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TAALEEM POSTS RECORD REVENUE OF AED 804.1MILLION FOR FULL YEAR 2023; ENROLMENTS UP 35.9% Y-o-Y; DIVIDEND PER SHARE UP 22.2%*

- Taaleem recorded strong top-line growth of 29.0% Y-o-Y to AED 804.1M and EBITDA growth of 18.8% Y-o-Y to AED 205.1M for the full year ending August 31, 2023;
- Net profit increased by 41.5% Y-o-Y to AED 117.3M driven by enrolment growth (+35.9% Y-o-Y), operational efficiencies, and higher net finance income from undeployed IPO proceeds placed into fixed term high interest deposit facilities and early repayment of some bank borrowings;
- Record-breaking student enrolment of 28,490, up 35.9% y-o-y growth;
- Premium school capacity utilization increased by +7.7% y-o-y to 75.4%, with overall utilization now at 75.4%;
- Taaleem's Government Partnership's portfolio saw the addition of eight new government schools during the year;

Dubai, United Arab Emirates, October 3,2023: Taaleem Holdings PJSC **("Taaleem"** or **"the Company")**, a leading K-12 premium education provider in the UAE with a portfolio consisting of 26 schools and listed on the Dubai Financial Markets (**"DFM"**) (SYMBOL: **TAALEEM; ISIN: AEE01136T220**), today announced its financial results for the full year ending **August 31, 2023.**

Enrolments**	Revenue	EBITDA	Net Profit
28,490 Student **+35.9% Y-o-Y**	**AED 804.1 M** **+29.0% Y-o-Y**	**AED 205.1 M** **+18.8% Y-o-Y**	**AED 117.3M** **+41.5% Y-o-Y**
K-12 Students Premium Schools**	**No. of Premium Schools****	**No. of Government Schools****	**Students/Teacher Ratio****
12,712 **(75.4% utilization)**	**10 schools** **3 curricula**	**16 schools** **+8 New schools** **(93.3% utilization)**	**13.4** **+3.9% Y-o-Y**

**2022/23 Academic year

"In the world of education, every day is an opportunity to inspire, empower, and shape futures"

Khalid Al Tayer, Chairman of Taaleem, commented:

"I'm immensely proud of Taaleem's achievements this year, reflecting our dedication to provide quality education at an affordable price and our investment in people, programs, and facilities, guided by our 5-Year growth strategy. Our management team has exceeded budget expectations, ensuring a highly successful year, and I also extend my gratitude to our Board members and shareholders for their support. With a positive outlook for the UAE and significant enrolment growth across our portfolio supporting our expansion strategy, I am confident that our passionate team will continue driving Taaleem's success in shaping regional education."

*Dividend per Share recommended by the Board of Directors, to be ratified by the Shareholders at the AGM (from AED 0.09 per share, total amount AED 67.5M to AED 0.11 per share, i.e. +22.2%, total amount AED 110M)

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"Achieving excellence, soaring towards a brighter educational future"

Alan Williamson, Chief Executive Officer of Taaleem, commented:

"I'm thrilled to share our outstanding financial performance for full year 2023. We've achieved an impressive 29.0% y-o-y revenue growth and a robust 18.8% y-o-y increase in EBITDA, a clear testament to our unwavering commitment to excellence. Our record-breaking student enrollment of 28,490, nearly 8% increase in premium school utilization and award of eight new government schools, also illustrates our success in providing quality education across the UAE. Looking ahead, our 5-Year strategy remains firmly on track, with the highly anticipated openings of DBS Jumeira in September 2024 and DBS Mira in September 2025, both already seeing significant demand in waiting lists. Our plans for two further locations are progressing well and we look forward to making an announcement in the near term."

Operational Highlights

Student Base

Student Base	**4Q22**	**4Q23**	**% Y-o-Y**
Number of Premium Schools	10	10	-
Number of Government Partnerships	8	16	+100.0%
Enrolled Students	20,961	28,490	+35.9%

Student enrollment across Taaleem's schools saw exceptionally strong growth of 35.9% during 4Q23 compared to the same quarter in the previous year. This expansion was underpinned by a substantial double Y-o-Y increase in the number of new schools added under the government partnership schools to Taaleem's portfolio when compared to the same quarter of the previous year. Taaleem was awarded eight new government partnership schools, including one school under the Dubai Schools agreement, four schools under the New ESE contract and three schools as part of the Charter Schools programs in Abu Dhabi. These achievements reaffirm Taaleem's standing as a preferred education provider, aligned with the UAE's educational vision and goals. Additionally, Taaleem also accomplished the successful acquisition and operation of Jebel Ali School (JAS).

