programs

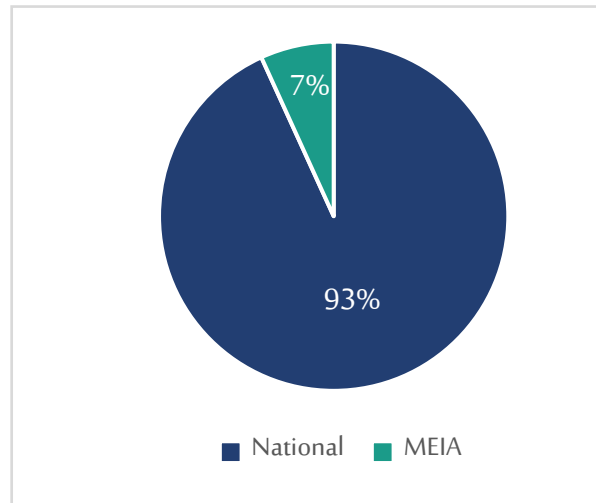
* Includes 264 Students from MEIA Academy Al-Rayyan and 367 MEIA Academy Al-Nozha.

Al-Rayyan School Complex highlight

YOY student growth



Program contribution 2023
(% from total students)



365 Founded

1980

Curriculum

National
MEIA (Int'l)

Capacity

5,250

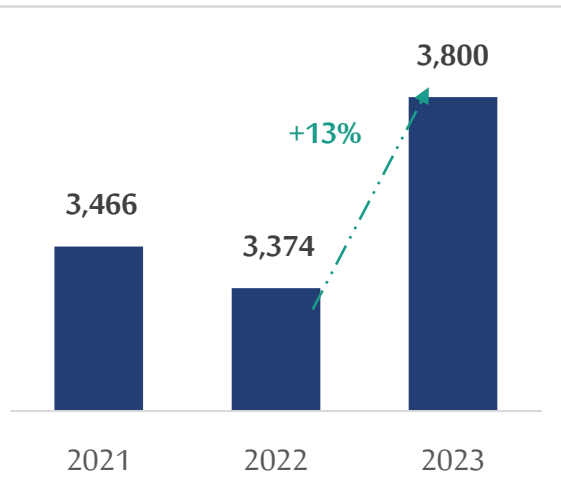


مدارس التربية النموذجية
Tarbyh Namouthajiyah Schools

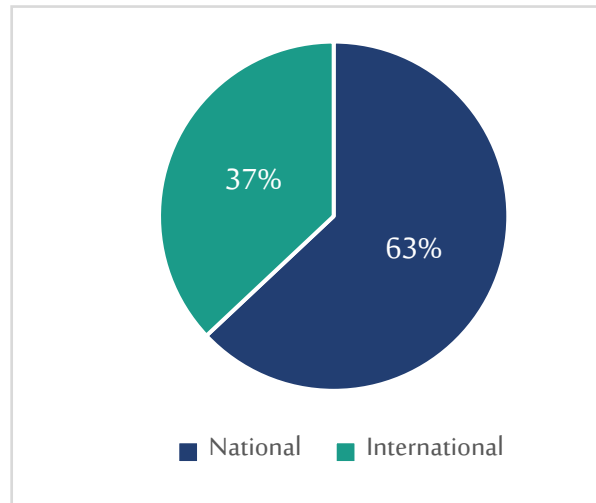
Model
Education
International Academy
أكاديمية التربية النموذجية العالمية

Al-Rawabi School Complex highlight

YOY student growth



Program contribution 2023
(% from total students)



365 Founded

2009

Curriculum

National
International

Capacity

4,375



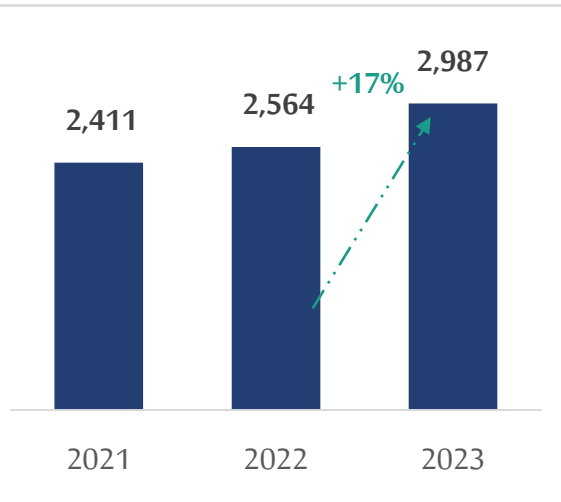
مدارس التربية النموذجية
Tarbyh Namouthajiyah Schools



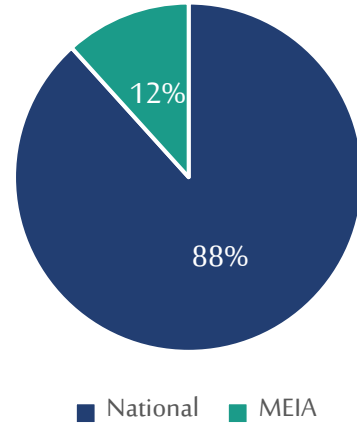
مدارس التربية النموذجية العالمية
Tarbyh Namouthajiyah International Schools

Al-Nozha School Complex highlight

YOY student growth



Program contribution 2023
(% from total students)



Founded

2013



Curriculum

National
MEIA (Int'l)



Capacity

4,375



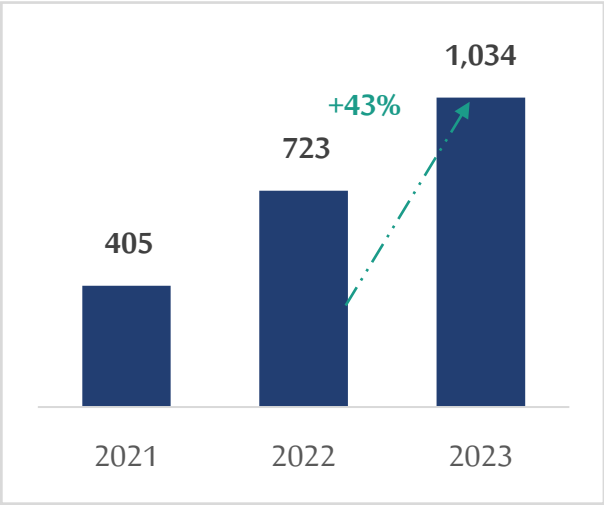
مدارس التربية النموذجية
Tarbyh Namouthajiyah Schools



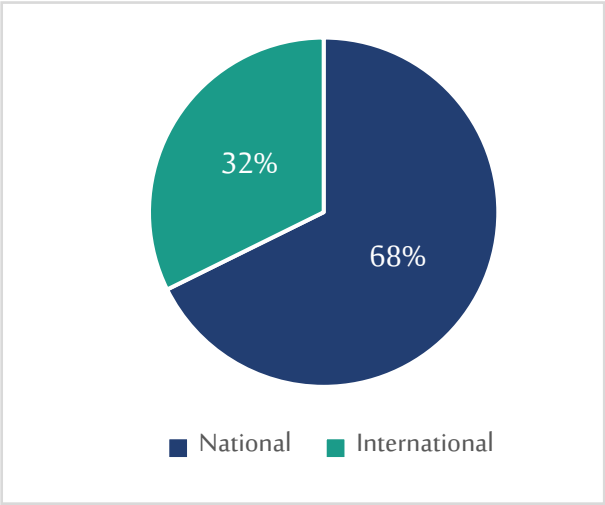
Model
Education
International Academy
أكاديمية التربية النموذجية العالمية

Qurtubah School Complex highlight

YOY student growth



Program contribution 2023
(% from total students)



Founded
365

2017

Curriculum

National
International

Capacity

1,050



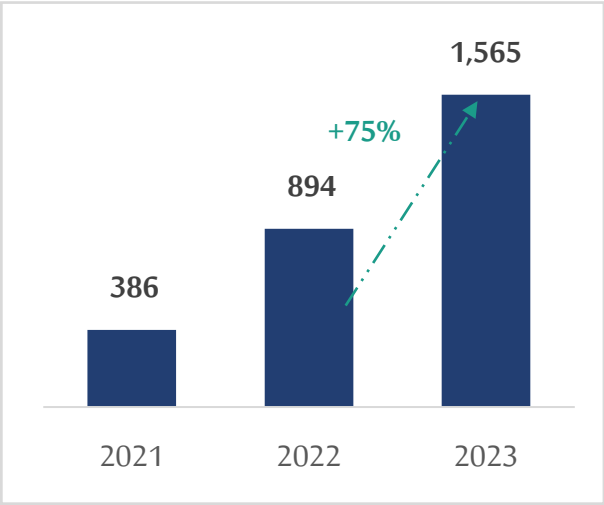
مدارس التربية النموذجية
Tarbyh Namouthajiyah Schools



