



الشركة الوطنية للتربية والتعليم
NATIONAL COMPANY FOR LEARNING & EDUCATION

Earnings Presentation

FY 2021



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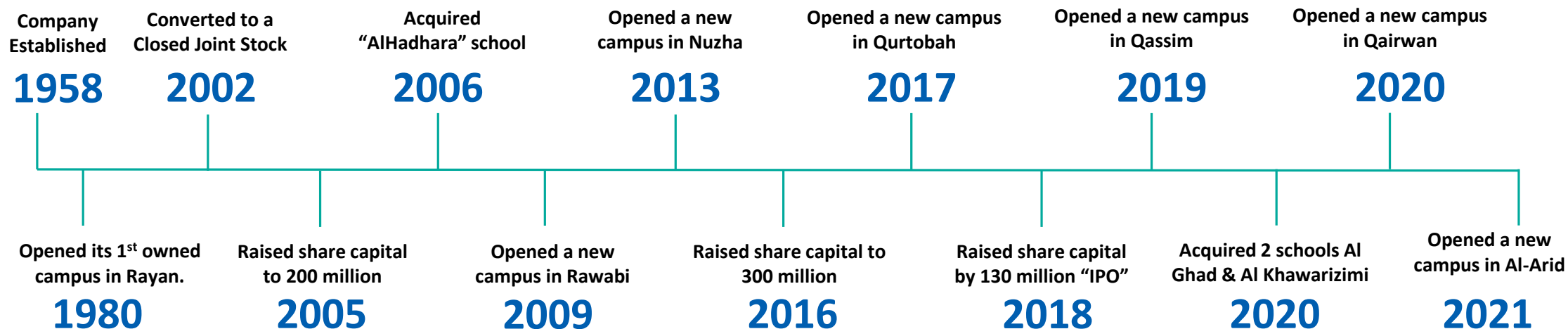
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NCLE Overview



NCLE celebrates it's 64rd Anniversary this year ...



NCLE aspires to be the market leader in terms of education quality, and business growth

64 Years

of excellent education

K-12

National & International Curriculum

13,3K

Enrolled Students in academic year 2020 / 2021

3rd

Ranking in Market Share in Riyadh

10 Campuses

9 In-operation (included Al-Arid Operated in 2021/2022 Academic Year)
& 1 Under Construction

28,6K

Optimal Students Capacity (included Al-Arid Operated in 2021/2022 Academic Year)

176 Million

FY 2021 Revenues

24 Million

FY 2021 Net Profit



مدارس التربية النموذجية
Tarbyh Namouthajiyah Schools























Model Education
International Academy
أكاديمية التربية النموذجية العالمية

مدارس الغد الأهلية
AL Ghad Schools



NCLE aspires to be the market leader in terms of education quality, and business growth

Number of Students at the Academic Year 2020-2021

										
	TNS – Al-Rayyan	TNS – Al-Rawabi	TNS – Al-Nuzha	TNS – Qourtuba	TNS – Buridah	Al-Khawarzmi	Al-Ghad	TNS – Qairawan	TNS – Al-arid	TNS – Tilal Al-Doha
Establishment	1980	2009	2013	2017	2019	2010	1990	2020	2021	2022 Expected Opening
Location	Riyadh	Riyadh	Riyadh	Riyadh	Qassim	Riyadh	Riyadh	Riyadh	Riyadh	Dhahran
Curriculum										
Optimal Capacity	5,250	4,375	4,375	1,050	2,625	1,220	2,200	4,550	3000	2,625
Enrolled Students	3,145	3,466	2,411	405	386	1,120	1,408	979	NA	NA
Utilization	60 %	79 %	55 %	39 %	15 %	92 %	64 %	22 %	NA	NA

* Updated enrollment will be disclosed during 2022 Q1 earning call following financials disclosure for Q1

Opened for current
academic year
2021/2022

 25,645
Student

FY2021 Optimal Capacity

 13,320
Student

FY2021 Enrolled Students

 Diversified
Offering

National & International Programs

Due to the global pandemic, NCLE witnessed a minor decline in the number of students in 2020/2021 academic year

Total Students 2020

14.5 K

Total decline rate in
2021

% 8

Total Students 2021

13.3 K

KG and G1 decline % of
the total decline

% 76

- The total number of students in the academic year (2020/2021) decreased by 8% compared to the previous year (2020)
- 76% of the total decrease resulted from the decline in enrollment of kindergarten and first grade students.

