

Al-Baha Private National Early Years Schools

Investment Opportunity – Early Years

EDUCATION – August 2022





Al-Baha Private National Early Years Opportunity

OPPORTUNITY DESCRIPTION: Invest in KSA's education sector by establishing high-quality, Private National Early Years centers in Al-Baha

OPPORTUNITY OVERVIEW

Adoption of Early Years in Al-Baha



The Early Years GER* in Al-Baha is **low (~26%)**; KSA government has set targets to **increase the GER* to ~90% across the Kingdom by 2030**, outlining headroom for growth

Early Years Adoption in KSA

~26%

Early Years GER* (AY20), Al-Baha



Kingdom wide Target Early Years GER*

~90%

Total Pvt. national EY Enrolment, Al-Baha

~1K

AY20

~18K

AY30F

Al-Baha Early Years Market Overview



Private National is the **fastest growing** segment in Al-Baha Early Years market

Al-Baha EY Enrolment CAGR (AY14-20), by ownership

Private National

~35%

Private International

~30%

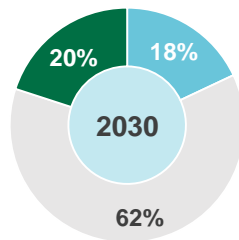
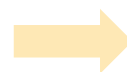
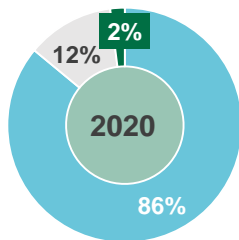
Public

~8%



Private National segment's enrolment share is expected to **triple by 2030** and reach ~62% based on **historical growth rates**

Share of EY enrolment in Al-Baha by ownership



Public Private National Private International

Growth Drivers and Market Outlook

There're multiple growth drivers for EY centers in Al-Baha



1

Growing relevant age population¹
(~2.1% growth p.a.) from 2016 till 2020



2

Increasing Household affordability;
Average monthly income of ~11.8K SAR²
Spending on education: ~368M SAR³



3

Al-Baha has **major competitive advantages** in tourism, agriculture and industry which contribute to the economic and social growth of the region which in return creates a growing need for educational services.



~17K

Additional students to be accommodated in new private national Early Years centers in Al-Baha by 2030F



~170

New private National EY centers to be set-up in Al-Baha by 2030F (assuming a scale of 100 students per center)



~SAR 1.2-1.7B

Estimated Investment required (assuming ~SAR 7-10M capital outlay per center)

Source: General Authority of Statistics; Ministry of Education; Survey of early years centers in Al-Baha

Note 1: year 2020 population is ~506 thousands, Note 2: average household monthly income in year 2018, Note 3: household spending in year 2017



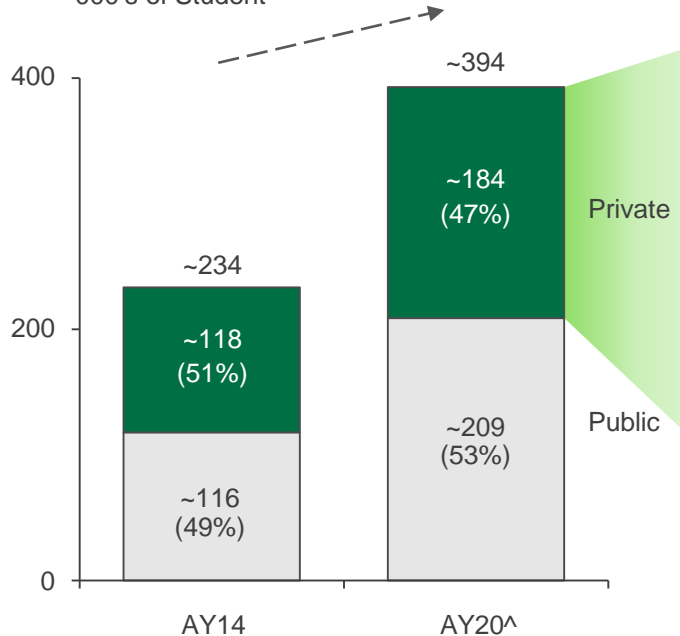
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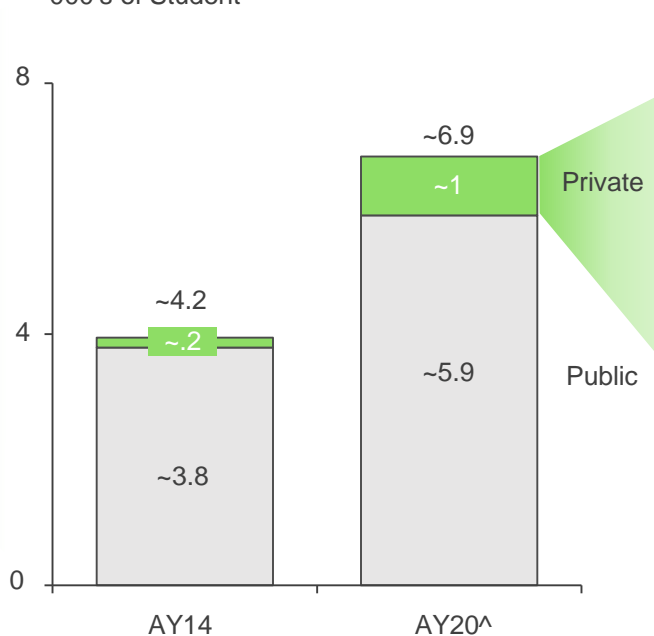
Al-Baha EARLY YEARS MARKET OVERVIEW

