

February 2022



INVESTOR PRESENTATION

“Our Current Focus”

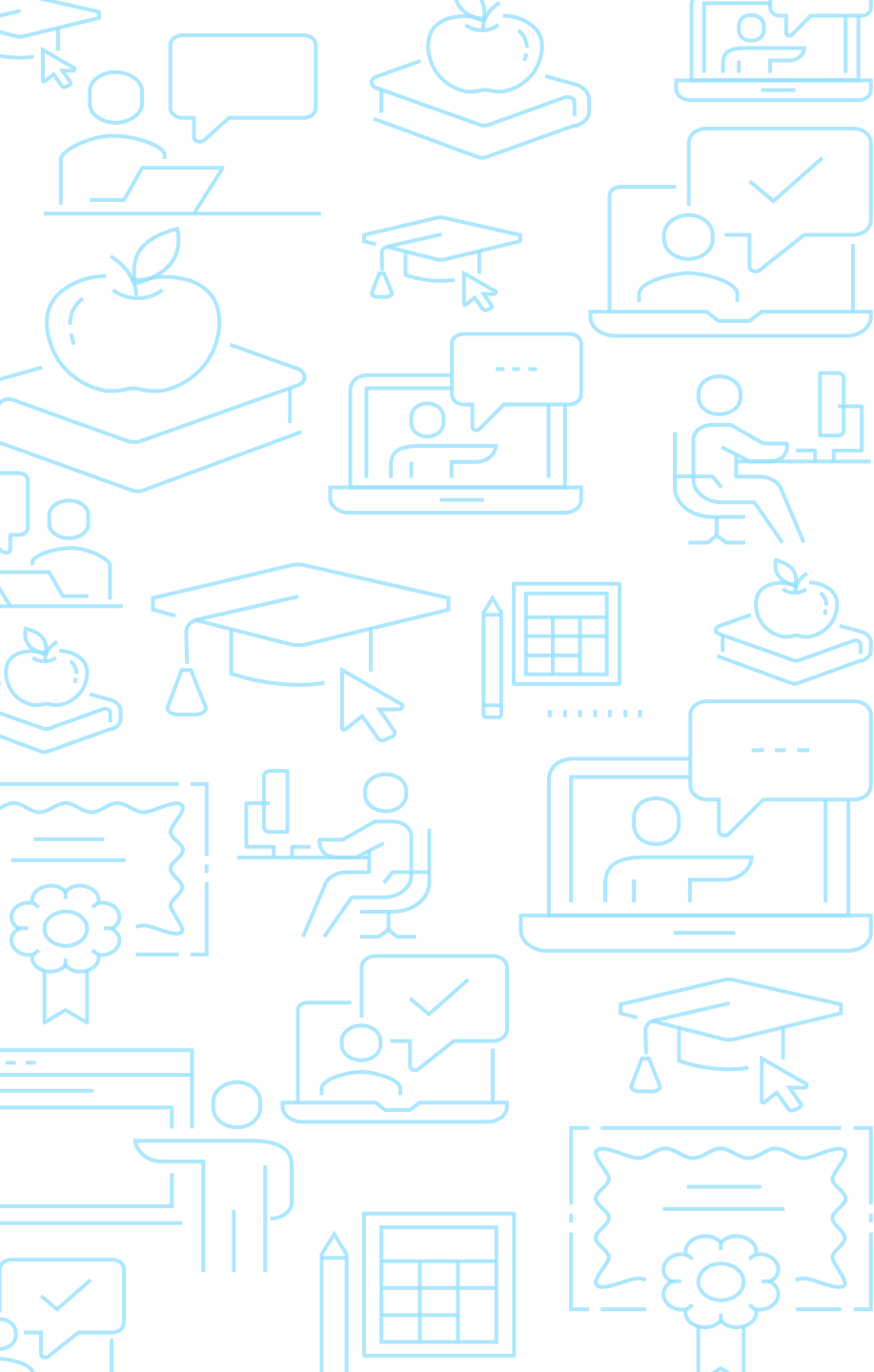


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Disclaimer

Certain information set forth in this presentation contains “forward-looking information.” These forward-looking information are based on current expectations and assumptions that are subject to changes without notice. None of the future projections, expectations, estimates, or prospects expressed in this document should be taken as forecasts or promises. Such forward-looking statements are subject to known and unknown risks, uncertainties, and other important factors, which may cause the Company’s actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.



ABOUT TAALEEM

Taaleem is Egypt's Leading Pure-Play Higher Education Management Services Platform

Taaleem's platform-based business model encompasses three operational pillars that ensure sustainable scalability

I. Academic Quality

Providing accessible, high-quality tertiary education that equips students with the skills needed for a thriving professional career

- Best-in-Class Didactic Practice
- State-of-the-Art Facilities
- Exclusive International Partnerships
- Top-Tier Instructors
- Low Student/Teacher Ratio
- Continuous Rollout of New Faculties
- 77% of Graduates Employed within 6 Month

II. Student Experience

Taaleem provides enhanced student development activities that complement and maximize value from the academic experience

- Student Affairs
- Academic Advisory
- Student Clubs & Committees
- Advisory Team
- Theater
- Sporting Events
- University TV
- Student Unions
- Students Radio Broadcast
- On-Campus Dorms

III. Support/Enabling Functions

Full range of value-adding functions enabling Taaleem to replicate its model across underserved geographies

Supporting

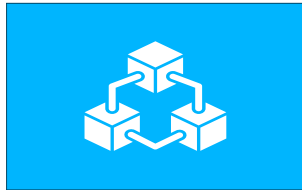
- Finance
- Security
- Service
- Human Resources
- Legal
- Government Relations

Enabling

- Procurement
- Marketing & PR
- IT
- Project Management
- Engineering & Maintenance
- Quality Control
- HSE & Safety

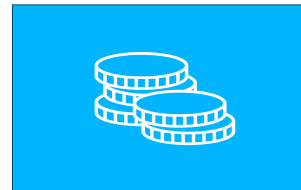
The implementation of a platform-based business model offers multiple benefits...

Synergy Extraction



Shared services channels enable revenue-level synergies

Cost Efficiencies



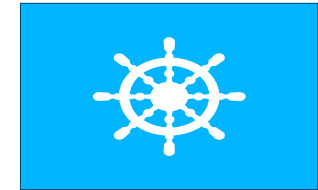
Operational optimization of integrated platform asset enables extraction of cost efficiencies

Quality Control



Close monitoring of each asset allowing efficient execution on strategic objectives, growth and financing initiatives.