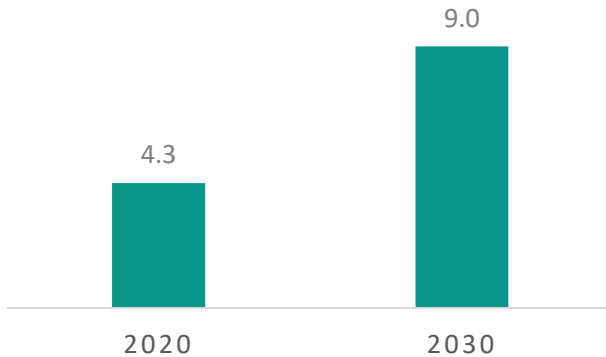


Market Overview & Private Education Sector Growth Drivers

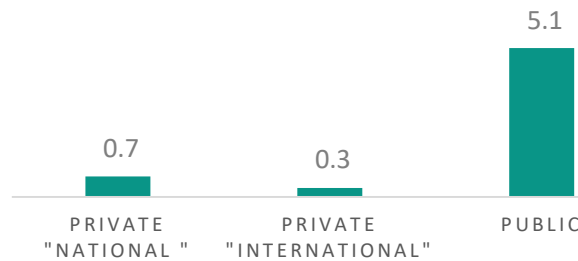


The private education market is expected to double in the next 10 years ...

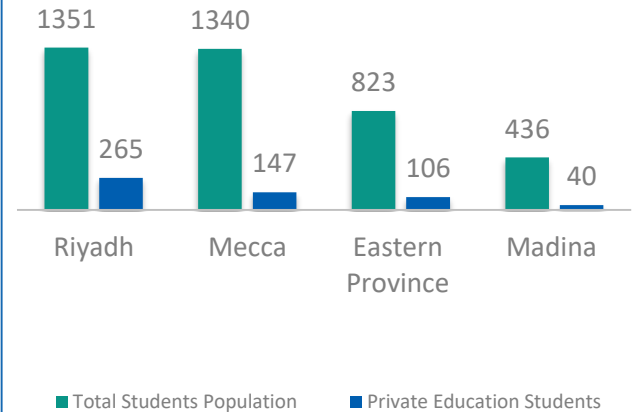
Market Size (USD bn) of Private Education in KSA*



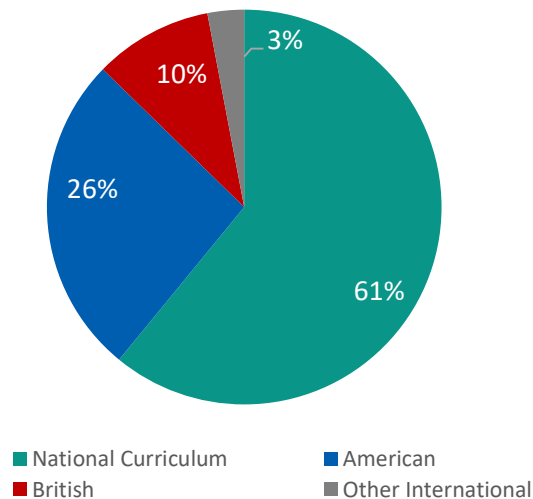
Students distribution in the education system **



