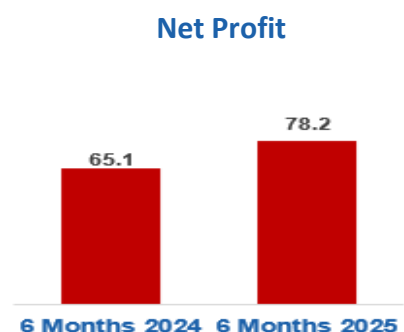
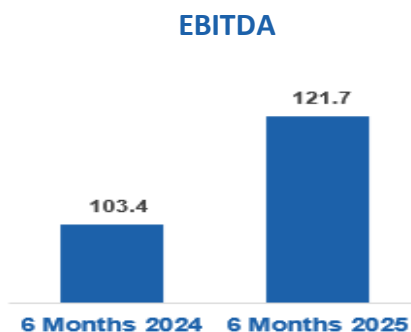
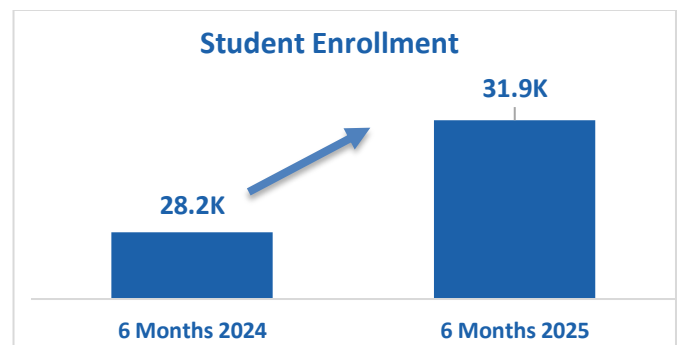
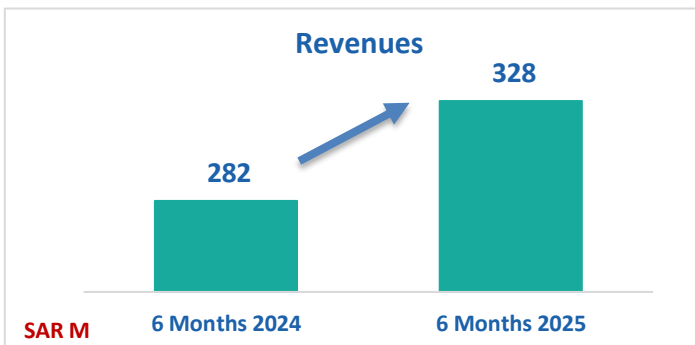
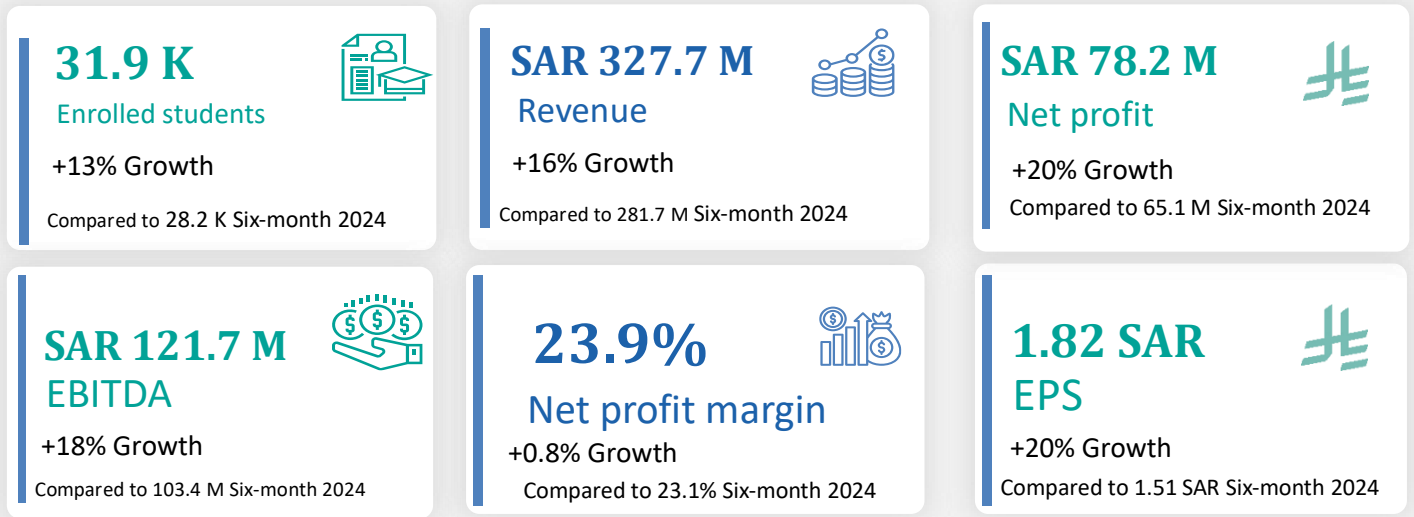


## NCLE Releases Results for the Six-month Period Ended 31 Jan 2025

**12 March 2025, Riyadh (Saudi Arabia)** – National Company for Learning & Education “NCLE”, a leading provider of educational services in Saudi Arabia, announces its financial results for the second quarter and six-month period ended 31 January 2025 (2Q 2024/25 and 1H 2024/25). The Company reported revenues of SAR 327.7 million in 1H 2024/25, increasing by 16% compared to the same period of the previous year, driven by higher student enrollment and campus expansions. Net profit for the period increased by 20% YOY to SAR 78.2 million, reflecting improved operational efficiencies. In 2Q 2024/25, revenues stood at SAR 164 million, up slightly from the previous quarter, while net profit grew by 5% quarter-on-quarter, supported by lower marketing expenses and stable growth.