Control/Optimization



Drive strategy/operations through strong specialized management at platform level, enabling cross-asset partnerships and optimized models







Taaleem – Egypt’s Leading Higher Education Platform...

Our Assets - Best Value Offerings in Diversified Geographic Locations



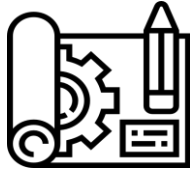





NUB
NAHDA UNIVERSITY
BENI-SUEF
جامعة النهضة - بنى سويف

Upper Egypt’s First and Largest Private University

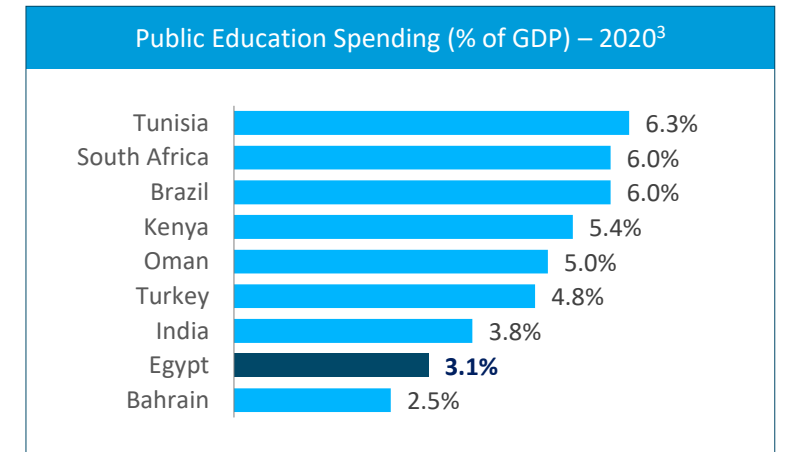
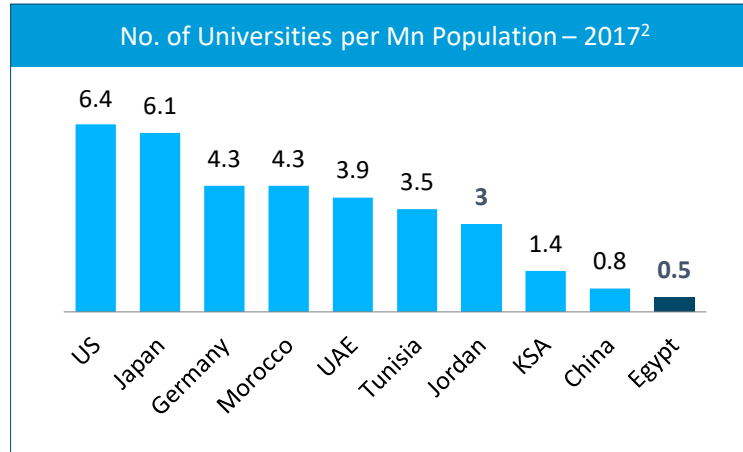
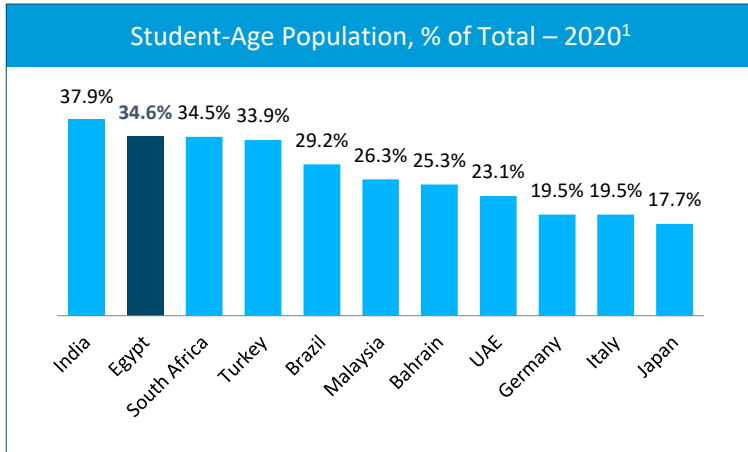
 <p style="background-color: #e0e0e0; padding: 5px; margin-top: 5px;">8 Operating Faculties 10 Licensed Faculties</p>	 <p style="background-color: #e0e0e0; padding: 5px; margin-top: 5px;">100% owned by Taaleem</p>	 <p style="background-color: #e0e0e0; padding: 5px; margin-top: 5px;">190K SQM in Beni-Suef</p>
 <p style="background-color: #e0e0e0; padding: 5px; margin-top: 5px;">11,350 Student Capacity</p>	 <p style="background-color: #e0e0e0; padding: 5px; margin-top: 5px;">Two new faculties & university hospital under construction</p>	 <p style="background-color: #e0e0e0; padding: 5px; margin-top: 5px;">Academic partnerships with MUVI & NKU</p>