Al-Baha National EY Market Dynamics

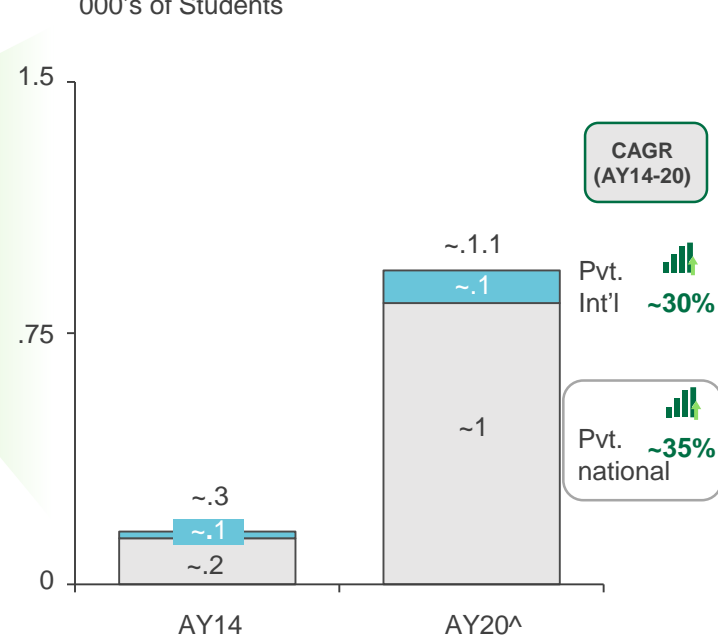
EY enrolment in KSA, by ownership; (AY14-20)
000's of Student



Private EY enrolment, Al-Baha, vs Public; (AY20)
000's of Student



Pvt. EY enrolment in Al-Baha, by curriculum; (AY15-20)
000's of Students



The low adoption in the KSA early years market coupled with ambitious GER target of ~90% by 2030 highlights the strong headroom for growth in the market

Al-Baha private schools accounts for ~14% of total EY enrolment

Private National EY schools have grown faster within the Private EY market in Al-Baha

Note: AY refers to the Academic Year, which typically runs from Sept – May in KSA; ^ AY21 has not been showcased due to one-off impact on enrolments due to ongoing pandemic

Source: General Authority of Statistics; Ministry of Education; KSA Open Data



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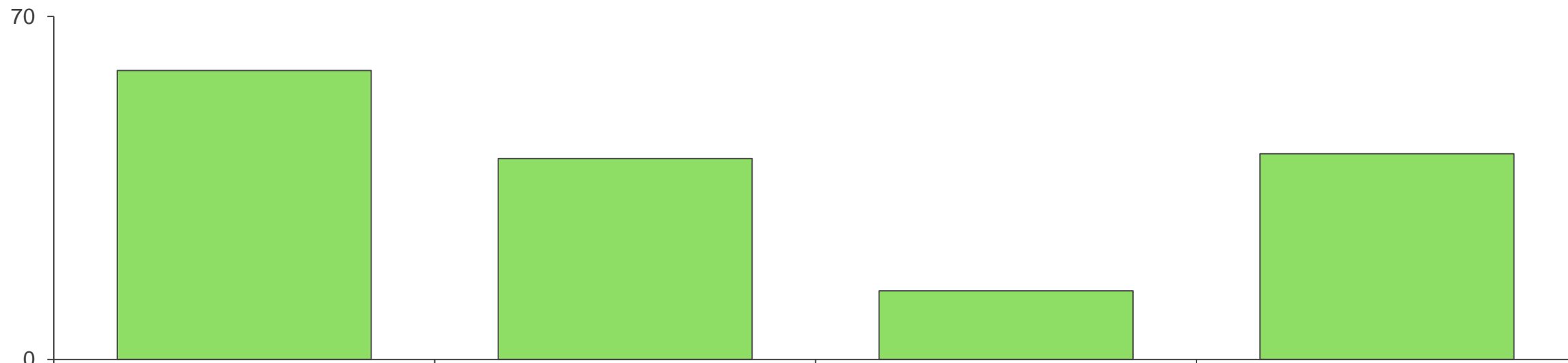
Al-Baha EY MARKET ASSESSMENT AND COMPETITIVE LANDSCAPE