Gap Reduction

Program	**Premium schools Asset-Utilization**				**Government Partnerships-Scaling up the Business**			
Students numbers	**2021/22**	**2022/23**	**Dif.**	**Y-o-Y Change**	**2021/22**	**2022/23**	**Dif.**	**Y-o-Y Change**
Physical Capacity	16,856	16,856	-	-	11,335	16,916	5,581	49.2%
Average Enrollment	11,414	12,712	1,298	11.4%	9,547	15,778	6,231	65.3%
Gap Calculations	5,442	4,144	-1,298	**-23.9%**	1,788	1,138	-650	**-36.4%**

During FY2022/23, Taaleem has further enhanced capacity utilization across its premium school vertical, which stood at c.75.4% as of 31 August 2023, compared to c.67.7% in the 2021/22 academic year. Capacity utilization growth was driven by an additional 1,298 enrolled students across Taaleem's premium schools, bringing the total number of enrolled students in the premium segment to 12,712 compared to 11,414 in the previous year. The rise in Taaleem's student base helped drive Taaleem's 29.0% Year-on-Year revenue growth and 18.8% Year-on-Year EBITDA growth through increased asset utilization and economies of scale.

As a result of being awarded eight new government partnership schools, students in this segment increased to 15,778 students compared to 9,547 students in the same period last year. The government partnerships segment allows Taaleem to not only diversify its revenue streams through a steady flow of management fees, but also generates significant value at highly attractive margins, as the government carries the bulk of the costs associated with these schools, leaving Taaleem well-positioned to further maximize overall efficiency and resource utilization across its portfolio of schools and unlock increased value for shareholders.

Strategic Progress

Operationally, Taaleem made excellent operational progress in delivering on its 5-year strategy during FY 2023. Premium school utilization increased by 7.7%, the Company added eight new government partnership schools and the new Dubai British School Jumeirah, with a capacity of 1,900 students, has begun construction and is scheduled to open in September 2024. Taaleem has also announced plans to begin construction on a fourth Dubai British School - Dubai British School Mira, which will be completed in 2025. These infrastructure investments will allow Taaleem to capitalise on high demand for its education services, putting it in a strong position to continue its growth trajectory. Furthermore, average tuition fee increases of 2.8% were implemented for the 2023-2024 academic year enabling Taaleem to continue to drive high quality education across its premium schools.

Additionally, Taaleem's commitment to sustainability and responsible practices is evident through its Environmental, Social, and Governance (ESG) program. This initiative aims to minimize environmental impact, enhance inclusivity and student well-being, and uphold ethical governance. Through its ESG Initiatives, Taaleem seeks to positively impact the environment, society, and its organizational integrity, fostering a comprehensive and responsible educational ethos.

Financial Highlights

Revenue

Consolidated revenue for the Full Year ended August 31, 2023, increased 29.0% Y-o-Y to AED 804.1 million. On a comparable basis, excluding recent acquisitions and the new schools, revenue increased a solid 14.2% Y-o-Y to AED 701.8 million, demonstrating the strength of Taaleem's existing operations. Including acquisitions and new schools, the increase was underpinned by a 35.9% Y-o-Y rise in enrolments to 28,490 students for the 2022/23 academic year. Revenue for the period was also supported by the ramp-up of existing schools as well as the the addition of new schools to Taaleem's portfolio. Parallel to this, Taaleem's premium schools saw an improvement in utilization, with the capacity-enrolment gap narrowing by 23.9% Y-o-Y at year end.

AED million	2021/22	2022/23	Y-o-Y Change
Revenue	623.3	804.1	29.0%

Earnings before interest, taxes, depreciation and amortization (EBITDA)

Taaleem's EBITDA grew by 18.8% Y-o-Y to AED 205.1 million, driven by the impact of higher enrolments and continued focus on operational efficiency.

AED million	2021/22	2022/23	Y-o-Y Change
EBITDA	172.7	205.1	18.8%
EBITDA Margin %	27.7%	25.5%	-2.2%

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With reference to the table above and on a comparable basis, Taaleem's EBITDA margin improved by 0.3% from 28.1% in the previous year to 28.4% this year. The comparable basis excludes Jebel Ali School, Dubai Schools Nad al Sheba, Emirates Schools Establishment and New Projects (two new Dubai British Schools) and one-off items.

Net Profit

Net profit climbed 41.5% Y-o-Y to AED 117.3 million, with margins firming to 14.6%, up from 13.3% last year, and parallel to this, earnings per share increased by 13.8% Y-o-Y in the 2022/23 academic year.

AED million	2021/22	2022/23	Y-o-Y Change
Net Profit	82.9	117.4	41.5%
Net Profit Margin %	13.3%	14.6%	1.3%

With reference to the table above and on a comparable basis, Taaleem's net profit margin improved by 1.7% from 15.6% in the previous year to 17.3% this year. The comparable basis excludes Jebel Ali School, Dubai Schools Nad al Sheba, Emirates Schools Establishment and New Projects (two new Dubai British Schools) and one-off items.