Badyā

Top Tier Private University

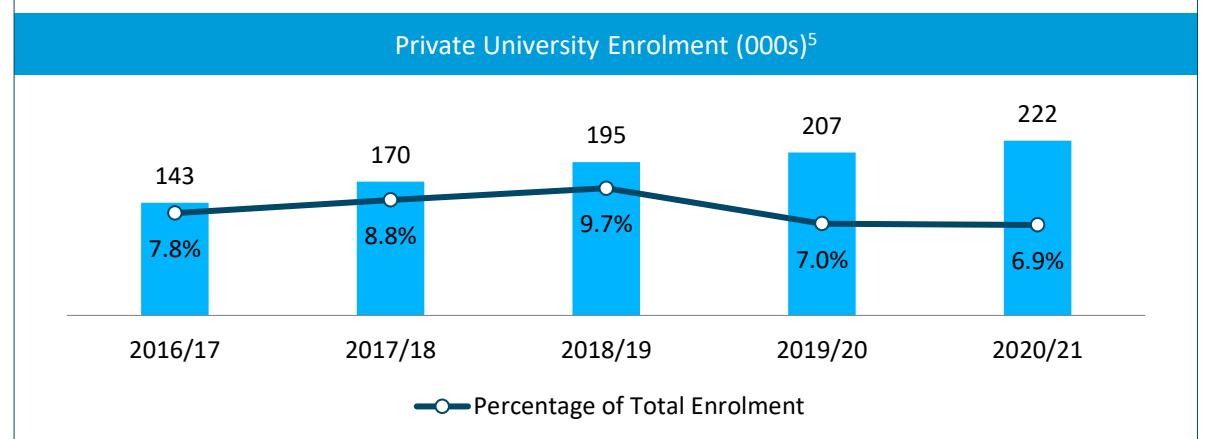
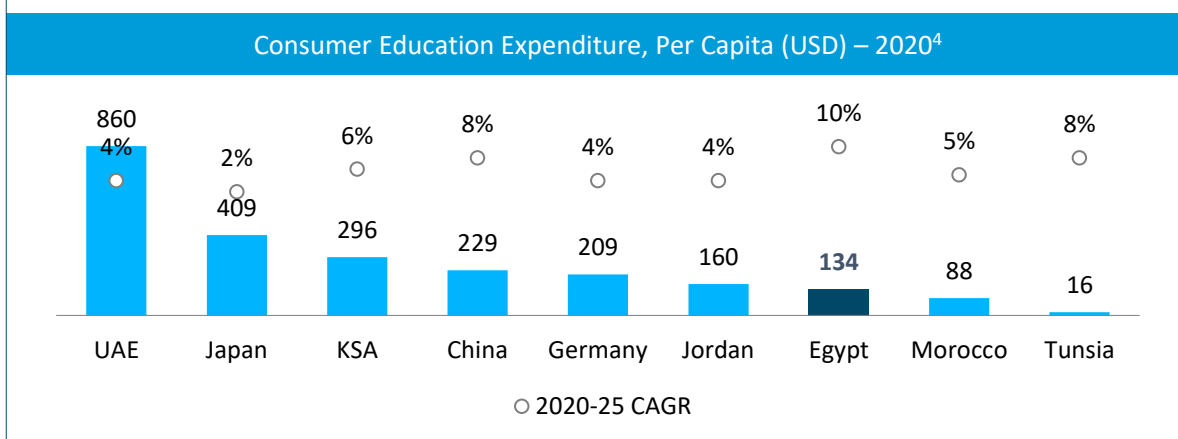
 <p style="background-color: #e0e0e0; padding: 5px; margin-top: 5px;">Currently Under development – Planned to operate in 2023/24</p>	 <p style="background-color: #e0e0e0; padding: 5px; margin-top: 5px;">60% owned by Taaleem 40% owned by Palm Hills</p>	 <p style="background-color: #e0e0e0; padding: 5px; margin-top: 5px;">167K SQM in West Cairo</p>
 <p style="background-color: #e0e0e0; padding: 5px; margin-top: 5px;">10,710 Planned Student Capacity</p>	 <p style="background-color: #e0e0e0; padding: 5px; margin-top: 5px;">8 Planned Faculties</p>	 <p style="background-color: #e0e0e0; padding: 5px; margin-top: 5px;">TO BE ANNOUNCED</p> <p style="background-color: #e0e0e0; padding: 5px; margin-top: 5px;">Academic partnership with one of top 120 EU universities</p>

... Operating in an Underpenetrated Education Market...



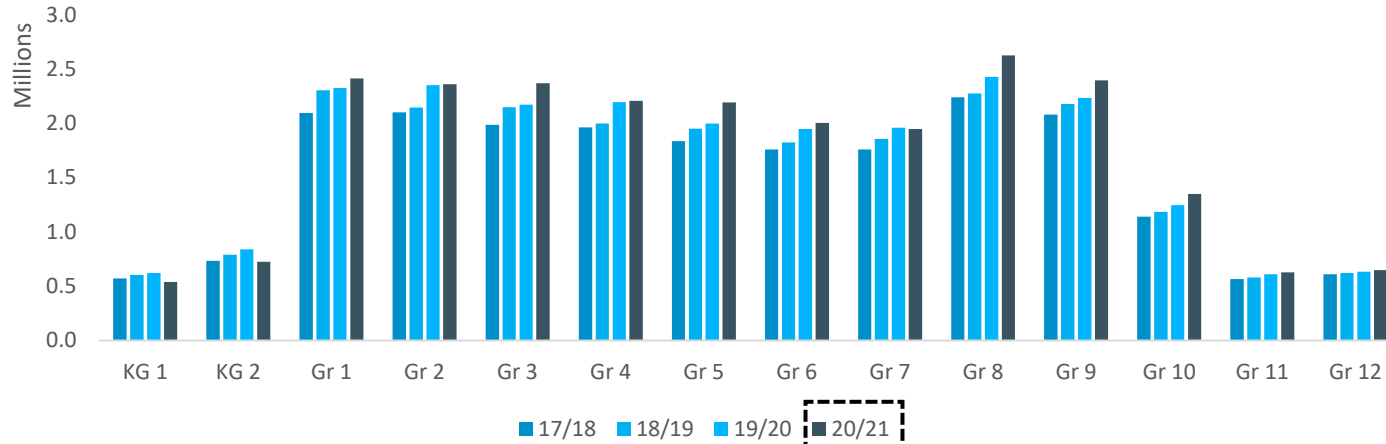
Egypt's population is the largest in the MENA region and continues to grow rapidly, driving increased demand for higher education, with significant room for growth and increased dependence on the private sector...

Relatively low university penetration and education expenditures combine with favorable demographics to spur rapid growth in higher education... with growing enrolment at private institutions...