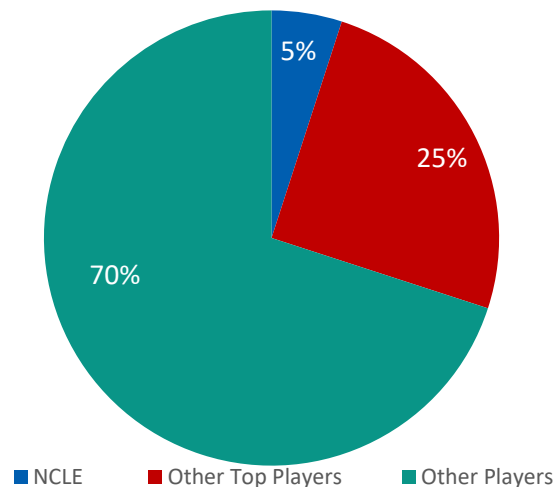
Riyadh City is the Largest Private Education Market In Saudi Arabia***



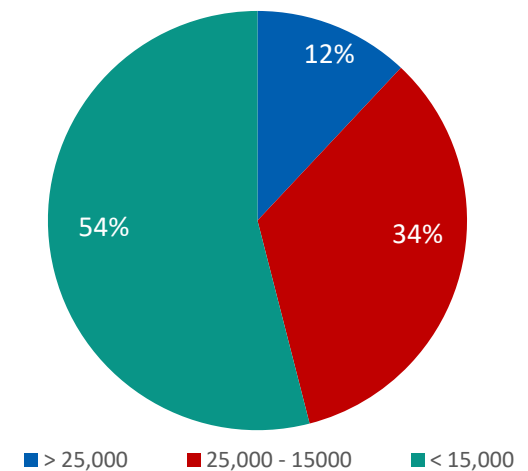
Private Schools Distribution Based On Curriculum



Market Share of Major Players in Private Education in Riyadh Province



Private Schools Distribution Based On Tuitions per Student (SR)



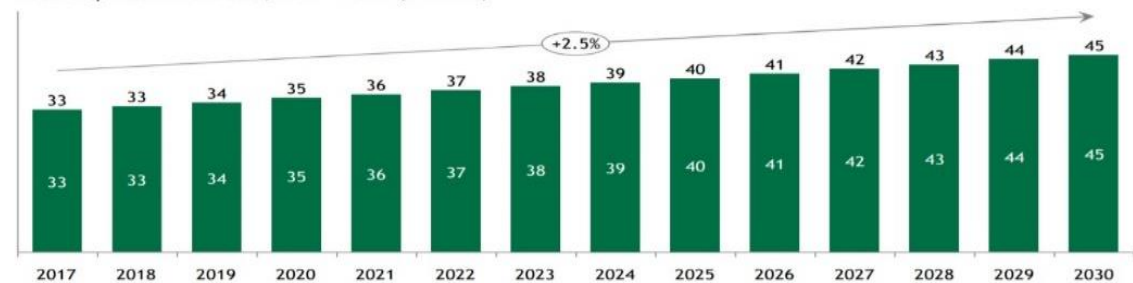
NCLE is committed to continue growing given the growth drivers in place

40 % of KSA Population < 25 Years old

1

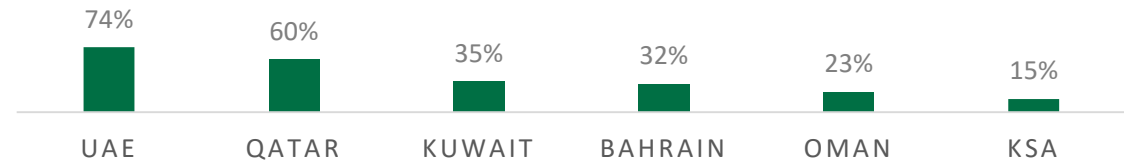
Population growth will add 2M students in 10 years

Total Population forecast, 2017 - 2030 (Millions)



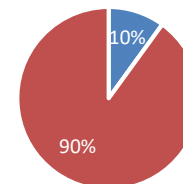
2

Enrollment rate in private education is still the lowest in KSA compared to neighboring countries



