

Hail Private National Early Years Schools

INVESTMENT OPPORTUNITY SCORECARD

EDUCATION

August 2022





Hail Private National Early Years Opportunity

OPPORTUNITY DESCRIPTION: Invest in KSA's Education Sector by establishing high-quality, Private National Early Years centers in Hail

OPPORTUNITY OVERVIEW

Adoption of Early Years in Hail



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), Hail



Kingdom wide Target Early Years GER*

~90%

Total Pvt. national EY Enrolment, Hail

~2K

AY20

~20K

AY30F

Hail Early Years Market Overview



Private National is the **fastest growing** segment in Hail Early Years market

Hail EY Enrolment CAGR (AY14-20), by ownership

Private National

~15%

Public

~12%

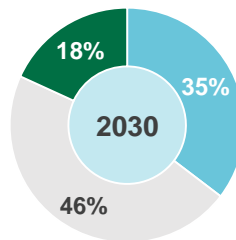
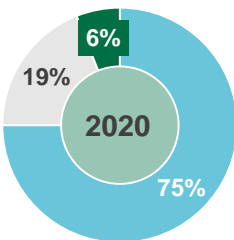
Private International

~6%



Private National segment's enrolment share is expected to **double by 2030** and reach ~46% based on **historical growth rates**

Share of EY enrolment in Hail by ownership



Public Private National Private International

Growth Drivers and Market Outlook

There're multiple growth drivers for EY centers in Hail



1

Growing relevant age population (~2% growth p.a.) from 2009 till 2019



2

Increasing Household affordability; Average monthly income of ~9.7K SAR² Spending on education: ~286M SAR³



3

Development projects in Hail; such as Transportation and Education, Hail region witnesses development projects in the transport sector with more than 108 billion SAR. The educational projects established in the city of Hail included some important works aimed at developing education in schools and universities, including: opening new halls for graduate studies at the College of Engineering within the University of Hail



~18K

Additional students to be accommodated in new private national Early Years centers in Hail by 2030F



~178

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



~SAR 1.2-1.8B

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 Hail

Note 1: year 2020 population is ~731K, Note 2: average household monthly income in year 2018, Note 3: household spending in year 2017

