

Taaleem Reports its H1 24/25 Results

Cairo, 15 April 2025, Taaleem Management Services announces its results for the H1 24/25 period ending 28 February 2025.

H1 24/25 Financial Highlights



AY 24/25 Operational Highlights¹



H1 24/25 Key Financial Highlights

- **Total revenue** reached EGP 1,080mn, reflecting a strong 57% year-on-year (YoY) increase.
- **Gross profit** amounted to EGP 820mn, representing a 50% YoY growth and a gross profit margin of 76%, down 344 basis points (bps) YoY.
- **EBITDA** recorded EGP 658mn, achieving a 42% YoY growth with a solid 61% margin.
- **Net income** stood at EGP 487mn, reflecting a 36% YoY increase, with a margin of 45%.
- **Cash & cash equivalents** totaled to EGP 593mn, while total debts stood at EGP 2.3bn, reflecting a net debt position of EGP 1.7bn aligned with Taaleem's growth and capital structure optimization plans.
- **Capital Expenditures** totaled EGP 936mn driven by the remaining CAPEX of phase one of Badya University, phase one of Memphis University, and the expansion of NUB's new faculties and University Hospital in the new campus.

¹ excluding university campuses under construction

Latest Developments

- **On November 3rd, 2024:** Taaleem announced significant enrollment growth for the 2024/25 academic year, with the total student base increasing by 33% to 12,251. This growth has been primarily fueled by Taaleem's medical faculties, which have recorded a remarkable 31% increase in enrollments, currently serving 7,969 students. Notably, the Faculty of Medicine achieved an exceptional 63% rise in enrollments year-on-year, highlighting the increasing demand for quality medical education. This surge not only reflects Taaleem's commitment to excellence in healthcare education but also underscores its pivotal role in meeting the growing needs of the medical sector in Egypt

Mohamed El Rashidi, Taaleem's Managing Director & Chief Executive Officer, commented:

"Our H1 24/25 results reflect a solid and sustained growth trajectory, driven by strong enrollment momentum at both Nahda University in Beni Suef (NUB) and Badya University, alongside efficient cost management. Total revenue reached EGP 1,080mn, marking a notable 57% increase year-over-year. Our EBITDA margin stood at a healthy 61% margin, demonstrating continued operational efficiency, while net profit reached EGP 487mn, representing a solid 45% margin. These results confirm the strength of our platform model and our ability to generate value through scale and performance.

Looking Ahead, NUB continues to solidify its position as a leading provider of medical education in Upper Egypt. We are planning for the full launch of the university hospital next month, marking a significant milestone that will enhance our healthcare education offerings. In parallel, we are working towards the launch of the Faculty of Nursing in the AY25/2026, expanding our medical disciplines and reinforcing NUB's reputation for excellence in the sector.

At Badya University, we are progressing with our multi-phase development plan. Following a strong start in its inaugural academic year, we are now planning to introduce the Faculty of Fine Arts in AY25/2026, pending regulatory approvals. This addition reflects our commitment to fostering a diverse and enriching academic environment that meets evolving student interests and market needs.

Regarding Memphis University, we are excited about the Presidential Decree for its establishment, which aligns with our strategic expansion plans. Construction of the first phase in East Cairo is progressing as scheduled, with the Faculty of Medicine as a key offering, aiming for a potential launch in September 2025, pending SCPU approval.

As we continue to grow, our focus remains clear as we work to deliver high-quality, future-ready education, expand access to learning opportunities across Egypt, and create meaningful impact for our students, partners, and shareholders. With a strong foundation and a clear roadmap for growth, we are well-positioned to drive the future of higher education in Egypt."

H1 24/25 - Income Statement Highlights

EGP mn	H1 2024	H1 2025	Δ % YoY
Revenue	690	1,080	57%
Operating Costs	(113)	(224)	98%
Gross Profit	577	856	48%
Gross Profit Margin	84%	79%	(434 bps)
G&A Expenses	(113)	(188)	67%
Other income	3	6	70%
EBITDA	463	658	42%
EBITDA Margin	67%	61%	(612 bps)
Adjusted EBITDA	467	674	44%
Adjusted EBITDA Margin	68%	62%	(524 bps)
Net Non-recurring Items (ESOP & Sale of Assets)	(4)	(16)	300%
Depreciation & Amortization	(31)	(38)	25%
Net Finance Income/(Cost)	33	31	-6%
Tax Expense	(107)	(164)	53%
Net Profit	358	487	36%
Net Profit Margin	52%	45%	(678 bps)