INDICATIVE

Al-Baha Pvt. National EY Providers

Enrolment in Private National EY Schools, Al-Baha (AY2021); Number of students

SAMPLE LIST – SCALE PROVIDERS



Curriculum

National

National

National

National

Annual fees

~SAR 6K

~SAR 6K

~SAR 7.5K

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Source: Industry Participant Discussions; Provider websites Note: *Enrolment for AY21



Al-Baha Private National Early Years Opportunity

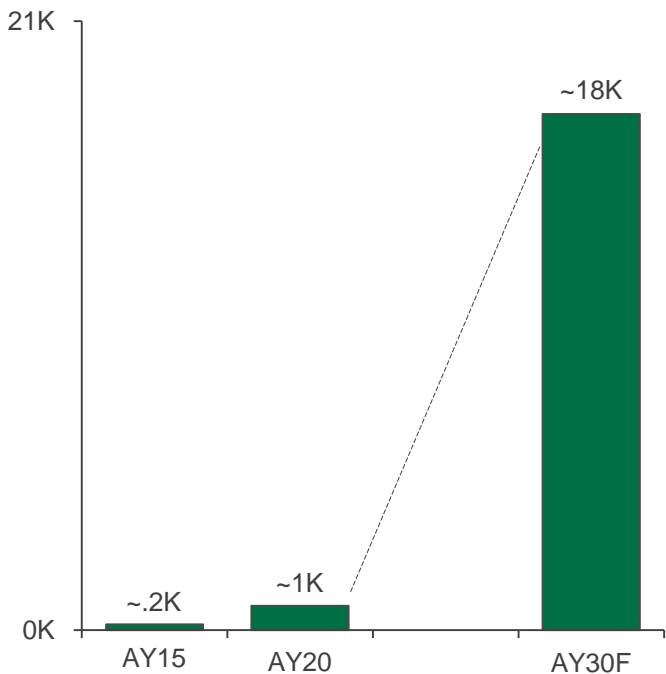
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FINANCIAL CONSIDERATIONS

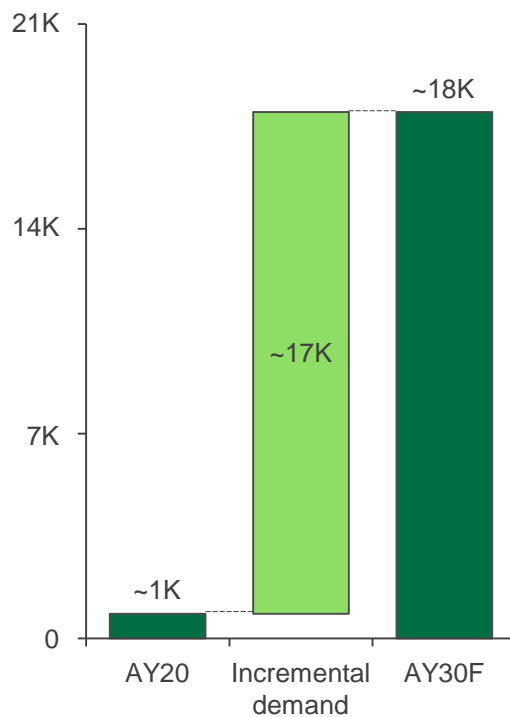
INDICATIVE

Enrolment forecast and unmet demand

Al-Baha Private National curriculum EY enrolment forecast (AY15-20, AY30F)
Number of students



Required additional capacity estimation, EY National segment, Al-Baha; (AY2020-30F);
000's of seats



Additional students in new private National EY centres by 2030F



~18K

Number of new private National EY Schools to be opened



~170

Capital outlay expense required per new center



~SAR 7 - 10M

Investment required to establish ~170 new private National EY Schools



~SAR 1.2-1.7B

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