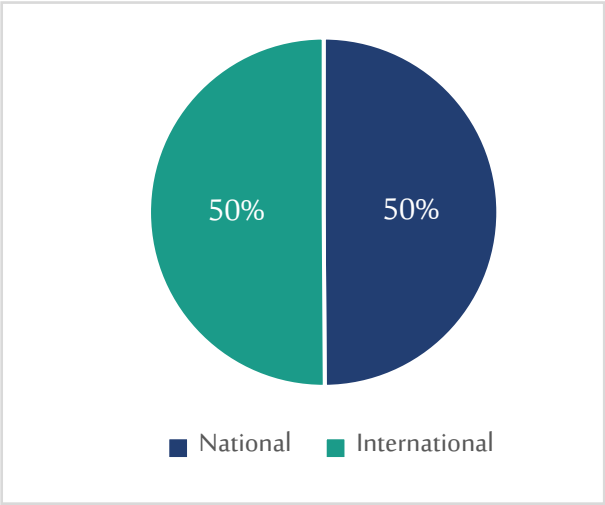
مدارس التربية النموذجية العالمية
Tarbyh Namouthajiyah International Schools

Buraidah School Complex highlight

YOY student growth



Program contribution 2023
(% from total students)



 365 Founded

2019

 Curriculum

National
International

 Capacity

2,625



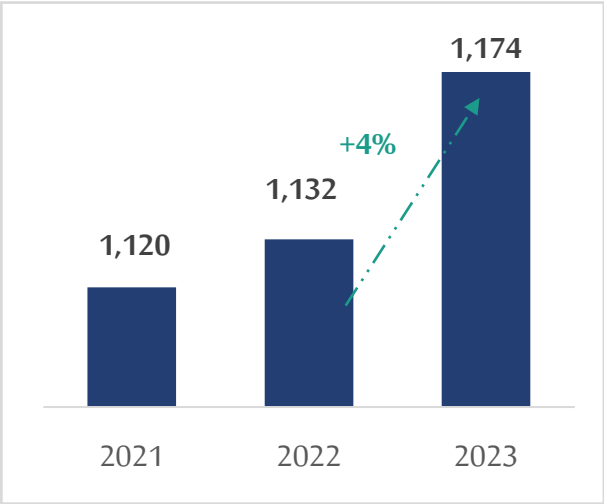
مدارس التربية النموذجية
Tarbyh Namouthajiyah Schools



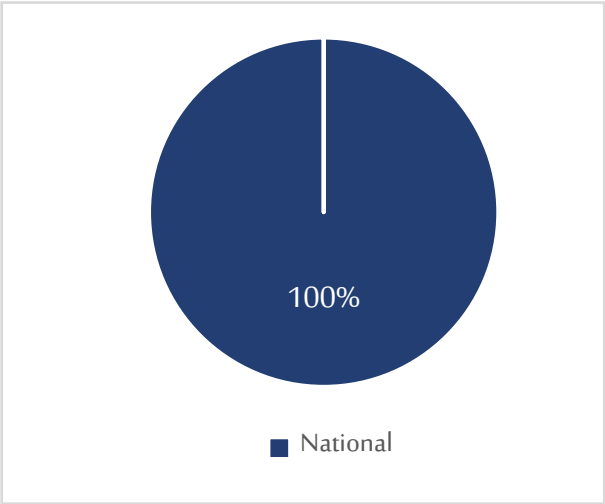
مدارس التربية النموذجية العالمية
Tarbyh Namouthajiyah International Schools

Al-Khwarizmi School Complex highlight

YOY student growth



Program contribution 2023
(% from total students)



 Founded

2010

 Curriculum

National

 Capacity

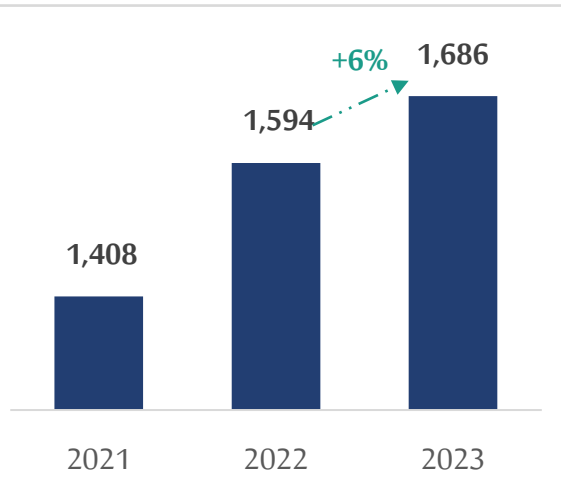
1,220



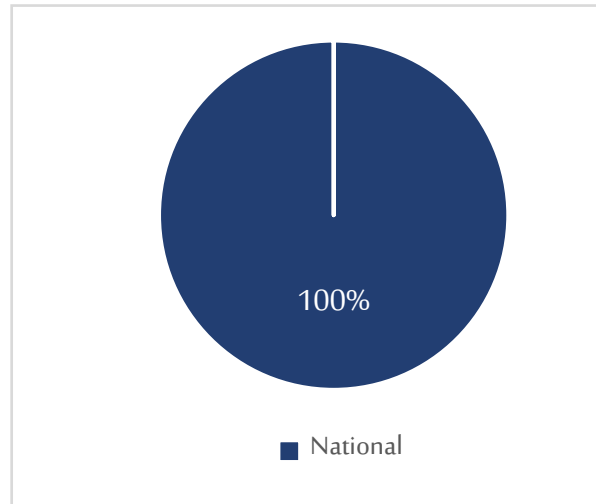
Al Khwarizmi School

Al-Ghad School Complex highlight

YOY student growth



Program contribution 2023
(% from total students)



365 Founded

1990

Curriculum

National

Capacity

2,200

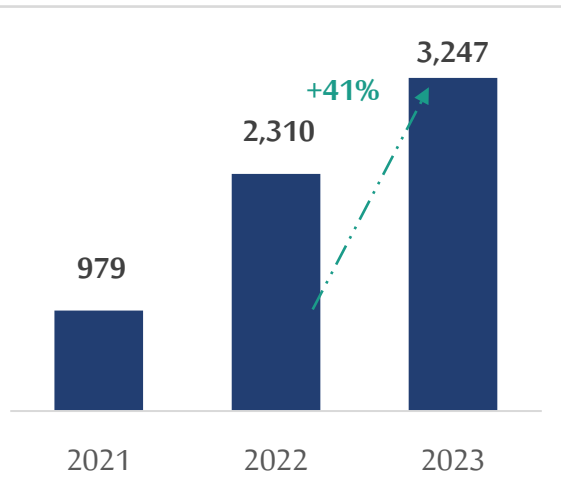


مدارس الغد الأهلية
AL Ghad Schools

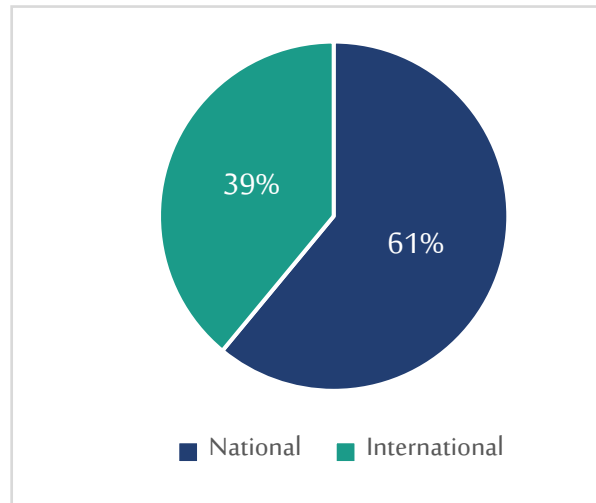


Al-Qairwan School Complex highlight

YOY student growth



Program contribution 2023
(% from total students)



365 Founded

2020

Curriculum

National
International

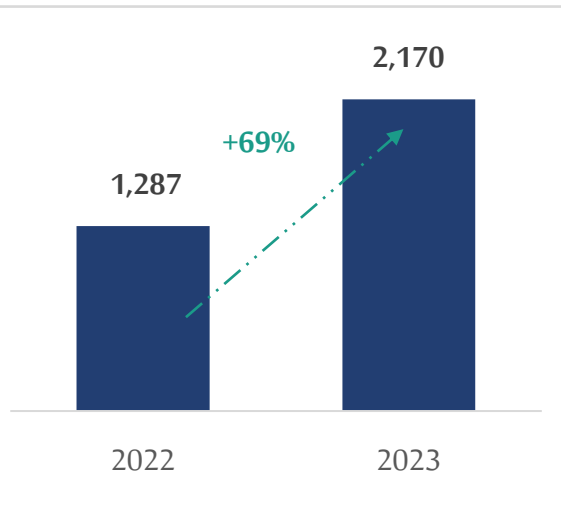
Capacity

4,550

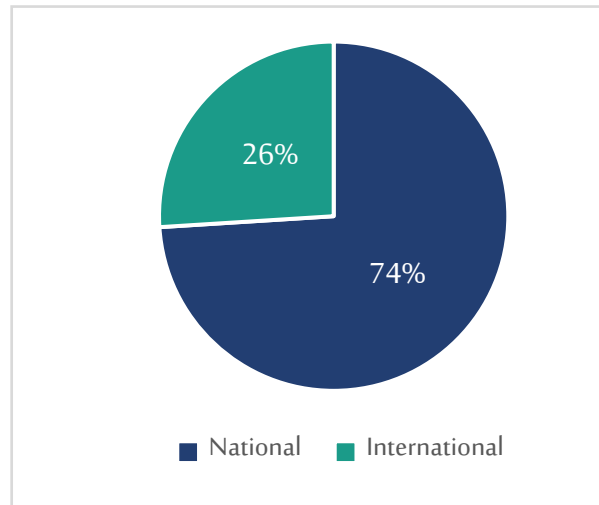


Al-Aridh School Complex highlight

YOY student growth



Program contribution 2023 (% from total students)