- **Total revenue** reached EGP 1,080mn, marking a strong 57% year-on-year increase. This performance was fueled by the start of the academic year with a 33% year-on-year increase in the total student body and a 13.6% rise in average revenue per student.
- **Operating cost** for the period recorded EGP 261mn, up by 83% YoY with a COGS/Sales ratio of 24%, up from 21% during the preceding year, primarily due to setting the Badya university operating platform and cost structure. The increase is mainly attributed to the rise in educational expenses of 172% YoY, driven by the increase in the number of students, the introduction of UTMB partnership at Badya University, and the FX rate impact on key educational cost items, including laboratory materials and affiliation payments. Additionally, utilities increased by 110%, in line with the operational requirements of the new Badya University campus and NUB's Hospital. Salaries and wages increased by 68%, reflecting an average annual salary rise of 20%, the cost of new hires to accommodate the increase in students at NUB, and the launch of Badya University, while recording a salaries/sales ratio of 9%, higher than the preceding year's 8%.
- **G&A** grew 73% YoY, totaling EGP 205mn. Adjusting for the ESOP expense and other non-recurring items, G&A grew 67% YoY. The increase in G&A is mainly driven by a 77% increase in advertising due to the marketing efforts surrounding the launch of Badya University. This was followed by an increase in professional fees by 92% and a 61% increase in non-academic salaries and wages, reflecting the new hires for both the hospital and Badya University.
- **EBITDA** reached EGP 658mn, growing 42% YoY with a solid 61% margin. underscoring the company's strong operational efficiency and disciplined cost management to maintain its growth trajectory and accommodate the launch of two new universities. Adjusting for ESOP expenses—EGP 15.7mn in H1 2025 and EGP 4.7mn in H1 2024—and EGP 0.7mn in asset sales in H1 2024, adjusted EBITDA grew by 44% year-on-year, with 62% margin.

- **Net income** stood at EGP 487mn, achieving a 36% year-on-year increase and a robust 45% margin.
- **CAPEX** reached EGP 936mn, with 22% allocated to NUB, 69% for Badya University's phase one, and 9% to Memphis University's phase one. During this period, 98% of this investment was directed towards growth initiatives, including Badya University, Phase 1 of Memphis University, NUB University Hospital, and the new Arts building.

H1 24/25 - Balance Sheet Highlights

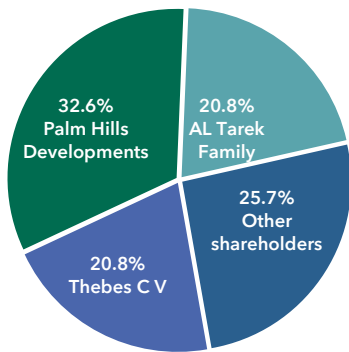
EGP mn	H1 2024	H1 2025	Δ % YoY
Total Assets	5,881	6,982	19%
Current Assets	593	761	28%
Non-current Assets	5,288	6,221	18%
Total Liabilities	3,540	4,062	15%
Current Liabilities	831	973	17%
Non-current Liabilities	2,709	3,089	14%
Total Equity	2,341	2,921	25%
Total Liabilities & Equity	5,881	6,982	19%

H1 24/25 - Cash Flow Highlights

EGP mn	H1 2024	H1 2025	Δ % YoY
Cash Flow from Operations	200	529	165%
Cash Flow from Investing Activities	(806)	(608)	-25%
Cash Flow from Financing Activities	472	237	-50%
Net Changes in Cash & Cash Equivalents During the Period	(135)	159	-218%
Cash & Cash Equivalents at the Beginning of the Period	710	428	-40%
Cash & Cash Equivalents at the End of the Period	575	587	2%

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Shareholder Structure
As of March 27, 2025



Share Information

EGX	TALM.CA
Shares Outstanding	730,250,000
Paid-In Capital (EGP)	730,250,000

About Taaleem Management Services

Established in 2015, Taaleem is the only pure play in the tertiary education sector in Egypt. The Company operates a platform-based model designed to be replicated across its assets, focusing on centralizing its supporting functions, creating synergies, and exploiting economies of scale, which enables the academic units to focus solely on providing high-quality education and rich student experience. Taaleem’s platform-based model demonstrated its ability to create value through its first asset, Nahda University Beni in Suef (NUB), the largest and first private university in Upper Egypt, enabling students from a very populous and under-served region to gain access to high quality education and skill-based learning. Taaleem, in partnership with Palm Hills Developments, has launched Badya University, its new university campus in West Cairo, as the second asset in the Company’s portfolio. Furthermore, Taaleem has completed the licensing for its third asset, Memphis University, an under-development university in East Cairo, expanding its geographic presence and offerings in the market. Taaleem adopts a growth strategy and is constantly exploring new opportunities, whether through M&A or greenfield projects, to continue its record of success.

Learn more at: www.taaleem.me

**INVESTOR
RELATIONS**

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Forward-Looking Statements

This document has been prepared by Taaleem Management Services and contains certain forward-looking statements that reflect the current views of the Company’s management, which have not been independently verified. Such statements are based on the assumptions of the Management and involve known and unknown risks, uncertainties, and other factors that may cause the Company’s actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied in this document.

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