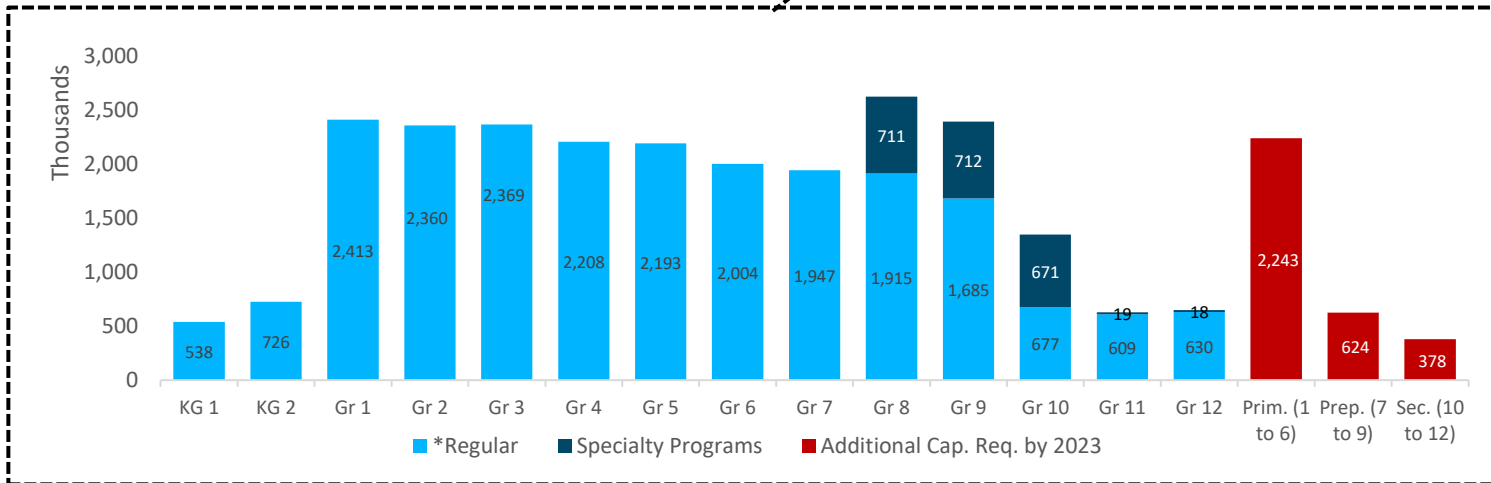


1. UN 2. World Higher Education Database 3. World Bank v 4. Euromonitor. 5. CAPMAS.

...Supported By Significant Numbers Of High School Graduates Expected In The Next Few Years



2020/21 in Focus



Egypt Education Landscape

- Significant future student volumes graduating vs. recent history, even when taking into account dropouts.
- With positive growth exhibited y-o-y, the trend is expected to continue and additional capacity will be needed for these students.
- With this rising demand for school seats, future demand for university seats is also expected to rise in the next 2-3 years given:
 - (i) an increase in tertiary aged population¹
 - (ii) a continual improvement in HE participation rate
- But given high utilization rates in public universities (92% in 2021/22)² along with budgetary caution on capital expenditure, the additional students entering the fold will not find places in public universities.

Signalling the need for private players to meet the supply gap created by the overburdened and operationally inefficient public universities.

Source: MoHE, CAPMAS, pwc - ¹ Tertiary Aged Population are aged 18-22 - ² Excludes institutes

The background is a light blue color with a repeating pattern of white line-art icons. These icons include a graduation cap, an apple, a laptop with a person and a checkmark, a pencil, a calendar, a diploma with a flower, a person sitting at a desk, a speech bubble, and a computer monitor. The icons are scattered across the entire background.

Sector Highlights

Academic Year 2021/2022 Enrollment, a system glitch (I/III)

High School Grades

The Ministry of Education (MoE) changed the high school testing system, dramatically affecting the student base's grade structure, which shifted down by around 20 percentage points. The Ministry of Higher Education (MoHE) did not assess the full magnitude of the development and was unable to adjust the minimum acceptance grades for private universities proportionately, resulting in a significant decrease in the student pool eligible for enrollment as clarified below:

Grade	2020	2021	Grade	2020 Cumulative	2021 Cumulative
>100%	1,000	-	>=100%	1,000	-
95% - 100%	96,000	204	>=95%	97,000	204
90% - 95%	98,000	18,929	>=90%	195,000	19,133
85% - 90%	90,000	31,119	>=85%	285,000	50,252
80% - 85%	78,000	41,284	>=80%	363,000	91,536
75% - 80%	66,000	56,668	>=75%	429,000	148,204
70% - 75%	52,000	67,461	>=70%	481,000	215,665
65% - 70%	37,000	82,685	>=65%	518,000	298,350
60% - 65%	22,000	84,645	>=60%	540,000	382,995
55% - 60%	11,000	86,903	>=55%	551,000	469,898
50% - 55%	4,000	68,401	>=50%	555,000	538,299
Total	555,000	538,299			

** The above numbers are based on market intelligence; actual numbers may vary.*

Academic Year 2021/2022 Enrollment, a system glitch (II/III)

MoHE Reaction to the New Grades Structure

The below table illustrates the unproportionate changes in the minimum acceptance grades for private and Ahleya universities, which caused the pool of students eligible for higher education to dry out.

Faculties	Academic Year 20/21		Academic Year 21/22	
	Private	Ahleya	Private	Ahleya
Medicine	95%	90%	85%	82% (80% for KSIU*)
Dentistry	90%	85%	82%	79% (77% for KSIU)
Pharmacy	90%	85%	80%	78% (76% for KSIU)
Physiotherapy	90%	85%	80%	78% (76% for KSIU)
Engineering	80%	75%	70%	65% (63% for KSIU)
Computer Science	70%	65%	65%	62% (60% for KSIU)
Business	60%	55%	58%	55% (55% for KSIU)
Media	60%	55%	59%	55% (55% for KSIU)

*King Salman International University, Ahleya university in Sinai

Academic Year 2021/2022 Enrollment, a system glitch (III/III)

Corrective Actions

48%
Unutilized Seats

The miscalculated minimum acceptance grades resulted in 23,000 unutilized seats out of a total of 48,000 in private and Ahleya universities for the academic year 2021/22.

The SCPU realized the shortcomings of 2021/22 enrollment and approved the following corrective actions* for the next academic year:



Assuring that the minimum acceptance grade will be set to maintain the number of students required to utilize the capacities of the private universities, after accounting for affordability and students joining public universities. In case the student pool turns out to be insufficient during the enrollment window, minimum grades will be decreased further until private universities capacities are utilized.