365 Founded

2021

Curriculum

National
International

Capacity

3,000

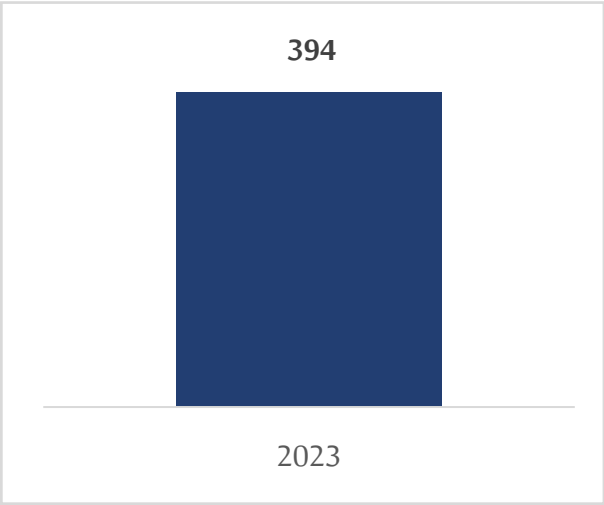


مدارس التربية النموذجية
Tarbyh Namouthajiyah Schools

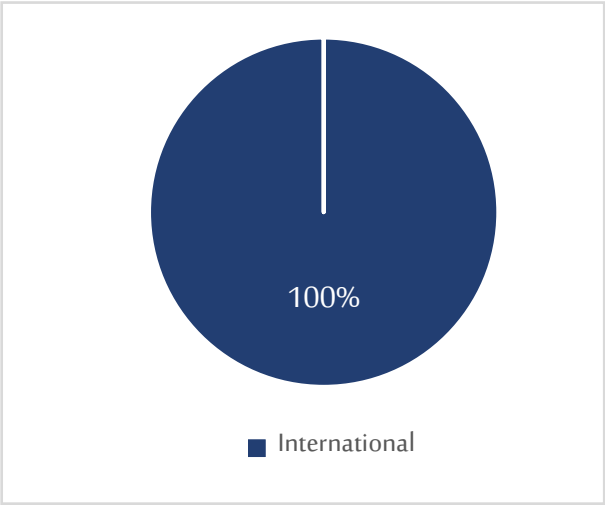
1958
TNIS
مدارس التربية النموذجية العالمية
Tarbyh Namouthajiyah International Schools

Al-Dhahran School Complex highlight

YOY student growth



Program contribution 2023
(% from total students)



 Founded

2022

 Curriculum

International

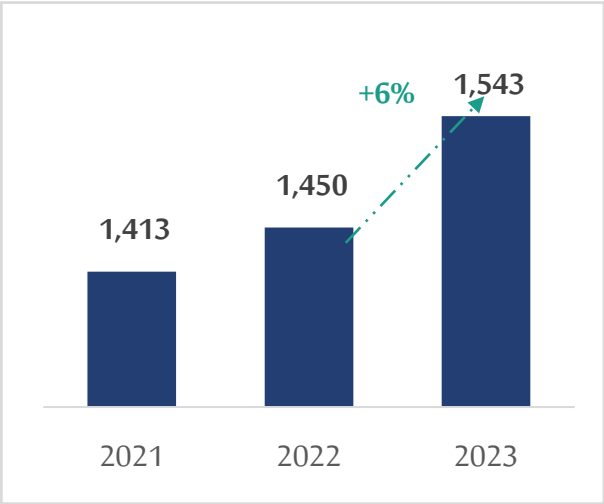
 Capacity

2,300

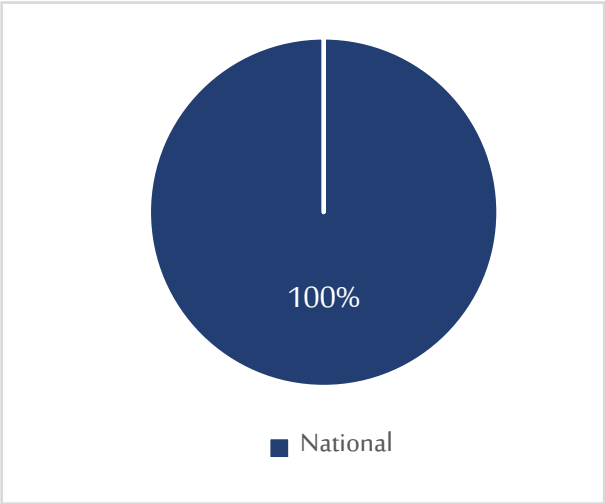


Al-Salam School Complex highlight

YOY student growth



Program contribution 2023
(% from total students)



 Founded

1984

 Curriculum

National

 Capacity

1,950



Q3 2023 - Financial Outlook



NCLE recorded its highest nine-month period earning in 2023

23.4 k

Enrolled students **+37% Growth**

From 17.1k Nine-month 2022



SAR 332 M

Revenue **+45% Growth**

Compared to 229 M Nine-month 2022

SAR 80.8 M

Net profit **+47% Growth**

Compared to 54.8 M Nine-month 2022

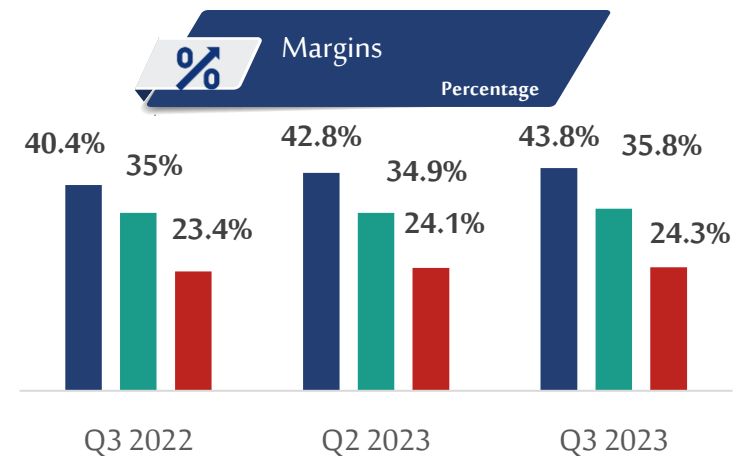
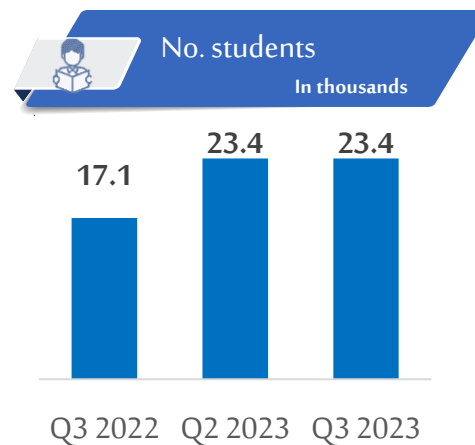
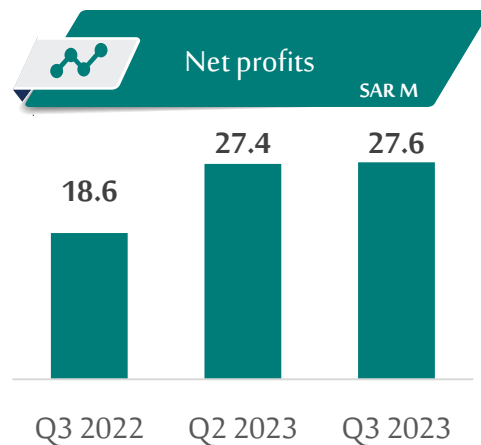
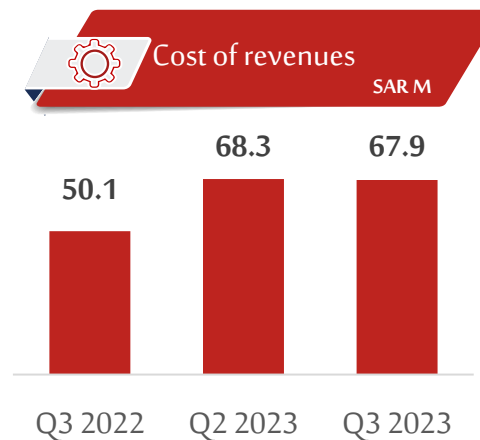
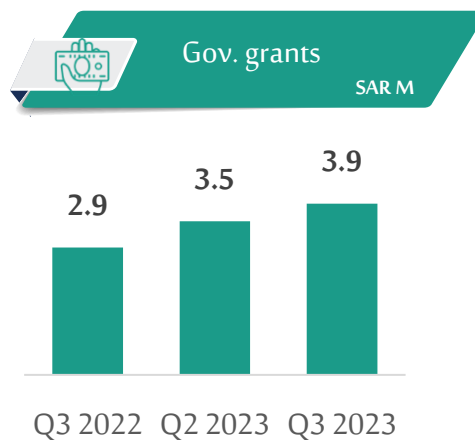
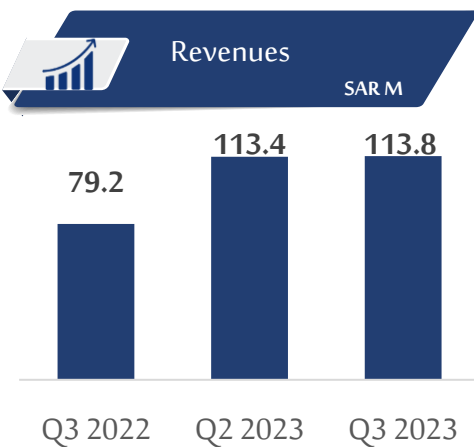