GER*: Gross Enrollment Ratio

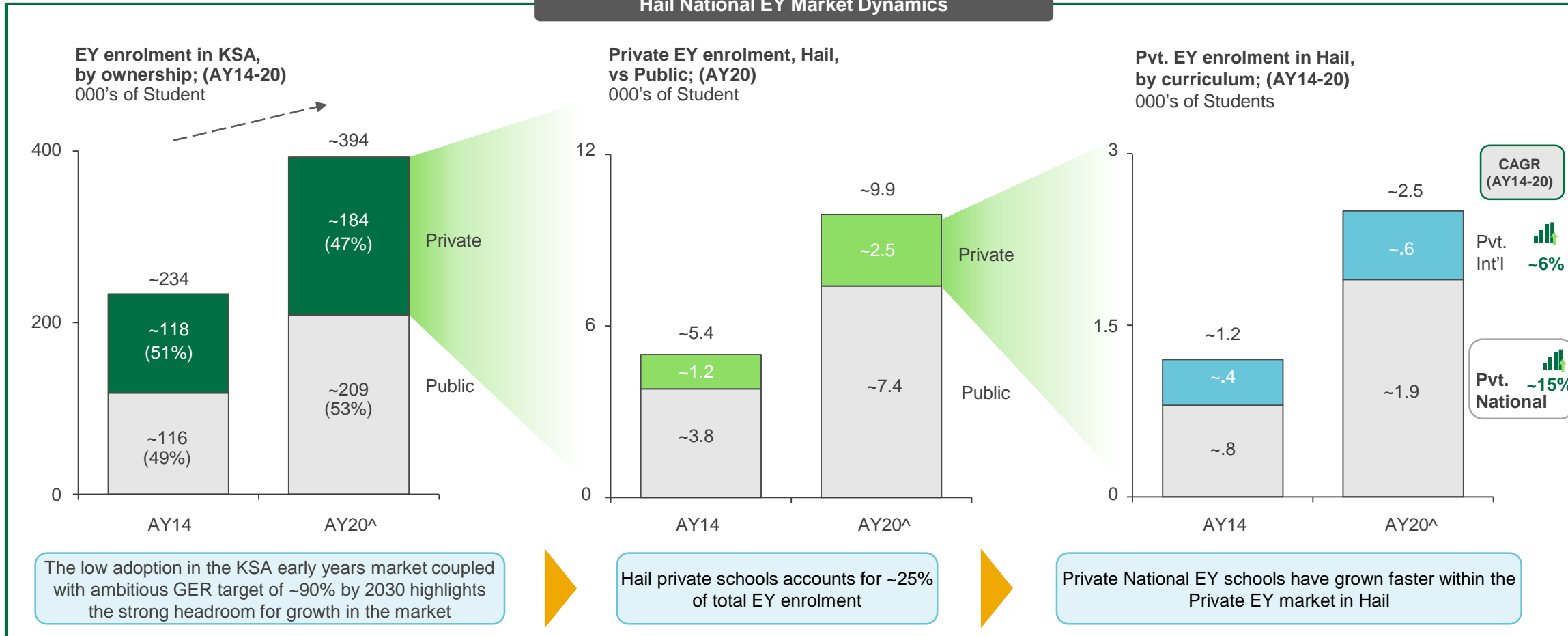


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HAIL EARLY YEARS MARKET OVERVIEW

Hail National EY Market Dynamics



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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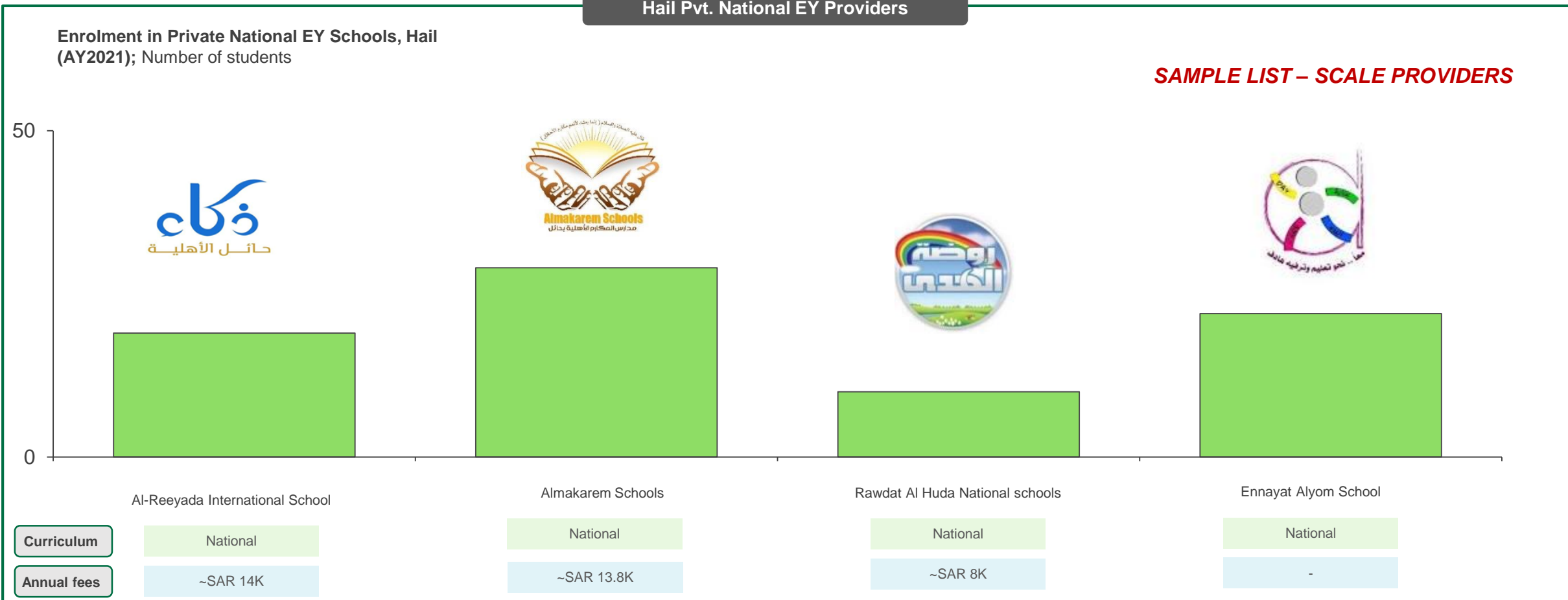
Hail EY MARKET ASSESSMENT AND COMPETITIVE LANDSCAPE