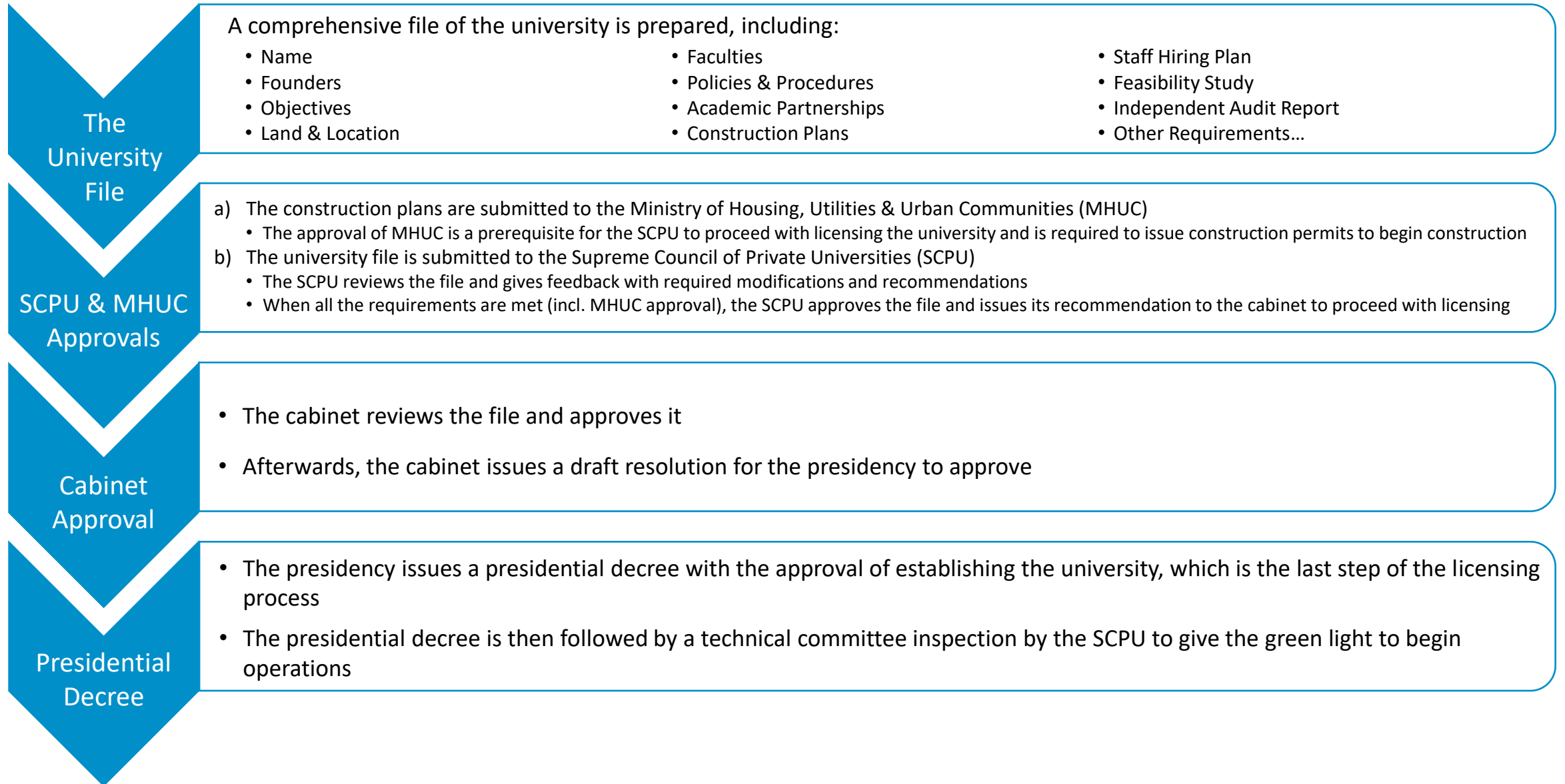


Compensating each university for the difference between its historical utilization and the current year intake by allocating over-quota students over the coming two years



Studying an enrollment system for private and Ahleya universities that will enable the implementation of the aforementioned points

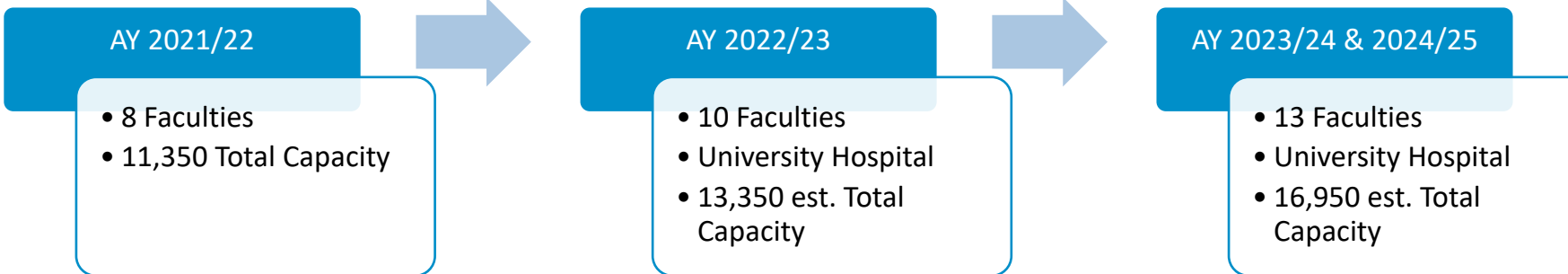
Licensing Process of Private Universities, explained




The background is a light blue color with a repeating pattern of white line-art icons. These icons represent various educational and professional concepts, such as a graduation cap, a laptop with a person and a checkmark, an apple, a pencil, a calendar, a person sitting at a desk, a diploma with a flower, a person pointing at a screen, and a person at a computer. In the center of the image, there is a white rectangular box with a thick blue border. Inside this box, the text "Growth Avenues" is written in a bold, dark blue, sans-serif font.

Growth Avenues

Growth Avenues - NUB






Medicine & Physiotherapy

- Launched in 2020 and 2021, medicine and physiotherapy faculties still have two and three years of ramping up, respectively
- New intake quota of 400 students for each of the two faculties


2000 Students



Three New Faculties

- New faculties are planned to be established on NUB's new extension over the 110K sqm land acquired by Taaleem in 2020 to host Arts & Architecture, University Hospital, and 3 additional faculties.
- Currently, Taaleem's management is studying the market needs to stand on which new faculties to establish.


3.6K est. Capacity



Arts & Architecture

- Received presidential decree in Feb 2022
- Currently under-construction with EGP 90mn of internally financed CapEx
- Planned to launch in September 2022 (AY22/23)
- Expected New intake quota of 200 students for each of the two faculties

2000 Students

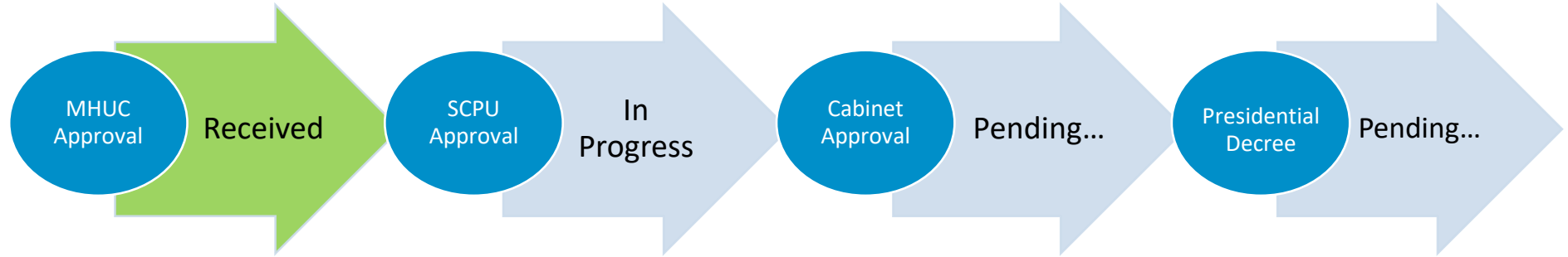


University Hospital


- Currently under-construction with EGP 300mn of internally financed CapEx
- Total capacity of 164 beds
- First phase planned to launch in September 2022
- Includes a commercial section, up to 70% of capacity
- Management agreement with one of the top medical groups to be announced soon