24.3%

Net profit margin

Compared to 23.9% Nine-month 2022

NCLE maintained healthy financial growth in Q3 2023



■ Gross Profit Margin
■ EBITDA Margin
■ Net Profit Margin

NCLE maintained healthy financial growth in Q3 2023

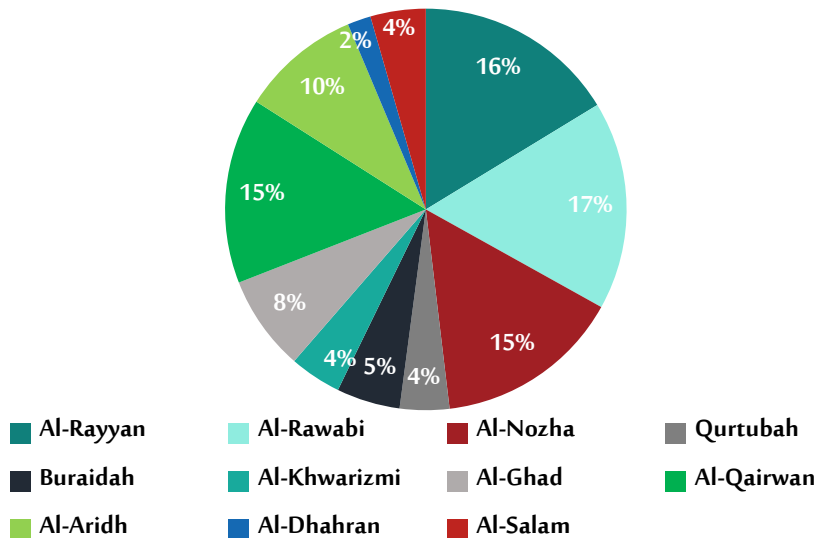
Key highlights for Q3 2023

- The increase in net profit during the current quarter compared to the same quarter of the previous year is due to an increase in revenue by 44% compared to the same quarter of the previous year which resulted mainly from the increase in the number of students enrolled in the company's schools by 37% from 17.1 thousand students in the same quarter of the previous year to 23.4 thousand students during the current quarter.
- All educational campuses of the company witnessed a growth in the number of students during the current year compared to the previous year. In addition, a new educational campus for TNIS was opened in the city of Dhahran in the Eastern Province at the beginning of the current year 2022-2023. Also, the acquisition of Al-Salam Private Schools during the current period contributed to an increase in revenue and the number of students.
- The government grants and subsidies also have increased during the current quarter compared to the same quarter of the previous year as a result of the increase in the company's benefiting during the current quarter from the initiative of wages subsidies for the Saudi teachers from the Human Resources Development Fund.
- The financing costs have increase during the current quarter compared to the same quarter of the previous year due to the obtaining of a new loan during the current period to finance part of the acquisition transaction of Al-Salam Education and Training Company, in addition to the beginning of the impact related to the lease contracts of the new projects in Hetteen, Al-Narjis and Qurtubah.
- Overall, the net profit has increased during this quarter by 49% compared to the same quarter of the previous year, with a net profit margin of 24.3%.

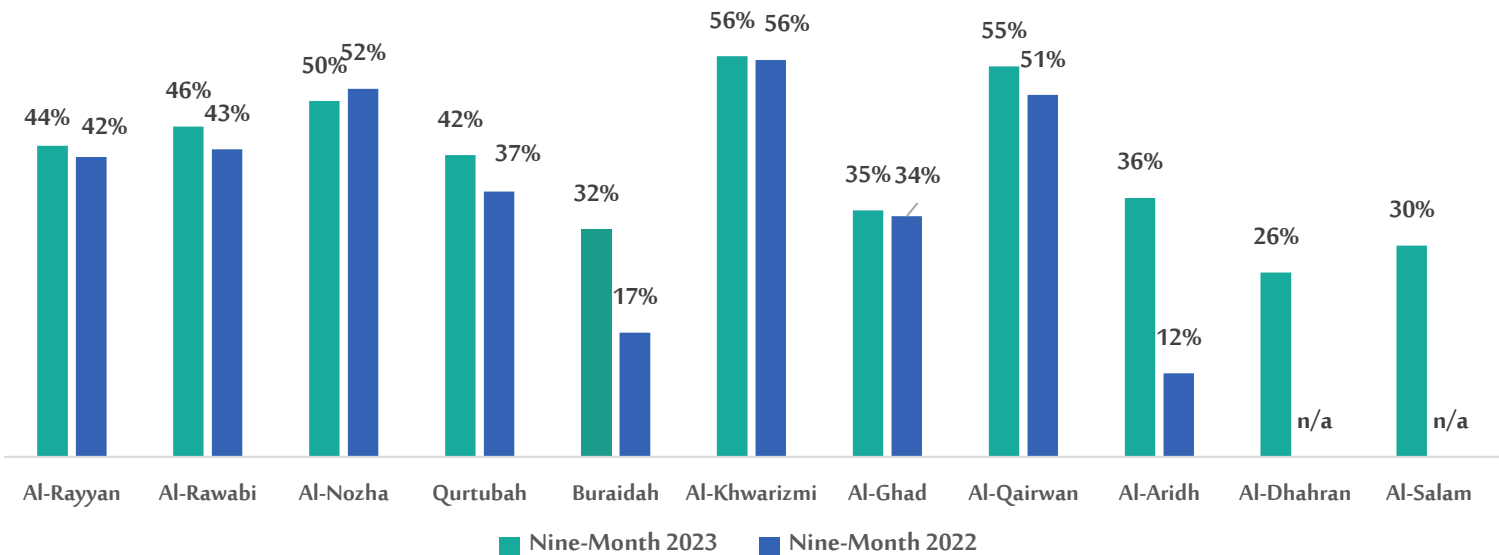
NCLE campuses experienced healthy financial growth