3

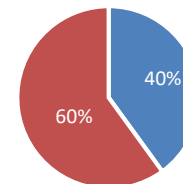
High fragmentation in the industry, which drives for more consolidation



Other Players
Top 10 Players

4

Non-educational building schools accommodate 40% of private education students

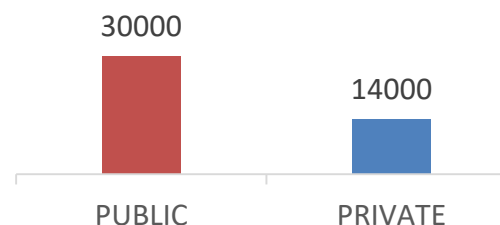


Students not in TADRWJ Schools
Students in TADRWJ Schools

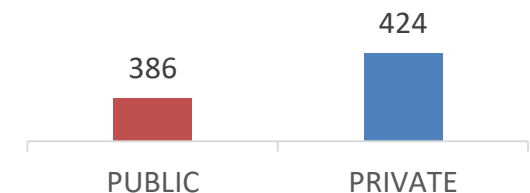
5

Public schools operation is an opportunity to improve cost efficiency and education quality

STUDENTS' COST (SR)



Average performance according to TIMSS tests



NCLE 2021 Executive Update



2021 EXECUTIVE UPDATE

Organic
Expansion

New Offerings

E-learning
Success

Academic
Excellence

Financial
Performance

M&A
Transactions

- Despite the pandemic, Al-Qairawan campus achieved a successful opening in 2020/2021 Academic Year with an enrollment of around 1000 students.
- Successful start of Al-Arid campus opening in 2021/2022 Academic Year. The campus offers national and International curriculum for both boys and girls with an optimal capacity of 3000 students .



2021 EXECUTIVE UPDATE

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- Launching Model Education international Academy (MEIA) in 2021/2022 Academic Year, which is an international school that offer a high-quality international standard education and follow a full-day system from 7:30 a.m. to 4:30 p.m.
- MEIA Academy operates in Al-Nuzha Campus and Al-Rayyan Campus.
- Opened registration of new grades in 2021/2022 Academic Year in Buraydah and Al-Qairawan Campuses for National & International Curriculums.



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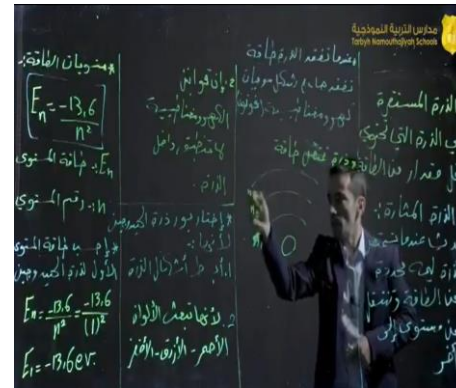
Academic
Excellence

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Transactions

NCLE has ensured continuity of its education programs virtually with blended component:

- 96% daily students' attendance
- 100% teachers' daily attendance
- Produced 255,071+ interactive contents
- Conducted around 372,784 virtual classes
- Opened around 158,229 discussion rooms
- Uploaded 206,346+ homework and quizzes



2021 EXECUTIVE UPDATE

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- 2nd place in KSA in the Kangaroos Global Math Competition
- 1st place in Al-Qassim 2nd place in Riyadh in the global Olympiad robot competition
- Cognia reaccreditation for the international program for the next 5 years
- Hamdan Bin Rashed Excellence Award for Educational Performance
- Scientific Creativity Award from the Ministry of Education
- Academic Excellence Award from the Arab Bureau of Education



2021 EXECUTIVE UPDATE

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- Enhanced collections through new initiatives using effective online payment channels.
- Maintained dividends distribution level despite the pandemic with SR 34.4 million Represent 8% of the Capital and dividends yield of 140%.
- Continuation of capturing key opportunities for expansion (organic and M&A).