Growth Avenues - Badya

Badyã




Faculty/Facility	Planned Capacity	Planned Launch Date
Medicine	2,000	Phase 1 AY23/24
Physiotherapy	2,000	Phase 1 AY23/24
University Hospital	TBA	Phase 1 AY23/24
Engineering	2,000	Phase 2 AY24/25
Computer Science	1,200	Phase 2 AY24/25
Business & Economics	1,000	Phase 2 AY24/25
Fine Arts	1,250	Phase 2 AY24/25
Dentistry	1,260	Phase 3 AY25/26
Additional Faculty (TBA)	TBA	Phase 3 AY25/26



Investment

- The planned CapEx for the university is EGP 2.2bn (with an 8% inflation estimate, actual numbers may vary)
- Financing will be through 60% equity & 40% debt
- Debt will be on the joint venture level, with offers from 9 different banks to finance the project



Pricing

- Badya is to be positioned as a top tier university, and its tuition price points will be with a premium over those of NUB

Growth Avenues – M&A

Taaleem is very positive about the sector prospects and believes that this is the right time to focus on growth to fortify its position as Egypt's leading pure-play higher education group.



Taaleem's strategy targets reaching a portfolio of 4 assets with different offerings and price points in diverse geographic locations in the next 3-5 years.



Taaleem is currently studying various M&A opportunities, with a focus on semi-green assets (assets that are not operational but completed part of the licensing process).



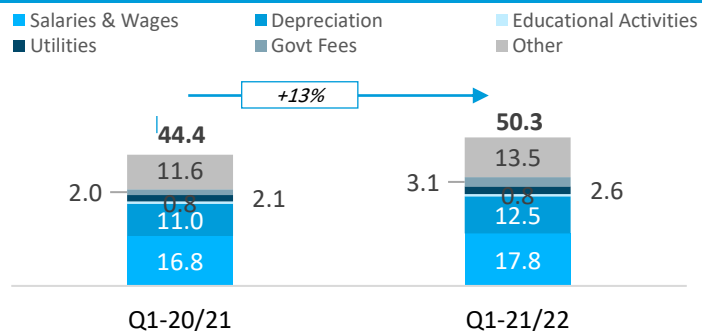
Taaleem intends to finance the potential M&A opportunities through leveraging its unlevered balance sheet to optimize its capital structure and maximize ROE.

The background is a light blue color with a repeating pattern of white line-art icons. These icons include a graduation cap, an apple, a laptop with a person and a checkmark, a pencil, a calendar, a diploma with a flower, a person sitting at a desk, a speech bubble, and a computer monitor. In the center of the page, there is a white rectangular area with a thick blue border.

Appendix

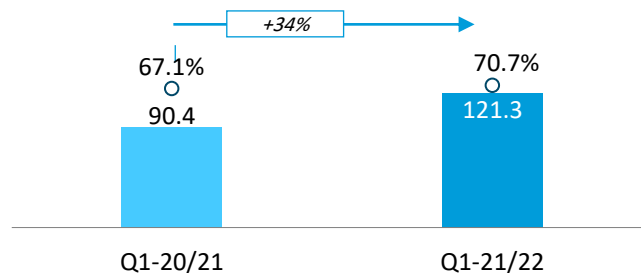
Q1-21/22 Financial Highlights: Operating Leverage and Cost Control

Operating Cost (EGP mn)



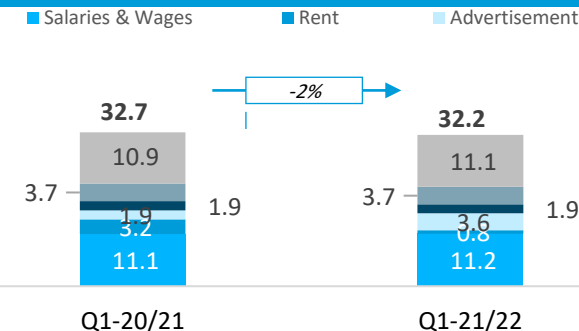
Operating costs grew by 13.3% y-o-y in Q1-21/22. Outlays on salaries and wages rose by a restrained 5.5% y-o-y, reflecting optimization of NUB's teaching staff costs. Excluding depreciation and amortization expenses, the y-o-y increase in operating costs falls to 5.9%, reflecting Taaleem's ability to generate savings and efficiencies on variable costs.

Gross Profit (EGP mn, %)



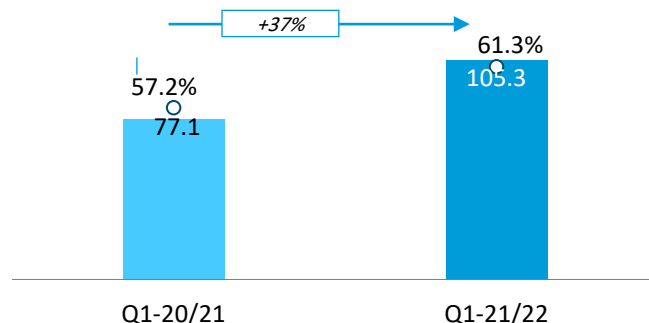
Gross profit rose by 34.2% y-o-y in Q1-21/22, Taaleem's successful implementation of cost control plans, which have allowed it to efficiently translate given increments of top-line growth into increased gross profitability. The GPM rose by 3.6 percentage points during the year.