Revenue By Campus



Gross Margin by Campus

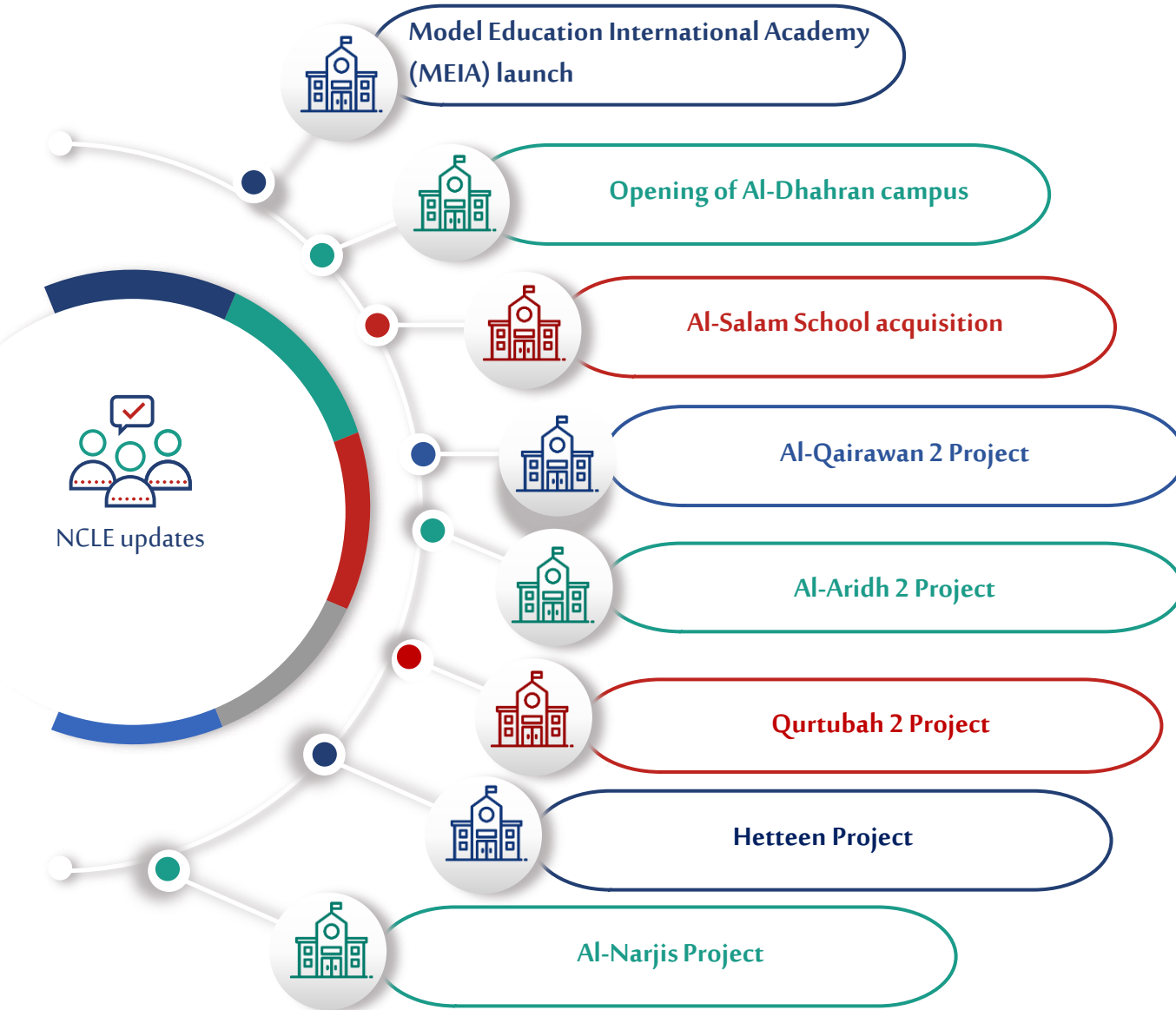


| Campuses | Al-Rayyan | Al-Rawabi | Al-Nozha | Qurtubah | Buraidah | Al-Qairwan | Al-Aridh | Al-Khwarizmi | Al-Ghad | Al-Dhahran | Al-Salam |
|-------------------------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|--------------|--------------|-------------|--------------|
| Revenue | 54,121,605 | 55,777,010 | 49,915,228 | 13,243,832 | 16,998,333 | 49,668,192 | 32,045,608 | 13,846,164 | 25,534,844 | 6,259,282 | 14,791,789 |
| Government Grants & Subsidies | 1,668,411 | 993,096 | 1,049,902 | 793,131 | 978,312 | 1,802,932 | 1,601,127 | 135,809 | 689,010 | 362,896 | 332,700 |
| Cost | (32,215,350) | (30,967,800) | (26,082,687) | (8,439,188) | (12,550,577) | (24,300,371) | (22,024,454) | (6,209,451) | (17,410,244) | (5,007,121) | (10,748,850) |
| Gross Profit | 23,574,666 | 25,802,306 | 24,882,443 | 5,597,775 | 5,426,068 | 27,170,753 | 11,622,281 | 7,772,522 | 8,813,610 | 1,615,057 | 4,375,639 |

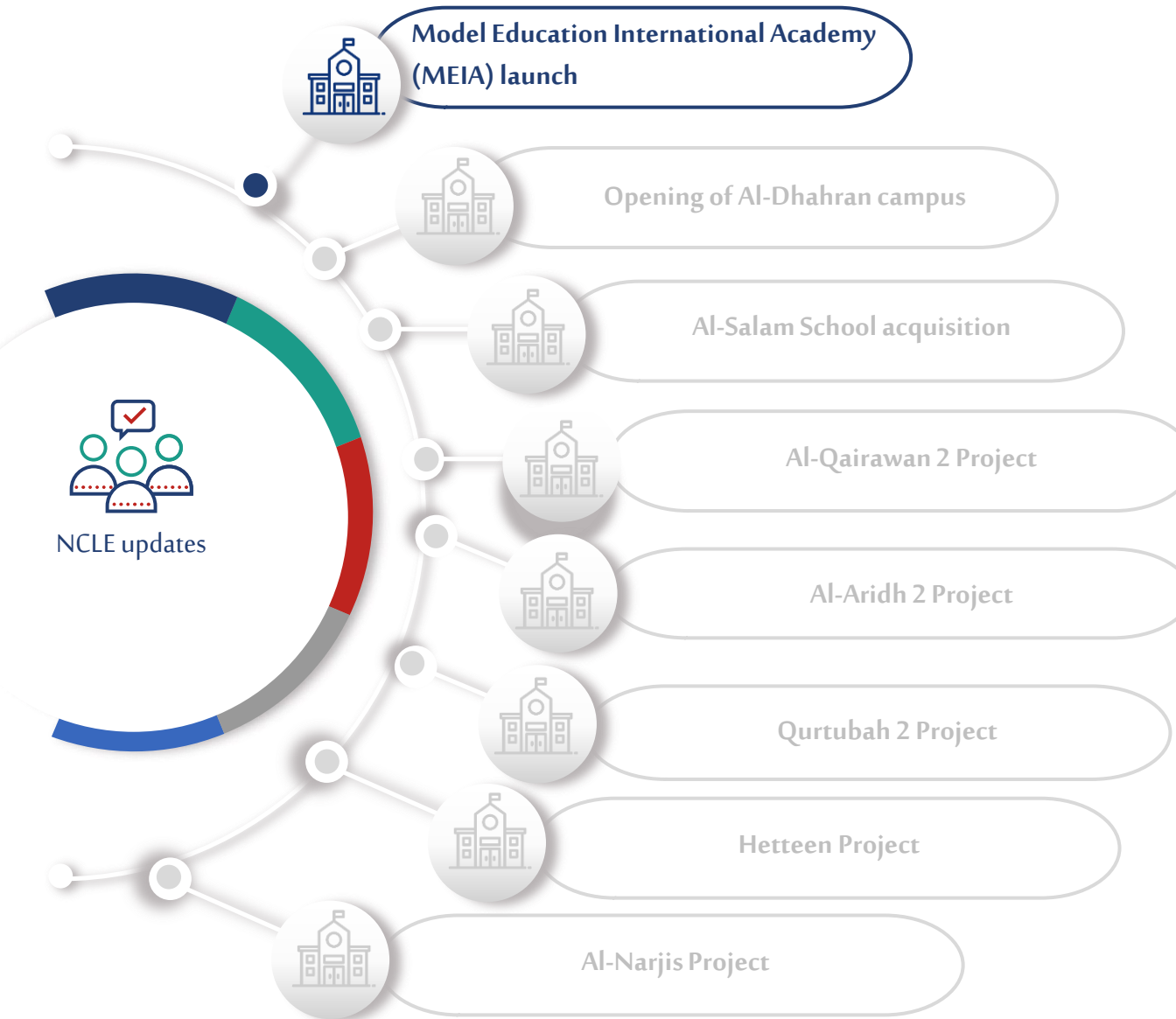
NCLE Upcoming Growth



NCLE Upcoming Growth



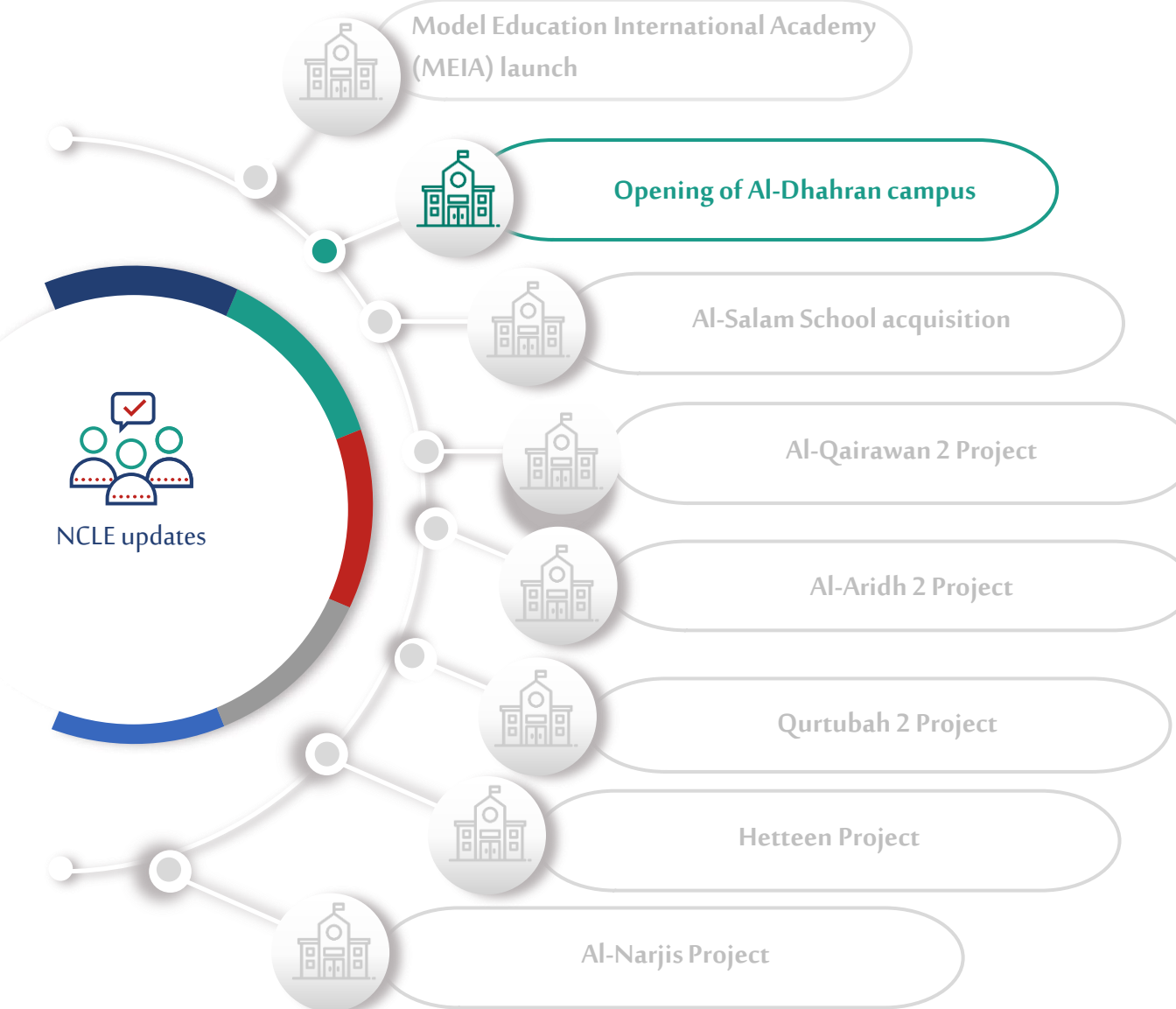
NCLE Upcoming Growth



- MEIA is a 7:30 AM to 4:30 PM international school.
- Students attend classes, have lunch, do homework, and enjoy various activities.
- NCLE launched MEIA in Rayan and Nuzha campuses to diversity offering, increase utilization, and fill the needs of new generation of parents.
- Successful launch with 631 students enrolled in the second Academic year 2022/2023.