مدارس التربية النموذجية
Tarbyh Namouthajiyah Schools

الدفع الإلكتروني

المكرم ولي الأمر الرجاء إدخال رقم الهوية / الإقامة الخاصة بكم

رقم هوية / إقامة ولي الأمر

التالي



2021 EXECUTIVE UPDATE

Organic
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Successful completion of fully Acquiring Refan Company for Operation & Maintenance Limited. The transaction is part of company's strategy to establish a new segment specialized in providing educational supporting services given the company expansion in opening new schools which include services for cleaning, maintenance, transportation, canteens and other educational supporting services



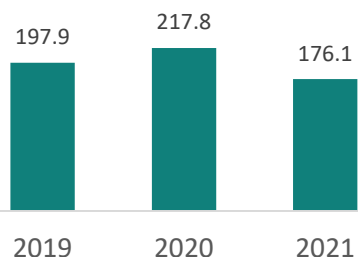
2021- Financial Results



YE 2021 Financial Outlook

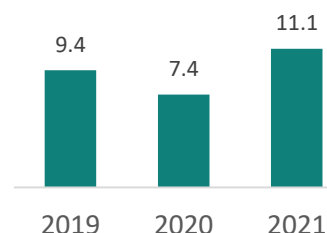
Revenues (million SAR)

Revenues decreased by -19% compared with previous year and decreased by -11% compared with 2019



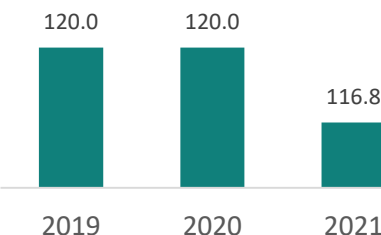
Government Grants & Subsidies (million SAR)

Gov. Grants & Subsidies increased by 50% compared to previous year and increased by 18% compared with 2019



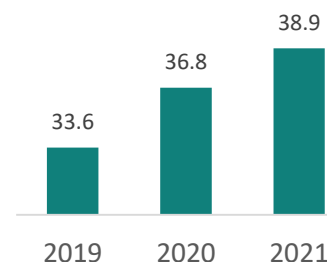
Cost of Revenues (million SAR)

Cost of Revenues decreased by -2.7% compared to previous year and decreased by -2.7% compared with 2019



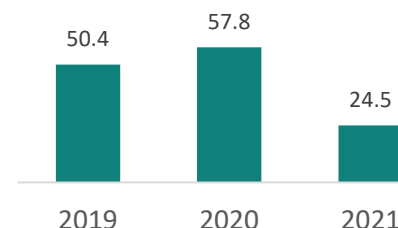
Marketing and G&A (million SAR)

Marketing and G&A expenses increased by 6% compared with previous year and increased by 16% compared with 2019



Net Profit (million SAR)

Net Profit decreased by -58% compared with previous year and decreased by -51% compared with 2019



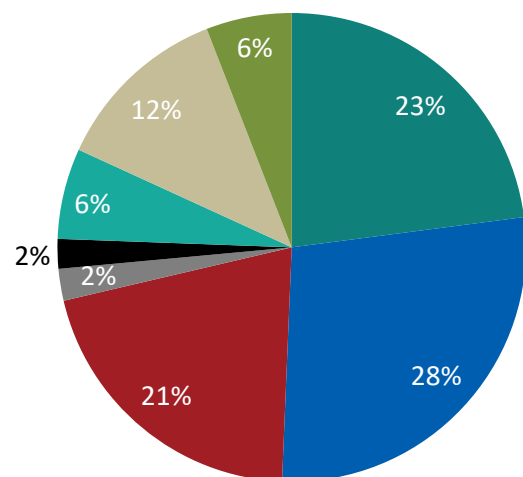
The Decrease in net profit for Current Year Compared to The Previous Year is due to:

- Providing discounts with different rates from 10% to 50% on the tuitions of the current academic year, concurring with the Ministry of Education announcement of the online education for the 2020/2021.
- Decrease in number of students enrolled in the current year decreased by 8% compared to the previous year, as 76 % of the decrease resulting from the newly enrolled students for kindergarten and first grade of primary school
- suspension of school transportation services and canteens.

