

TAALEEM HOLDINGS PJSC: Net Profit up 14.1%; Revenue up 32.4% for the 3-month period ended 30th November 2022

Dubai, United Arab Emirates, 10th January 2023: Taaaleem Holdings PJSC (“Taaaleem” or “the Company”), one of the largest K-12 premium school operators in the UAE. Taaaleem is the first private education company to be listed on the Dubai Financial Market. (“DFM”) under (SYMBOL: TAALEEM) (ISIN: AEE01136T220), today announced its financial results for the three-month period ended 30 November 2022 (“Q1 2023”).

Revenue	EBITDA
AED 231.9 million, up 32.4% YoY	AED 78.3 million, up 22.1% YoY
Net Profit	Financial Position
AED 50.9 million, up 14.1% YoY	Net Debt/EBITDA of -6.45x at the end of the period
Total Enrolments	
28,218 students, up 45.4% YoY	

Khalid Al Tayer, Chairman of Taaaleem, commented:

“I am pleased with the continuing strong performance of the company over the past three months. As the first education company to be listed on the DFM, the confidence in the company was reflected in the tremendous demand for shares with an oversubscription of 18 times. We warmly welcome the new shareholders and are excited for them to share our continuing story of growth, service to the community and providing world-class education opportunities to the youth of the UAE. Our strategic growth plan is right on track to deliver several exciting new projects in the next few years, further adding to the strength and reputation of our rapidly growing portfolio of globally recognized schools”

Alan Williamson, Chief Executive Officer of Taaaleem, added:

“The quarter has been one of strong progress with the Company’s financial performance ahead of expectations. This reflects the continued efficient management of the business, operational excellence, the commitment of my colleagues and their ability to successfully navigate and thrive in competitive market conditions. With exciting new projects to be launched in the near future, we will further provide exceptional education establishments to serve the new and growing communities in Dubai and Abu Dhabi. We are presently in a global search to add even more world class teachers to our dedicated staff and have been delighted by the overwhelming response to our campaigns and the quality of interest in joining our growing community of educators.”

Positive three-month results

Taaleem reported a positive performance for the three-month period ended November 30, 2022. Revenue for Q1 2023 was AED 231.9 million, an increase of 32.4% as compared to the same period in the prior year, mainly as a result of organic growth and ramp-up across the Premium school's portfolio as we scale up.

EBITDA increased by 22.1% to AED 78.3 million in Q1 2023 as compared to the same period in the prior year, generating an EBITDA margin of 33.8%. The *adjusted EBITDA margin of 37.8% is higher and reflects the strong underlying operational trend, excluding one-off costs related to the IPO. This is a result of the Company's continued focus on providing premium education at an affordable price point, increasing enrolment and scaling up operations in the company's premium schools' portfolio, investing in educational services, as well as the successful management and operation of Government partnerships.

Total enrolments

The overall number of enrolled students increased significantly, rising from 19,412 in Q1 2022 to 28,218 in Q1 2023. This significant 45.4% growth is the result of a 27% increase in enrolments at our portfolio of Premium Schools and a 64.4% increase in the number of students enrolled at our Government Partnership Schools.

Net Profit in Q1 2023 increased by 14.1% to AED 50.9 million as compared to the same period in the prior year. This increase resulted in a Net Profit margin of 21.9%. The *adjusted Net Profit margin of 25.9% is higher and reflects the growth in the adjusted EBITDA margin mentioned above, which is partially offset by an increase in net finance costs driven by the significant increase in interest rates and additional depreciation costs from the previous year's investments.

Financial Position

The Company's Net Debt/EBITDA ratio is -6.45x as of 30 November 2022, this is because the cash and cash equivalents including deposits far exceed the current bank borrowings position. This will be the case until the capital is deployed as per the business strategy. The *adjusted Net Debt/ EBITDA ratio is 2.51x, if the IPO proceeds are not considered for the purposes of the computation as of 30 November 2022.

The Company remains well capitalized and has adequate liquidity and with Net Debt / Total Equity ratio of -30.7%. The *adjusted Net Debt / Total Equity ratio is 13.4%, if the IPO proceeds are not considered for the purposes of the computation as of November 2022, indicating a robust balance sheet.

Financial Overview

AED millions	Q1 2023	Q1 2022	Change %
Revenue	231.9	175.2	32.4%
EBITDA	78.3	64.1	22.1%
EBITDA Margin %	33.8%	36.6%	-2.8%
<i>*Adjusted (Q1 2023) EBITDA Margin %</i>	<i>37.8%</i>	<i>36.6%</i>	<i>1.2%</i>

Net Profit for the Period	50.9	44.6	14.1%
Net Profit Margin %	21.9%	25.4%	-3.5%
<i>*Adjusted (Q1 2023) Net Profit Margin %</i>	<i>25.9%</i>	<i>25.4%</i>	<i>0.5%</i>
AED millions	Q1 2023	As at 31 Aug 22	Change %
Interest Bearing Loans and Borrowings	325.4	332.4	-2.1%
Net Debt	-505.0	104.4	-583.5%
<i>*Adjusted Net Debt</i>	<i>-220.2</i>	<i>104.4</i>	<i>110.8%</i>

**Adjusted – excludes IPO related items*

Results by Operating Segments

Student enrolments	Q1 2023	Q1 2022	Change %
Premium schools	12,544	9,877	27%
Government partnerships	15,674	9,535	64.4%
Total student enrolments	28,218	19,412	45.4%

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Q1 2023 Earnings Call

The financial results for Taaleem Holdings PJSC's Q1 2023 will be presented starting at 3:00 p.m. GST and will be available to shareholders via live streaming on January 17, 2023. For registration kindly contact IR@taaleem.ae

About Taaleem

One of the largest K-12 premium education providers in the UAE and the first education company to be listed on the Dubai Financial Market ("DFM") under the symbol: TAALEEM (ISIN: AEE01136T220). The AED 750 million proceeds raised in the IPO will be used to expand the Company's K-12 premium education schools, providing greater opportunities for students in the UAE to access high-quality education offerings. As the only dedicated education provider on DFM, Taaleem has a compelling and differentiated growth-focused investment proposition.

Further information on Taaleem Holdings PJSC can be found at www.taaleem.ae

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