Balance Sheet Strength

With the infusion of IPO proceeds and careful financial management, Taaleem's robust earnings growth has generated substantial cash reserves. As a result , net debt, has moved from AED 104.4 million at end of FY2021/22 to a negative AED 648.2 million by August 31, 2023, even after accounting for capital expenditures.

This positive shift primarily stems from the company's exceptionally strong cash position, which outpaces its outstanding bank borrowings. The decrease in bank borrowings by AED 305.2 million is a result of early debt repayment, strategically undertaken to mitigate high interest rates, and at no additional cost for early repayment. This move was partially offset by new debt raised to fund developmental projects .

At 31 August 2023, Adjusted Net Debt was AED 73.7 million, excluding the IPO proceeds deposit. This marks a significant reduction from AED 104.4 million in August 2022. Notably, the debt-to-equity ratio witnessed a remarkable enhancement, declining from 35.6% to 1.6%.

Strategically, the company is focused on appropriate M&A transactions and continues to execute its greenfield strategy using a portion of the IPO proceeds, aligning its capital structure with its objectives. With this robust cash position, Taaleem possesses substantial funding to sustain investments including any M&A on the table to effectively implement its growth strategy.

AED million	2021/22	2022/23	Variance	Y-o-Y Change
Total debt (A)	332.4	27.2	-305.2	-91.8%
Deposits (Wakala/ Sukuk)	-	475.1	475.1	-
Cash & Cash Equivalents	243.2	227.5	-15.6	-6.4%
TOTAL DEPOSITS, CASH & CASH EQUIVALENTS (B)	243.2	702.7	459.5	**189.0%**
Restricted Cash* (C)	15.2	27.3	12.1	79.9%
Net debt (A-B+C)	104.4	-648.2	-752.6	-720.7%
Debt to Equity Ratio	35.6%	1.6%	-34.0%	N/A
Adjusted Net Debt (A – IPO Proceeds balance + C)	**104.4**	**73.7**	**-30.7**	**-29.4%**

*Restricted Cash relates to cash held by the Group on behalf of the Government for the purposes of managing the Charter Schools operations (ADEK and ESE) and are not available for use

Delivering on our growth strategy

In the coming quarters, Taaleem will continue to focus on further delivering its 5-Year Strategy which includes closing the capacity gap utilisation in its Premium portfolio, ramping up new schools, developing four new greenfield schools across the UAE and assessing suitable opportunities in the market that align with Taaleem's strict financial and education goals. Key short term milestones include the completion of the construction of DBS Jumeira that will open in September 2024, and the upcoming launch of the construction of the Company's fourth 'Dubai British School', planned to open in September 2025. In addition, Taaleem also announced a 2.1% weighted average tuition fee increase in its Premium Schools for FY 2023/24 , enabling it to further enhance the delivery of high-quality education services.

-Ends-

About Taaleem Holdings

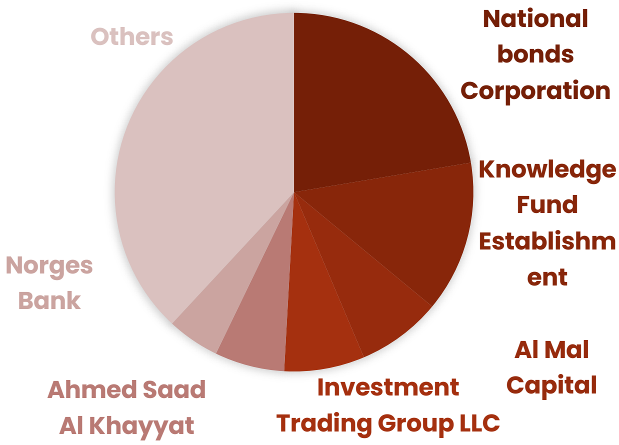
Taaleem **(DFM: TAALEEM)** is one of the largest K-12 Premium education providers in the UAE with a portfolio consisting of 26 schools, comprising 10 owned and operated Premium private schools, including one private Early-Years facility (offering nursery to Foundation Stage Two UK education), and 16 government partnership schools operated on behalf of government entities. The Group has a student base of +28,490 students and the best teaching staff from all across the world.

Full-Year 2023 Earnings Call

Taaleem will host its Full Year 2022/23 earning call at 3:00 p.m. Dubai's time on Thursday, October 5th, 2023, which will be available via live streaming . Please click here to register for the event.

Shareholders Structure

SHAREHOLDERS	PERCENTAGE
National bonds Corporation	22.4%
Knowledge Fund Establishment	13.6%
Al Mal Capital	7.5%
Investment Trading Group LLC	7.2%
Ahmed Saad Al Khayyat	6.2%
Norges Bank	4.7%
Others	38.3%



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