On the other side, the company continuously reviews the operating costs according to operating requirements and changing circumstances, which resulted in improving the operating costs for the current year despite the additional costs of operating Al-Qairawan complex which opened at the beginning of this year.

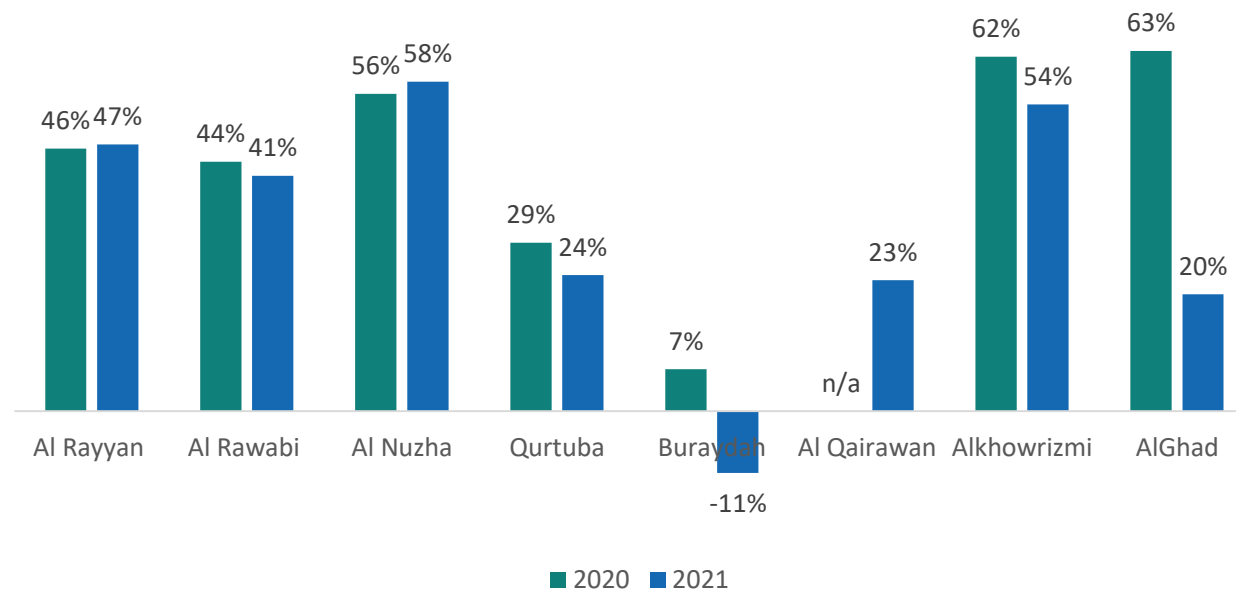
Campuses' Results in 2021

Revenue By Campus



■ Al Rayyan ■ Al Rawabi ■ Al Nuzha ■ Qurtuba
■ Buraydah ■ AlKhowrizmi ■ AlGhad ■ AlQairwan

Gross Margin by Campus



	Al Rayyan	Al Rawabi	Al Nuzha	Qurtuba	Buraydah	Al Qairwan	Al Khowrizmi	Al Ghad
Revenue	40,391,846	48,813,750	36,409,426	3,869,245	3,601,625	10,404,331	11,012,835	21,584,783
Government Grants & Subsidies	2,521,269	3,082,773	2,568,770	486,940	758,604	516,067	345,075	824,927
Cost	(24,060,719)	(31,797,557)	(17,976,955)	(3,435,416)	(4,749,747)	(8,538,501)	(5,447,602)	(17,992,225)
Gross Profit	18,852,396	20,098,966	21,001,241	920,769	(389,518)	2,381,897	5,910,308	4,417,485

THANK YOU

(Q&A)

For more information, please contact us on:
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