## Profit & Loss Statement 2Q-2025

(SAR 000s)	Q2 2025	Q2 2024	H1 2025	H1 2024	YOY Change	Q-o-Q Change
<b>Revenues</b>	<b>164,062</b>	<b>141,037</b>	<b>327,723</b>	<b>281,732</b>	<b>16%</b>	<b>16%</b>
Government grants and subsidies	2,941	3,982	7,548	7,703	-2%	-26%
<b>Cost of Revenues</b>	<b>(96,460)</b>	<b>(82,238)</b>	<b>(191,228)</b>	<b>(167,073)</b>	<b>14%</b>	<b>17%</b>
<b>Gross Profit</b>	<b>70,543</b>	<b>62,781</b>	<b>144,043</b>	<b>122,362</b>	<b>18%</b>	<b>12%</b>
Gross Profit Margin	43%	44.5%	44%	43.4%	1.2%	-3.40%
Marketing and advertising expenses	(596)	(220)	(6,211)	(493)	1160%	171%
General and administrative expenses	(26,233)	(22,422)	(53,175)	(44,259)	20%	17%
Reversal of allowance / (allowance) for expected credit loss	1,675	(1,500)	4,025	(3,450)	-217%	-212%
Other income	1,480	1,427	2,156	2,299	-6%	4%
<b>Operating profit</b>	<b>46,869</b>	<b>40,066</b>	<b>90,838</b>	<b>76,458</b>	<b>19%</b>	<b>17%</b>
<b>Finance cost and returns, net</b>	<b>(5,264)</b>	<b>(4,877)</b>	<b>(9,955)</b>	<b>(8,726)</b>	<b>14%</b>	<b>8%</b>
<b>Net profit for the period before Zakat</b>	<b>41,605</b>	<b>35,188</b>	<b>80,883</b>	<b>67,732</b>	<b>19%</b>	<b>18%</b>
<b>Zakat expense</b>	<b>(1,495)</b>	<b>(1,195)</b>	<b>(2,659)</b>	<b>(2,680)</b>	<b>-1%</b>	<b>25%</b>
<b>Net profit for the period</b>	<b>40,110</b>	<b>33,993</b>	<b>78,224</b>	<b>65,052</b>	<b>20%</b>	<b>18%</b>
Net Profit Margin	24.4%	24.1%	23.9%	23.1%	3.4%	1.43%
<b>Earnings per share</b>	<b>0.93</b>	<b>0.79</b>	<b>1.82</b>	<b>1.51</b>	<b>20.2%</b>	<b>17.99%</b>

## Key Performance Highlights 1H

**Revenues** : NCLE recorded SAR 327.7 million in revenue for 1H 2024/25, The increase in revenue during the current period by 16% compared to the same period of the previous year is mainly due to the increase in the number of students enrolled in the company's schools by 13% from 28.2 thousand students in the same period of the previous year to 31.9 thousand students during the current quarter. In addition, 4 new educational campuses were opened in the city of Riyadh at the beginning of the current year 2024-2025, under the name of TNS in Qurtubah District, TNS in Al-Narjis District, National School in Hetteen District, and MEIA in Al-Qairawan District.

**Net Profit**: NCLE reported SAR 78.2 million in net profit for 1H 2024/25, The increase in net profit during the current period by 20% compared to same period of the previous year is due to an increase in revenue of 16% compared to the same period of the previous year.

Furthermore, marketing and advertising expenses have increased during the current period compared to same period of the previous year. The increase is mainly due to the change in the company's fiscal year ending on July 31 instead of August 31. Since most of these expenses are typically incurred during July and August. Therefore, the current period included a portion of the marketing campaign expenses related to enrolment for the beginning of the school year, whereas the comparative period of the previous year did not include the months in which these marketing campaign expenses were incurred.

## Key Performance Highlights 2Q 2025

**Revenues:** NCLE recorded SAR 164 million in revenue for 2Q 2024/25, The slight increase in revenue during the current quarter compared to the previous quarter is due to the slight increase in the number of students enrolled in the company's schools during the second academic semester.