G&A Expenses (EGP mn)



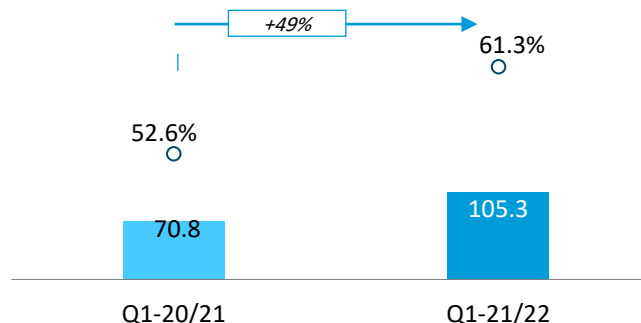
G&A expenses decreased by 1.6% y-o-y in Q1-21/22. It should be noted that rent outlays previously booked under G&A expenses have been reclassified and have been treated as amortization and interest payments since September 2021. The y-o-y reduction in G&A outlays reflects the success of cost control measures introduced by Taaleem.

EBITDA (EGP mn, %)



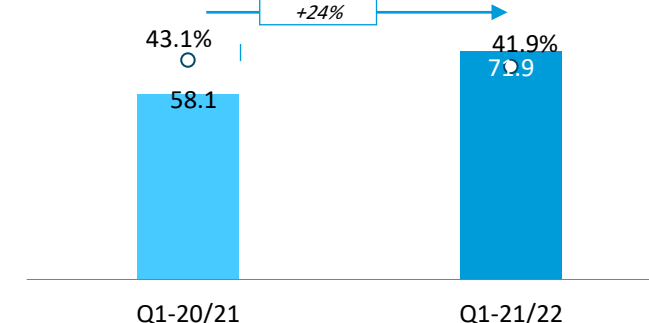
Taaleem's EBITDA rose by 36.5% y-o-y in Q1-21/22, reflecting strong revenue growth and the Company's ability to drive core profitability and control its cost-base, with top-line growth for the period exceeding growth in operating costs and G&A expenses by 20.4 points. Taaleem's EBITDA margin climbed by 4.1 points during the period.

Adjusted EBITDA (EGP mn, %)



Normalizing for nonrecurring items booked during the comparable period, Taaleem's adjusted EBITDA records year-on-year growth of 48.6% for Q1-21/22. Taaleem's EBITDA margin rose by 8.8 percentage points to 61.3% in Q1-21/22 versus the adjusted figure of 52.6% recorded for Q1-20/21.

Net Profit (EGP mn, %)

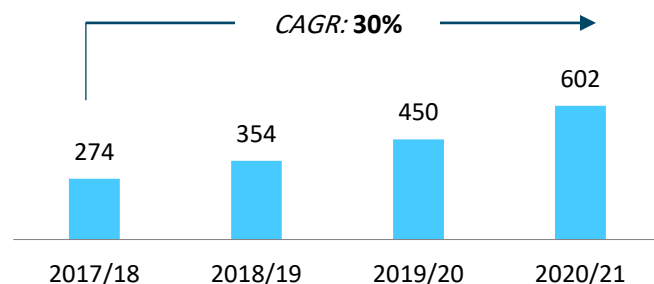


Taaleem achieved double-digit bottom-line growth of 23.7% y-o-y during the period despite an increase of 27.6% in tax expense for Q1-21/22, as well as a decrease of 67.0% y-o-y in net interest income.

* Adjusted EBITDA is defined as operating profit for the period/year before depreciation and amortization charges; legal, advisory, and other expenses incurred in connection with acquisitions and related transaction fees subsequently paid by the Company on behalf of the shareholders; discontinued operations and one-off gains/expenses which are not recurring in the ordinary course of the Company's operations and do not entail further accrual of the same nature or for the same purpose in the future; capital gain or loss resulting from the sale of fixed assets; and on-off expenses in relation to the listing of the Company shares.

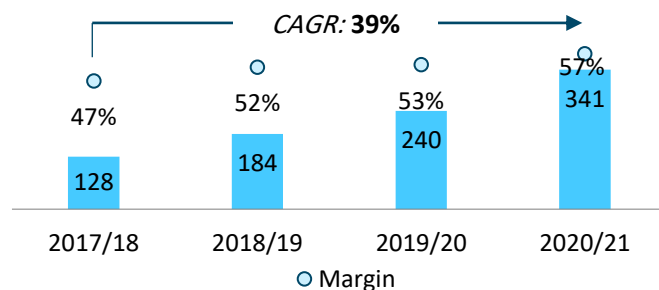
Strong Financial Performance and an Unlevered Balance Sheet

Operating Revenues (EGP mn)



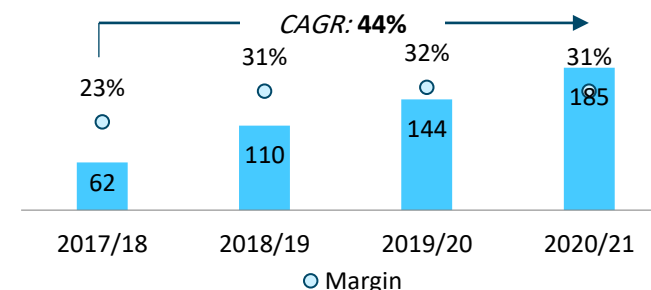
Revenues have exhibited significant growth, as evident in 2017/18-2020/21 CAGR – driven by the launch of NUB medicine faculty, physiotherapy faculty, quota and tuition fee increases.

Adjusted EBITDA*, Margin (EGP mn, %)



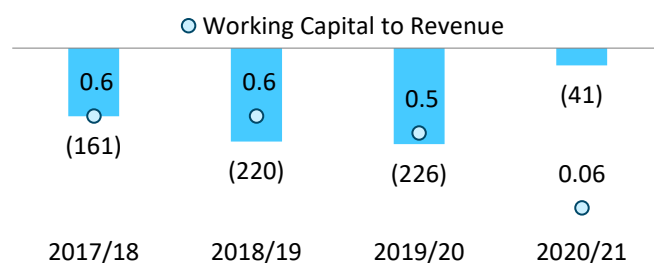
Continuous gains in EBITDA profitability driven by economies of scale and a decline in salaries and utilities as a percentage of revenues.

Net Income, Margin (EGP mn, %)



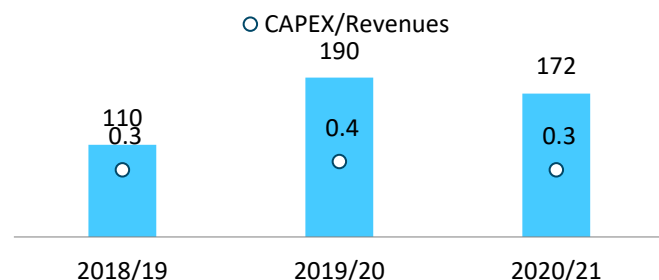
Rapid bottom-line expansion reflects strong business growth and continuous implementation of operational efficiencies.