NCLE Upcoming Growth

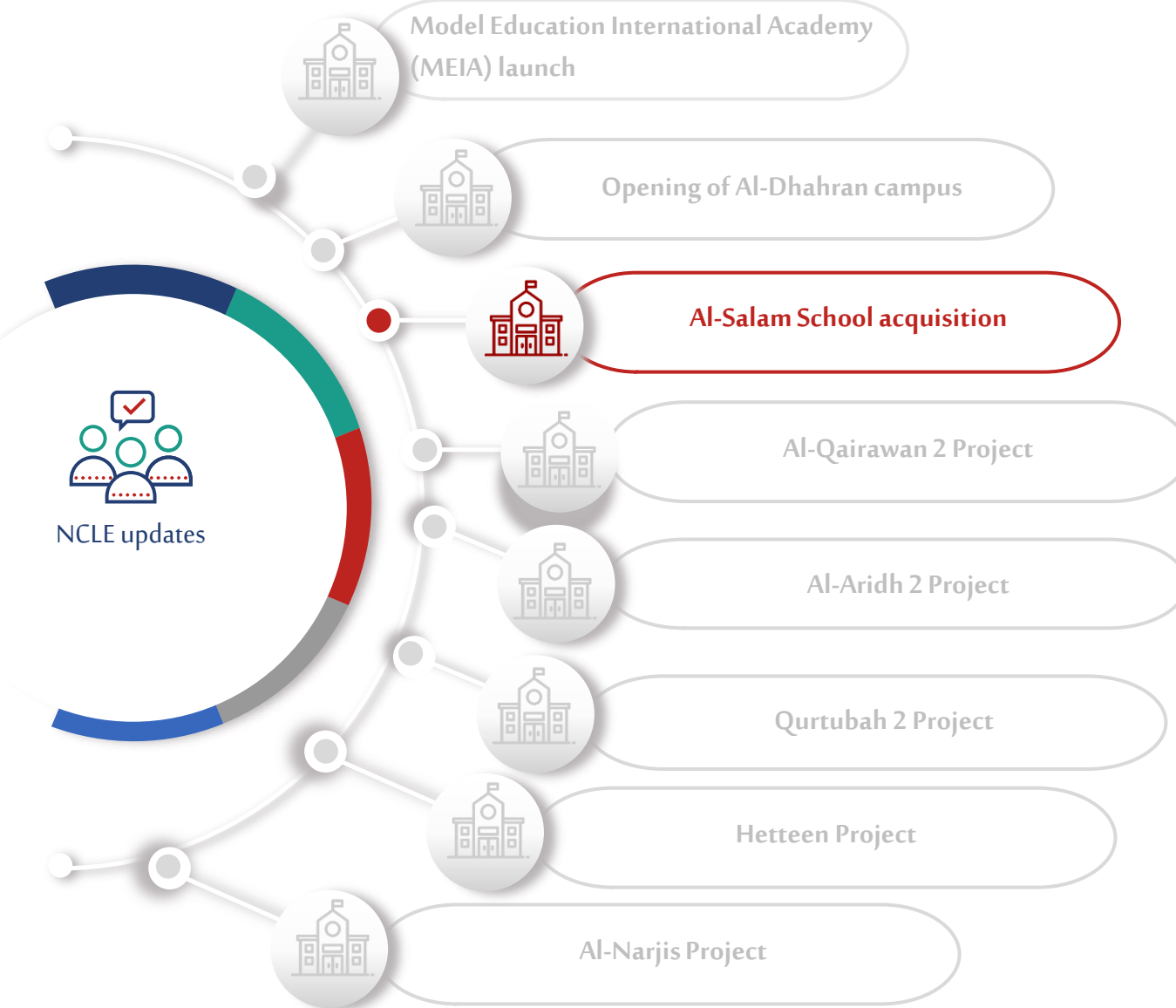


مدارس التربية النموذجية العالمية
Tarbiyah Namouthajiyah International Schools

- NCLE announces the opening of Educational campus starting from the academic year 2022/2023 Corresponding to 27-08-2022.
- The school registered 394 students representing 17% of the capacity in the first year of operation.
- The educational campus has an optimal capacity of 2,300 students. The campus is located at Al-Qusour district in Al-Dhahran city and was built on a land with a total area of 9,875 m2 .
- The educational campus provides its services in accordance with the American International Curriculum for the stages of kindergarten, primary, intermediate, and secondary levels for boys and girls .



NCLE Upcoming Growth



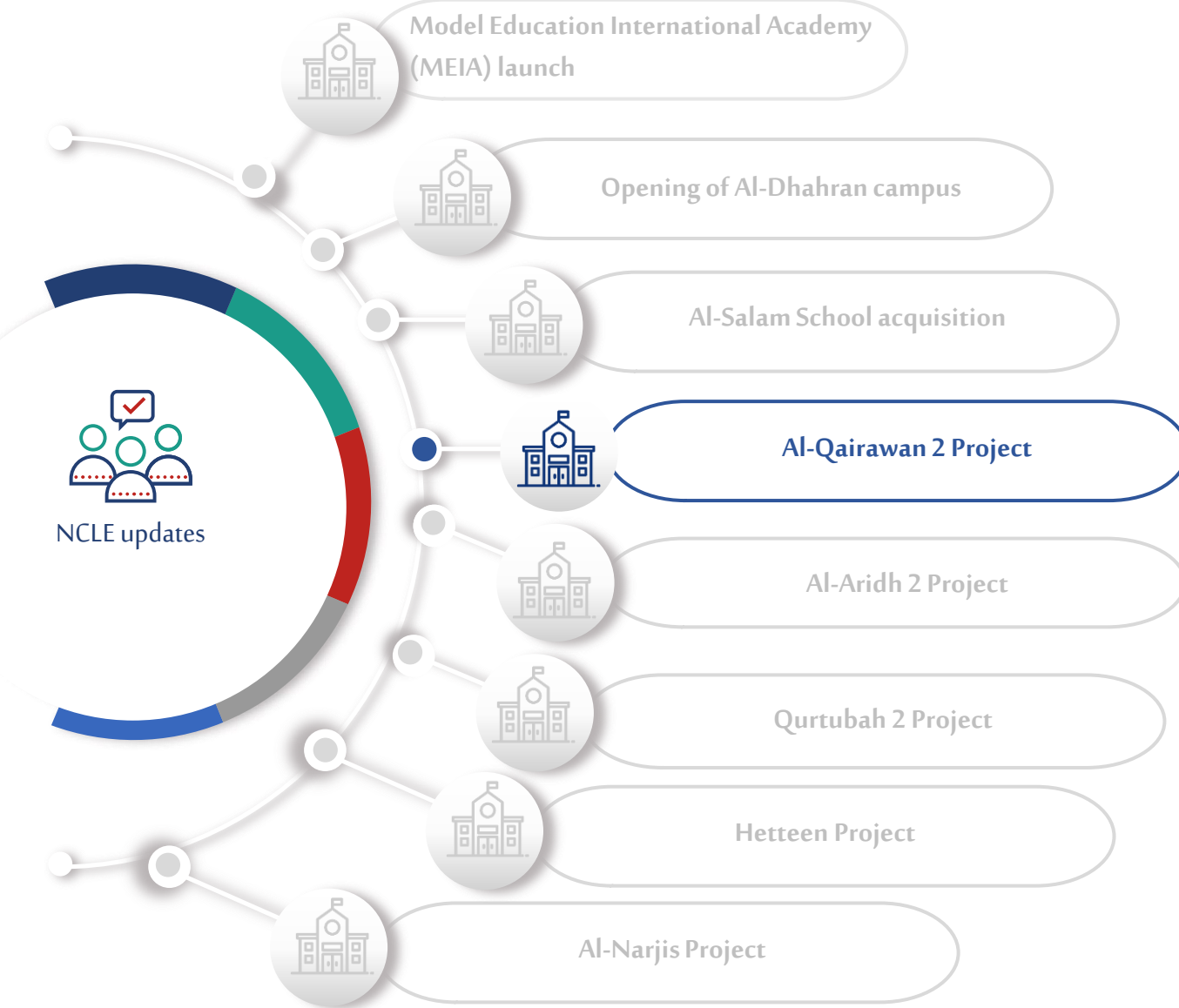




| | | |
|---|--|---|
|  Khobar, Eastern Province |  1.5 K student |  1.9 K students |
| Location | Number of students | Capacity |
|  280 staff |  10,480 sqm |  SAR 18,500 |
| Number of company' staff | Land size | Average tuition |

- NCLE completed Al-Salam schools' transaction in Al-Khobar with an amount of SR 72 million.
- The assets of Al-Salam include the land and building of the educational complex for Al-Salam Schools.
- Al Salam recorded a revenue of SR 14.7 million and a net profit of SR1.3 million for the six-months period ended 31 May 2023.
- NCLE recognizes the opportunity to improve the profit margins of Al Salam by implementing well-driven synergy tactics.