**Net Profit:** NCLE reported SAR 40.1 million in net profit for 2Q 2024/25, The increase in net profit during the current quarter by 5% compared to the previous quarter is due to the slight increase in revenue compared to the previous quarter, also the marketing and advertising expenses have decreased compared to the previous quarter. This decrease is mainly due to the change in the company's fiscal year ending July 31 instead of August 31. Since most of these expenses are typically incurred during July and August. Therefore, the previous quarter (from 1 August 2024 to 31 October 2024) included a portion of the marketing campaign expenses related to the enrolment for the beginning of the school year, whereas the current quarter (from 1 November 2024 to 31 January 2025) did not include the months in which these marketing campaign expenses were incurred. Additionally, the government grants and subsidies have decreased during the current quarter compared to the previous quarter, as the company received its annual support from the Ministry of Education during the previous quarter.

## Balance Sheet Highlights

Summary Balance Sheet (SAR 000)	Q2 2025	Y2024
<b>Total Assets</b>	<b>1,420,897</b>	<b>1,299,485</b>
Property and equipment	865,448	797,009
Goodwill & other intangible assets	89,066	90,015
Right of use assets on lease (IFRS 16)	300,098	264,872
Cash & cash equivalents	28,286	36,344
Capital advances & other debit balances	49,001	58,938
Inventory	10,086	2,790
Accounts Receivable	78,911	49,519
<b>Total Liabilities</b>	<b>639,590</b>	<b>506,163</b>
Lease liabilities	313,037	282,595
Employee Benefits	65,160	62,426
Advance from customers	163,505	80,172
Islamic Murabaha	54,470	31,540
Other credit balances	38,793	42,845
Zakat Provision	4,625	6,584
<b>Shareholders' Equity</b>	<b>781,306</b>	<b>793,323</b>

**Total assets** increased due to strategic investments in property, plant, and equipment (PPE), right-of-use assets, and inventory expansion. The growth in PPE was primarily driven by the acquisition of new land plots, including 9,025 m<sup>2</sup> in Ishbiliyah District- Riyadh for SAR 14.7 million and 9,450 m<sup>2</sup> in Al-Rabie District- Riyadh for SAR 35.7 million, reflecting the company's ongoing expansion strategy. Additionally, changes in right-of-use assets were influenced by depreciation and amortization under IFRS 16, particularly for the Al-Qairawan Academy contract and employee housing leases as of 31 January 2025. Furthermore, the increase in inventory was primarily due to the recent purchase of school uniforms, including those designated for free student distribution during the current year, as well as additional stock for sale through the company's newly launched online store channels.

**Total liabilities** increased due to new financing arrangements and lease obligations. A significant driver was the Islamic Murabaha financing obtained on 31 January 2025, amounting to SAR 28.6 million to fund the purchase of a plot in Al-Rabie District, Riyadh . The Islamic Murabaha will be repaid in eight equal semi-annual installments, with the first payment due on 24 July 2025 Also the payment amortization for outstanding Islamic Murabaha during the period. Additionally, the increase in lease liabilities as of 31 January 2025 was driven by interest and payment amortization, in line with IFRS 16. This reflects the company's ongoing obligations under lease agreements, particularly for the Al-Qairawan Academy contract and employee housing, contributing to the overall rise in financial liabilities.

## Chief Executive's Review

I am pleased to share NCLE's 1H 2025 results, showcasing strong growth in both revenue and profitability. Our success reflects our commitment to expanding access to quality education, enhancing operational efficiency, and driving long-term value creation.

NCLE delivered a strong quarter, Revenue for 1H 2024/25 reached SAR 327.7 million, a 16% YOY increase, driven by a 13% rise in student enrollment to 31.9 thousand students and the successful launch of four new campuses in Riyadh.

Net profit for 1H 2024/25 grew 20% YOY to SAR 78.2 million, supported by revenue expansion and cost optimization. In 2Q 2024/25, net profit rose 18% YOY to SAR 40.1 million, with a net profit margin of 24.4 %.

In 2Q revenue showed a slight increase to SAR 164 million, and net profit grew 5% quarter-on- quarter, benefiting from low marketing expenses following the fiscal year-end adjustment.

Despite a decrease in government grants and subsidies, strategic cost management helped maintain profitability. NCLE remains focused on expanding its educational offerings, optimizing efficiency, and maximizing stakeholder value, positioning itself for sustainable growth in Saudi Arabia's premium education sector.

**Mohammad AlKhadair**  
Chief Executive Officer

## About National Company for Learning & Education

NCLE started an ambitious pioneering Journey by Sheikh Mohammed bin Ibrahim Al-Khudair in 1378 AH/ 1958, establishing the “Tarbya Namouthajiya Schools”, which served both kindergarten and primary school for boys and girls and was the first school for girls in Riyadh, and had only 50 students in a rented building at its first headquarters in Al-Malaz neighborhood on 60th St. and then on Jarir St., until the construction of the first educational buildings in Al-Rayyan neighborhood in the year 1400 AH/1980. And what made the jewel in the crown of the company’s fruitful journey is the qualitative shift that took place in the year 1423 AH/ 2002 by transforming this educational entity into the first closed joint stock company in the educational sector under the name of “National Company for Learning & Education” registered in the Kingdom of Saudi Arabia under Ministerial Resolution No. 346.

## Contact

### Investor Relations

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