INDICATIVE

Hail Pvt. National EY Providers

Enrolment in Private National EY Schools, Hail (AY2021); Number of students

SAMPLE LIST – SCALE PROVIDERS



Source: Industry Participant Discussions; Provider websites

Note: *Enrolment for AY21



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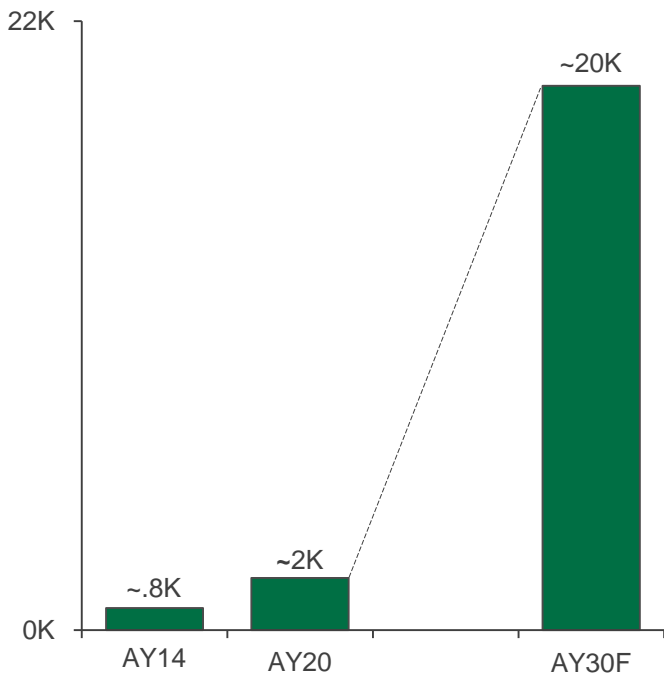
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FINANCIAL CONSIDERATIONS

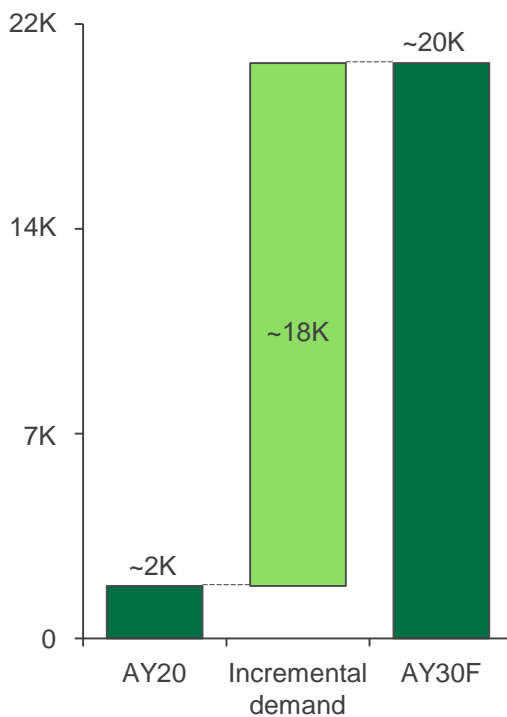
INDICATIVE

Enrolment forecast and unmet demand

Hail Private National curriculum EY enrolment forecast (AY14-20, AY30F)
Number of students



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



Additional students in new private National EY centres by 2030F



Number of new private National EY schools to be opened



Capital outlay expense required per new center



Investment required to establish ~178 new private National EY Schools



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