Company

Ataa Educational Co.

3Q26 Result Review

Rating

Under Review

Bloomberg Ticker

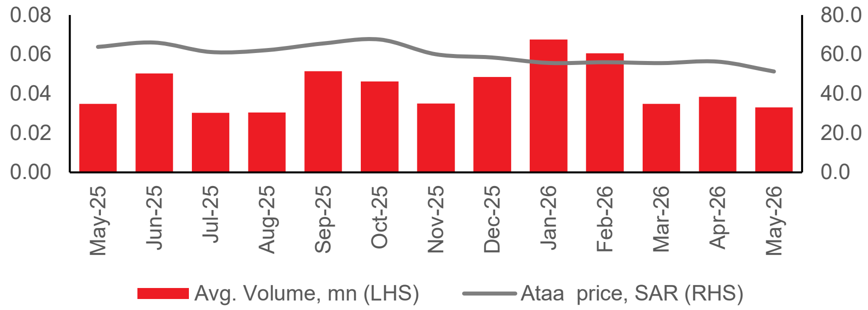
ATAA AB

Date

21 May 2026

Results

Target Price (SAR)	Under Review
Total Return	-



Current Market Price (SAR)	51.3
52wk High / Low (SAR)	70.6/49.6
12m Average Vol. (m)	0.04
Mkt. Cap. (USD/SAR mn)	585/2,159
Shares Outstanding (mn)	42.0
Free Float (%)	47.5%
3M ADTV (SAR mn)	1.9
6M ADTV (SAR mn)	2.6
P/E'26e (x)	18.6x
P/B'26e (x)	2.5x
Dividend Yield '26e (%)	3.4%
Price Perf. (1m/3m) (%)	-11.2/-8.4

Research Department

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For our last report click HERE

Revenue impacted by suspension of non-core segments

Revenue declined 2% YoY to SAR 178mn in 3Q26, in line with our expectations. The decline is primarily due to the suspension of the training and recruitment sectors in August 2025. However, the decline was partially offset by continued growth in the education segment, supported by higher tuition fees across selected educational complexes.

Net profit growth supported by education segment's profitability

Despite lower contribution from suspended business segments and the absence of certain non-recurring income recorded in the same period last year. Net profit increased 36% YoY to SAR 29mn in 3Q26, mainly driven by better operating performance in the education segment.

U-Capital View

The company continues to benefit from the stable performance of its core education business, which drove a significant YoY increase in net profit. We are currently placing the stock under review, and we will update our investment case shortly.

Financial Summary

SAR mn	3Q25	4Q25	1Q26	2Q26	3Q26	3Q26e	YoY	QoQ	Var.	9M26	9M25	YoY
P&L												
Revenue	182	98	165	195	178	172	-2%	-9%	3%	538	542	-1%
Gross profit	57	32	55	71	55	52	-2%	-22%	7%	181	168	8%
Operating profit	35	18	33	49	41	30	17%	-16%	38%	123	110	12%
Net profit	22	3	22	37	29	17	36%	-22%	70%	89	80	11%
BS												
Shareholders' Equity	803	828	849	824	821	841	2%	0%		821	803	2%
Ratios												
Gross profit margin	31.2%	32.3%	33.2%	36.5%	31.2%	30.0%				33.7%	31.0%	
Operating profit margin	19.3%	18.5%	20.2%	25.0%	23.1%	17.2%				22.9%	20.3%	
Net profit margin	11.8%	3.1%	13.3%	19.1%	16.4%	10.0%				16.5%	14.7%	
RoE (TTM)					11.0%							
P/E (TTM)					23.6							
Current P/B					2.6							

Source: Financials, TASI, Bloomberg, U Capital Research

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Disclaimer

Recommendation

BUY	HOLD	SELL
Greater than 10%	Between 0% and +10%	Lower than 0%

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