Working Capital, WC/ Revenues (EGP mn)



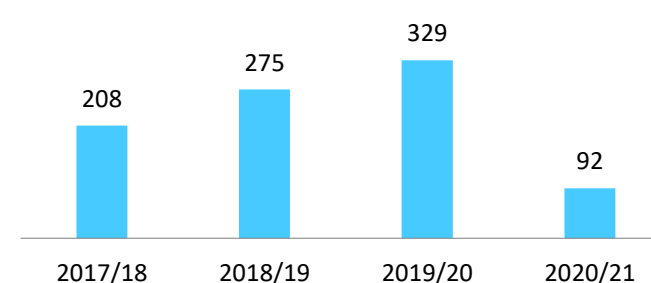
Taaleem has a negative working capital, as tuition is collected prior to the beginning of the semester, resulting in a negative cash conversion cycle (CCC).

CAPEX, CAPEX/Revenues (EGP mn)



Taaleem CAPEX to revenues amounted to 0.3x, 0.4x, and 0.3x in 2018/19A, 2019/20A, and 2020/21A, respectively, reflecting expenditures the introduction of medicine and physiotherapy faculties and the expansion of NUB's campus.

Net Cash (EGP mn)



Taaleem exhibits strong operational cash flow generation on the back of financial and operational efficiencies, yielding a cash-rich model.

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Income Statement

EGP (000)	Q1-2021/22	Q1-2020/21	Change
Operating Revenues:			
<i>Tuition Fees</i>	165,750	129,874	27.6%
<i>Student Housing Subscription</i>	1,602	1,389	15.3%
<i>Bus Subscription</i>	28	79	-64.2%
<i>Other Educational Fees</i>	4,280	3,454	23.9%
Total	171,659	134,796	27.3%
Operating Costs	(50,315)	(44,396)	13.3%
Gross Profit	121,345	90,400	34.2%
<i>Gross Profit Margin</i>	70.7%	67.1%	3.6%
G&A Expenses	(32,174)	(32,713)	-1.6%
Provision	-	-	-
Other Income	912	8,123	-88.8%
Operating Profit	90,083	65,810	36.9%
<i>Operating Profit Margin</i>	52.5%	48.8%	3.7%
Net Finance Income:			
Interest Income	5,325	9,597	-44.5%
Interest Expense	(2,116)	-	-
FX Gain (Loss)	(30)	21	-
Total	3,179	9,618	-67.0%
Profit Before Tax	93,262	75,428	23.6%
Current Tax Expense	(21,878)	(17,146)	27.6%
Deferred Tax (Expense)/Income	495	(166)	-
Net Profit	71,878	58,116	23.7%
<i>Net Profit Margin</i>	41.9%	43.1%	-1.2%
EPS	0.08	0.76	

Balance Sheet

EGP (000)	Q1-2021/22	Q1-2020/21	Change
Cash and Cash Equivalents	50,916	109,126	-53.3%
Inventories	5,420	5,023	7.9%
Trade and Other Receivables	78,333	28,606	173.8%
Due from Related	0.6	-	-
Treasury Bills	203,163	252,629	-19.6%
Total Current Assets	337,833	395,383	-14.6%
Property and Equipment	770,353	661,620	16.4%
Right to Use	44,713	-	-
Intangible Assets	522,067	522,275	-
Trade and Other Receivables	16,405	16,976	-3.4%
Total Non-Current Assets	1,353,538	1,200,871	12.7%
Total Assets	1,691,371	1,596,254	6.0%
Provisions	5,595	5,624	-0.5%
Trade and Other Payables	94,534	173,768	-45.6%
Deferred Revenue	144,531	186,500	-22.5%
Due to Related Parties	-	-	-
Current Income Tax Liability	77,003	63,194	21.9%
Total Current Liabilities	321,668	429,087	-24.9%
Deferred Tax Liabilities	100,533	100,317	0.2%
Lease Liabilities	47,870	-	-
Trade and Other Payables	27,066	40,599	83.3%
Total Non-Current Liabilities	175,469	140,916	24.1%
Paid-In Capital	730,250	730,250	-
Legal Reserves	3,020	1,495	102.0%
Retained Earnings	449,804	285,320	57.6%
Capital and Reserves	1,183,074	1,017,066	16.3%
Non-Controlling Interests	11,160	9,186	21.5%
Total Equity	1,194,234	1,026,251	16.4%
Total Liabilities and Equity	1,691,371	1,596,254	6.0%

Cash Flow

EGP	Q1-2021/22	Q1-2020/21
Cash Flows from Operating Activities:		
Net Profit Before Tax	93,261,726	75,428,186
Adjustments For:		
Depreciation of Fixed Assets	12,732,436	11,224,929
Amortization of Intangible Assets	51,804	52,039
Provision Formed	-	-
Impairment of Debtors	-	-
Impairment of Due from Related	-	745,000
Interest Income	(5,324,679)	(9,597,148)
Used Provisions	(157,818)	-
Profits Before Changes in Working Capital	100,563,469	77,853,006
Changes in Working Capital		
Inventories	(186,025)	35,829
Prepayments and Other Debit Balances	(4,237,574)	(6,720,311)
Due from Related	-	2,753,964
Trade Payables and Other Credit Payables	(30,760,080)	(24,183,583)
Deferred Revenue	113,304,412	7,500,896
Due to Related	-	(32,880)
Net Cash Flows Generated from Operating Activities	178,684,202	66,804,070
Cash Flows from Investing Activities		
Payments for Purchase of PP&E	(8,685,817)	(21,518,604)
Intangible Assets	-	-
Investments	-	-
Proceeds from Sale of PP&E	-	-
Interest Income	5,324,679	9,597,148
Net Cash Flows Used in Investing Activities	(3,361,138)	(11,921,456)
Cash Flows from Financing Activities		
Capital Increase	-	-
Settlement of Deferred Consideration for the Acquired Subsidiary	-	-
Profit Share Distribution to Employees	(12,670,801)	(7,756,085)
Dividends Distribution	-	-
Lease Liability	3,157,435	-
Tax on Dividends Related to Expected Distribution	-	(4,854,464)
Net Cash Flows Used in Financing Activities	(9,513,366)	(12,610,549)
Net Change in Cash and Cash Equivalents for the Period	165,809,698	32,674,916
Cash and Cash Equivalents at the Beginning of the Period	92,406,659	329,079,801
Impact of Change in EAS	(4,137,542)	-
Cash and Cash Equivalents at the End of the Period	254,078,816	361,554,717