NCLE Upcoming Growth



Al-Qairawan 2 Project

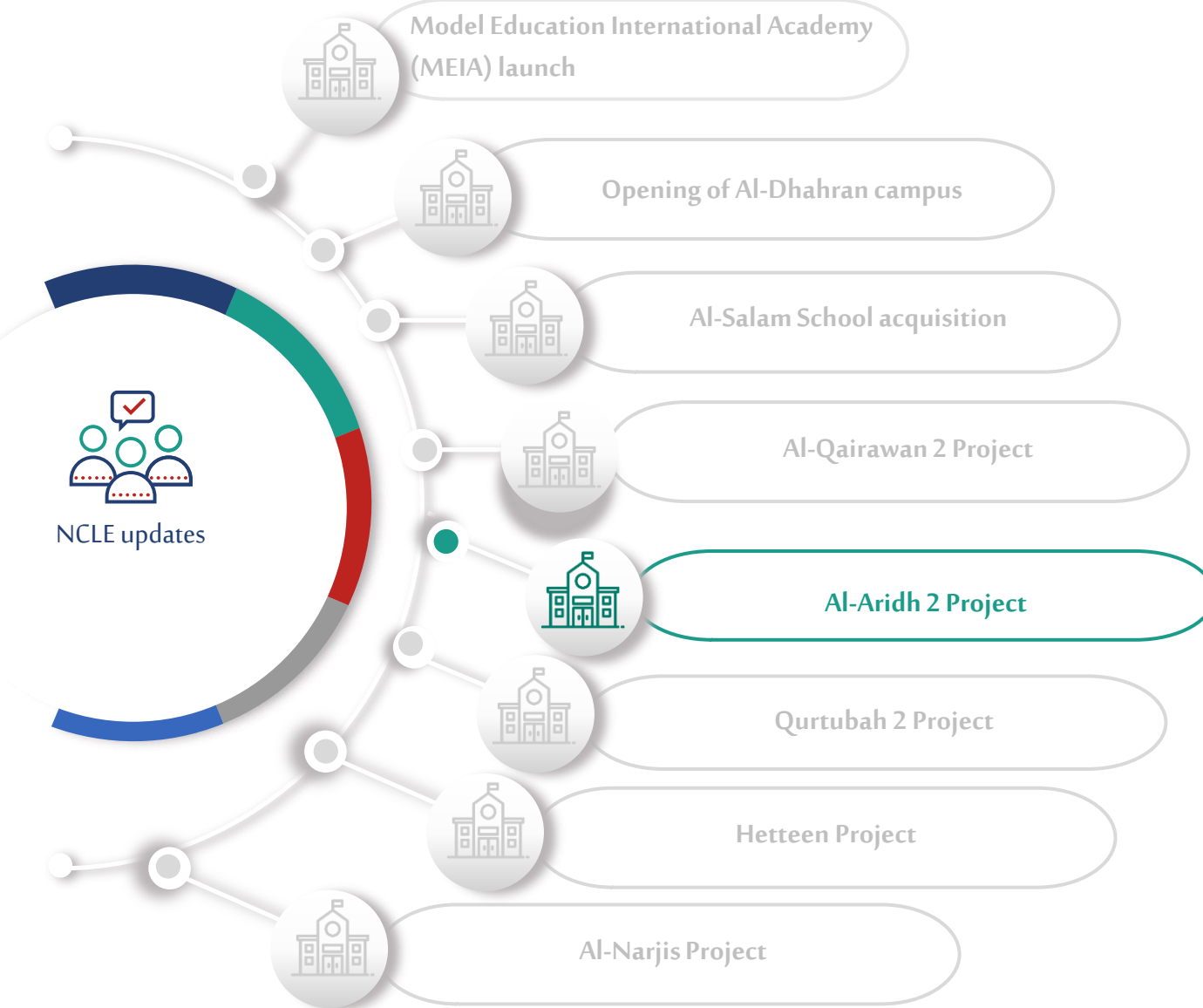
Alghad School 2nd Branch



- A lease agreement for an educational complex building (boys— girls) on a land area of (9,735 m2) in Al-Qairawan district- Riyadh with an estimated capacity of 1,720 students.
- The contract duration is twenty (20) years starting from 27/8/2023, with an amount of SR 5.8 million annually throughout the contract period.
- The Complex will start operating from the next academic year 2023/2024 as Al-Ghad national Schools.



NCLE Upcoming Growth



Al-Arid 2 Project

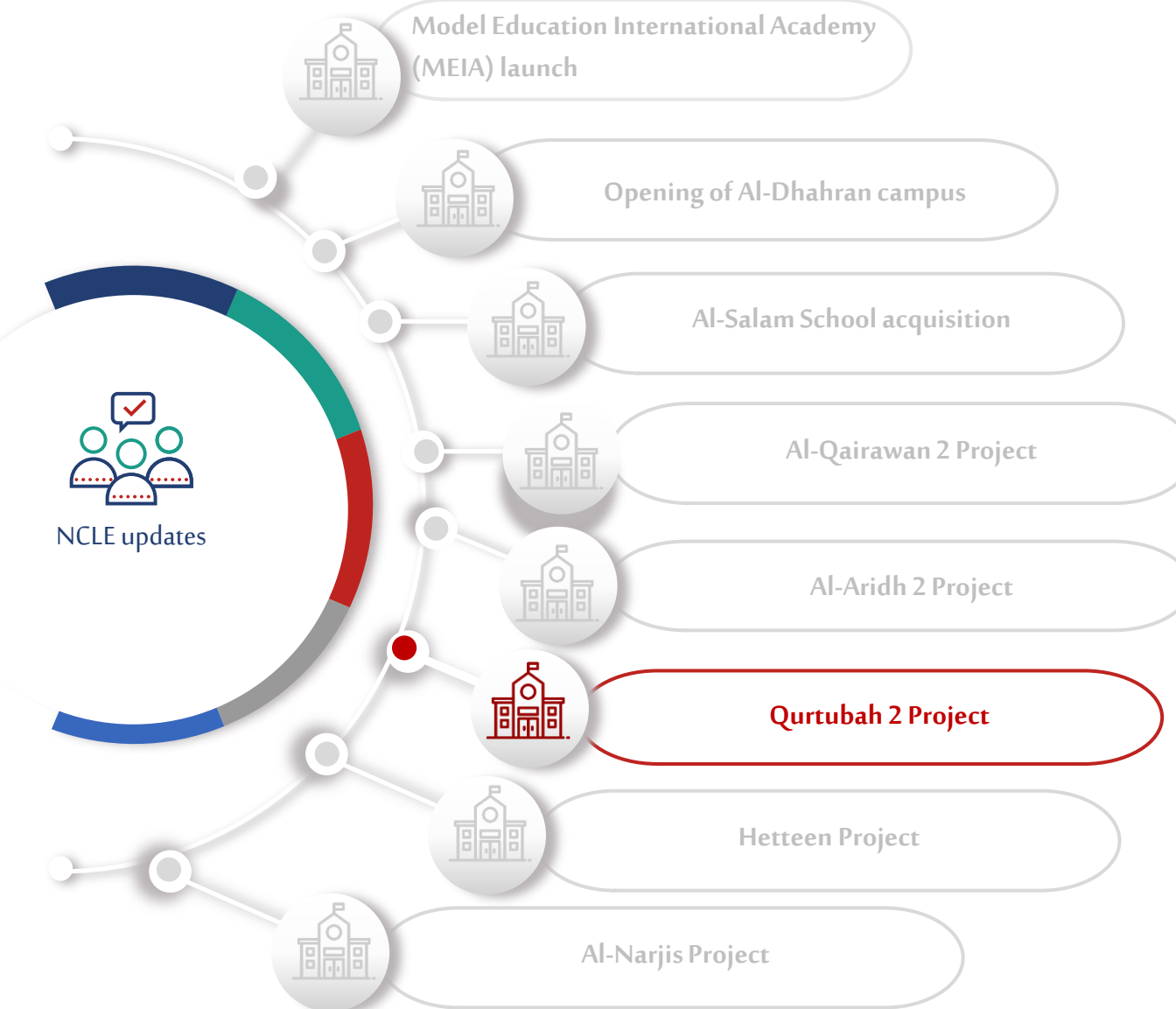
Trbyh Namouthajiyah International School



- A lease agreement for an educational complex building on a land area of (14,833 m2) in Al-Arid district- Riyadh with an estimated capacity of 2,520 students.
- The contract duration is twenty (20) years starting from 27/8/2023, with an amount of SR 8.3 million annually throughout the contract period.
- The Complex will start operating from the next academic year 2023/2024 as **Trbyh Namouthajiya International School**, while the current complex (Al-Arid 1) will provide the national curriculum only starting from the next academic year. As a result, **571** students attending the international track in Arid 1 school will be transferred to the new Arid 2 school .
- This school will be the 1st international school in the growing Al-Arid district.



NCLE Upcoming Growth

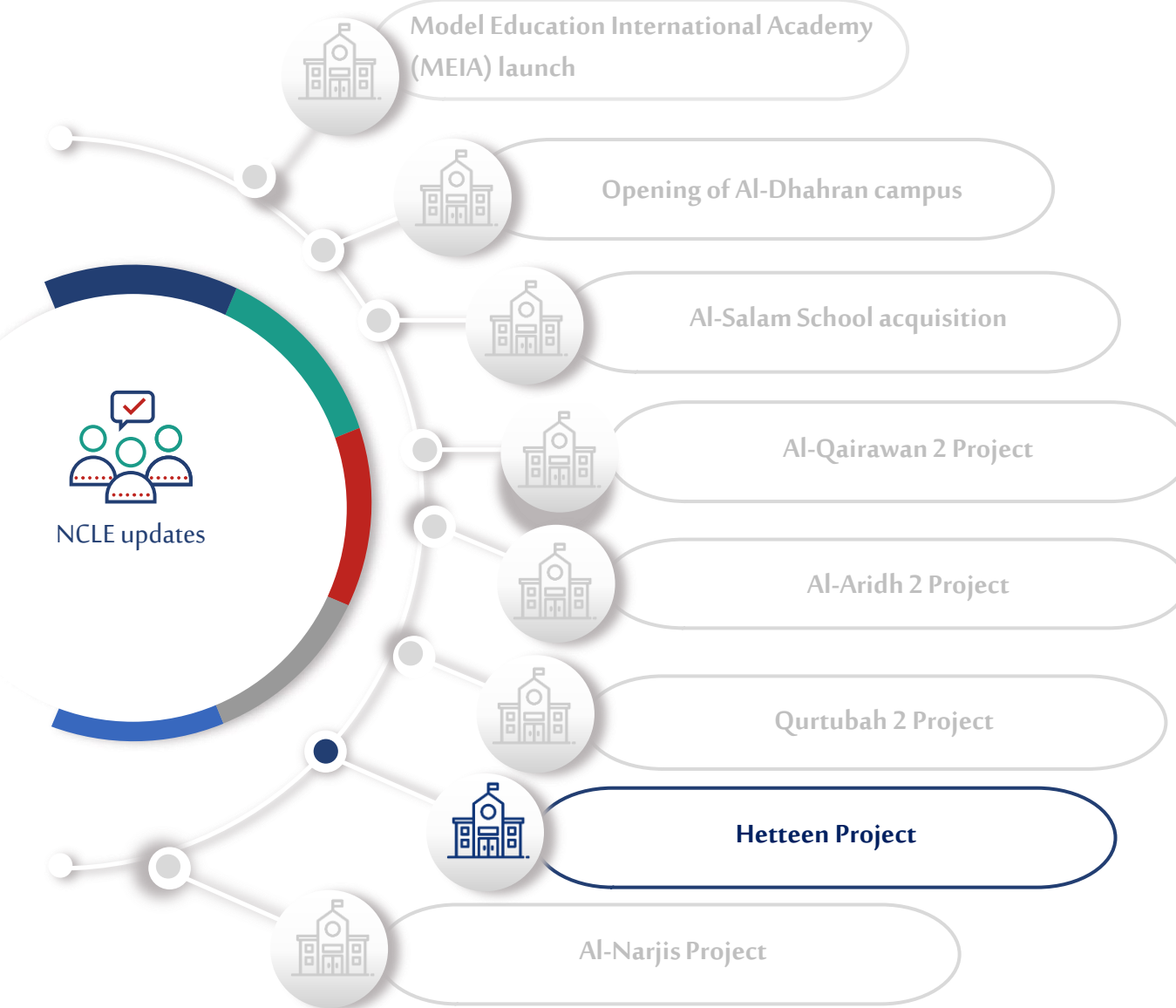


Qurtubah 2 Project

- A land lease contract in Qurtubah district- Riyadh with an area of (13,200 m2) to construct and operate Tarbyh Namouthajiyah schools complex.
- The contract duration is 27 years (including 2 years grace period) with a Lease amount of SR 1.6 million annually and increases of 10% every 5 years.
- The estimated total built-up area of the educational complex is 20.2 thousand m2, with an estimated capacity of 2,500 male and female students.
- The estimated cost of SR 56 million which includes the construction works, air conditioning, elevators, theatre, furnishing, technical devices and other equipment for the educational complex.
- The educational complex will start operating from the academic year 2024/2025.
- The educational complex will complement the services of the company's current school in Qurtubah district, which is close to reaching its capacity and offers kindergarten and primary stages only.



NCLE Upcoming Growth

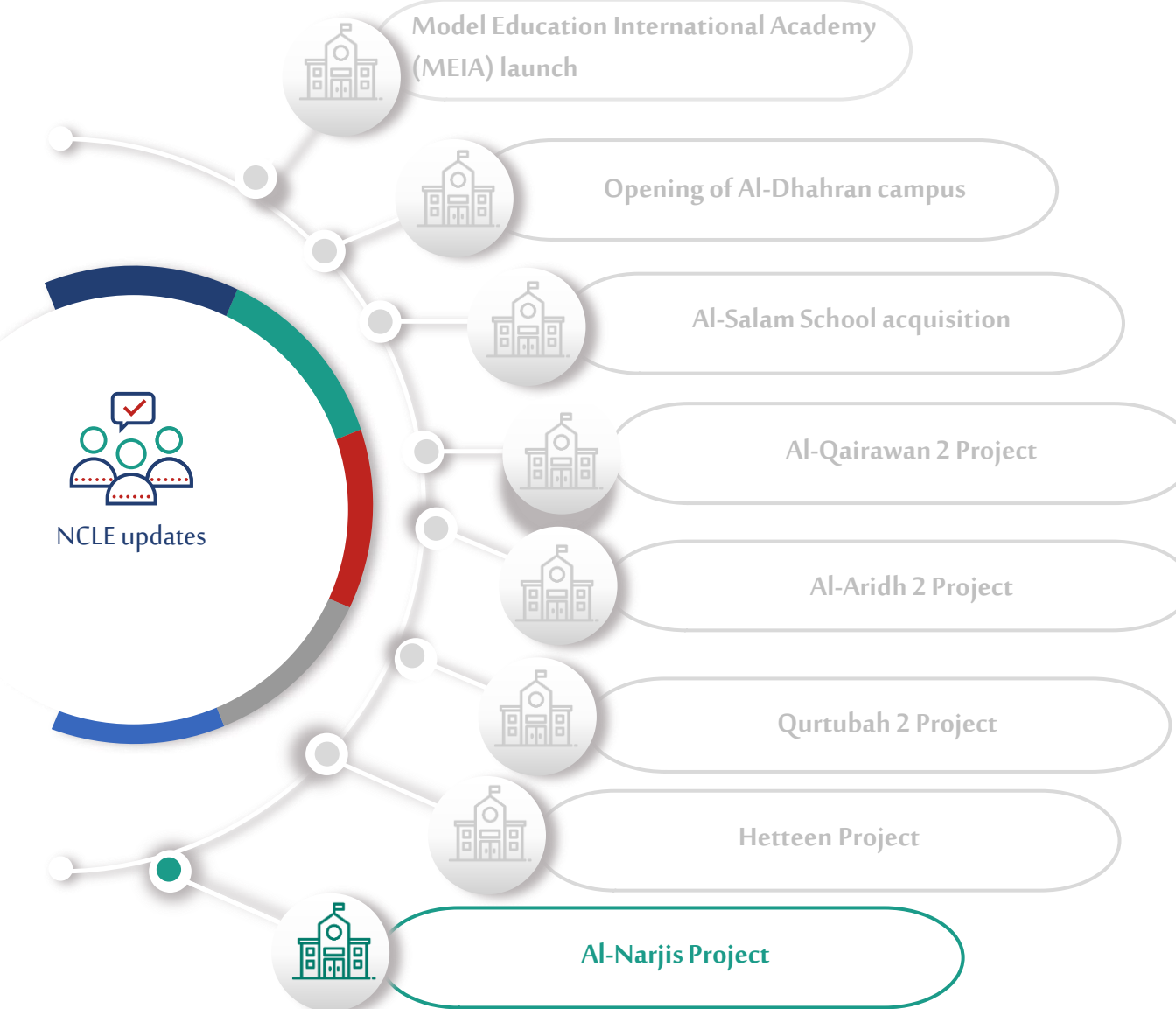


Hetteen Project

- A land lease contract in Hetteen district- Riyadh with an area of (12,650 m2) to construct and operate an educational complex for NCLE.
- The contract duration is 26 years and 6 months (including 1 year and 6 months grace period) with a lease amount of SR 2.46 million annually and increases of 10% every 5 years.
- The estimated total built-up area of the educational complex is 20 thousand m2, with an estimated capacity of 2,000 male and female students.
- The estimated cost of SR 57 million which includes the construction works, air conditioning, elevators, theatre, furnishing, technical devices and other equipment for the educational complex.
- The educational complex will start operating from the academic year 2024/2025.
- This investment is part of the company's strategy to expand and grow the student base in order to generate the growth and returns that achieve the company's strategy.



NCLE Upcoming Growth



Al-Narjis Project

- Lease of land in Al-Narjis district - Riyadh with an area of (9,991 m2) to construct and operate Tarbyh Namouthajiyah schools complex.
- The contract duration is 20 Hijri years (including 2 years grace period) with a lease amount of SR 2.15 million annually and an annual increase of 4%, starting from the eleventh year.
- The estimated total built-up area of the educational complex is 15.3 thousand m2, with an estimated capacity of 2,000 male and female students.
- The estimated cost of SR 49 million which includes the construction works, air conditioning, elevators, theatre, furnishing, technical devices and other equipment for the educational complex.
- The educational complex will start operating from the academic year 2024/2025.
- This investment is part of the company's strategy to expand and grow the student base in order to generate the growth and returns that achieve the company's strategy.



Q&A



For more information, please contact us:
investor.relations@edu.com.sa