

لجنة حصر وتطوير الفرص الاستثمارية
اللجنة الفرعية للتعليم والتدريب

National Deal Flow Committee
Education & Training Subcommittee

**Jeddah Private International
Early Years Opportunity**
Investment Opportunity – Early Years Education

April 2022

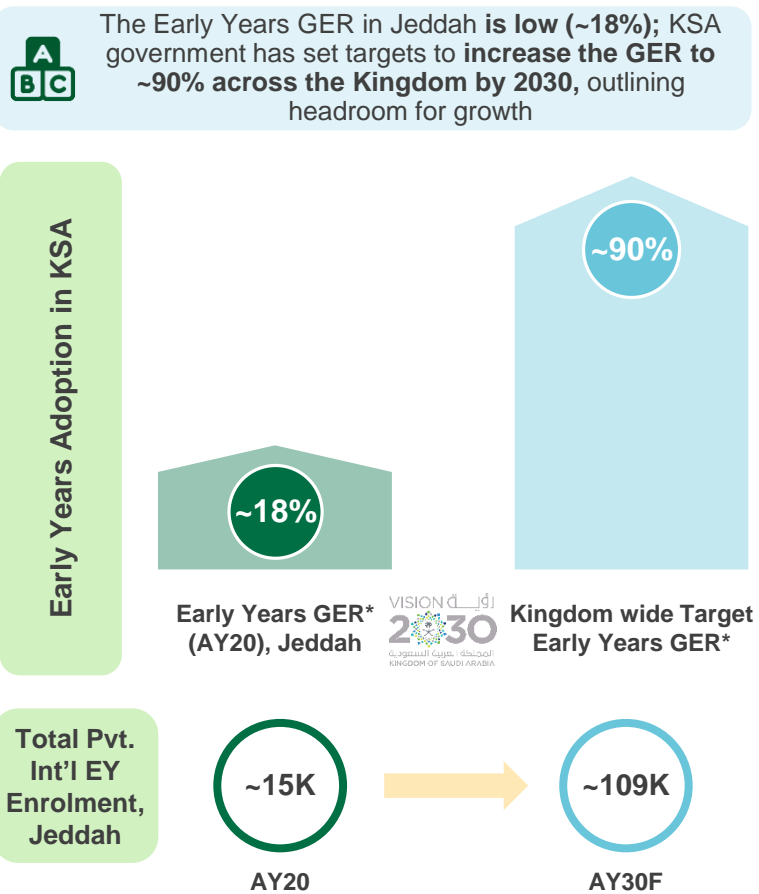


Jeddah Private Int'l Early Years Opportunity

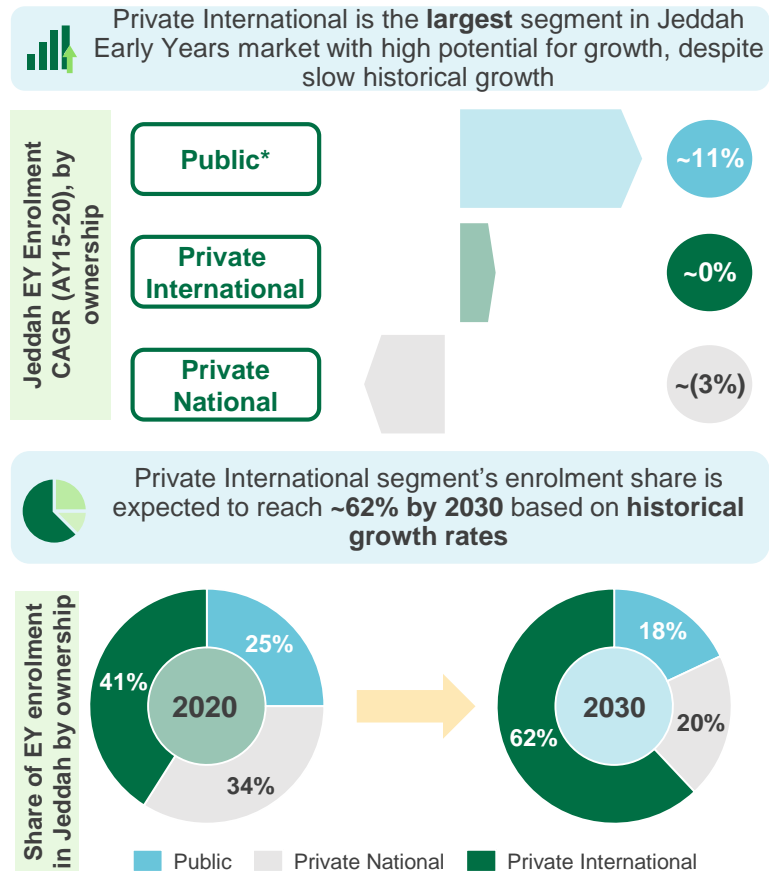
OPPORTUNITY DESCRIPTION: Invest in KSA's education sector by establishing high-quality, Private Int'l Early Years centers in Jeddah

OPPORTUNITY OVERVIEW

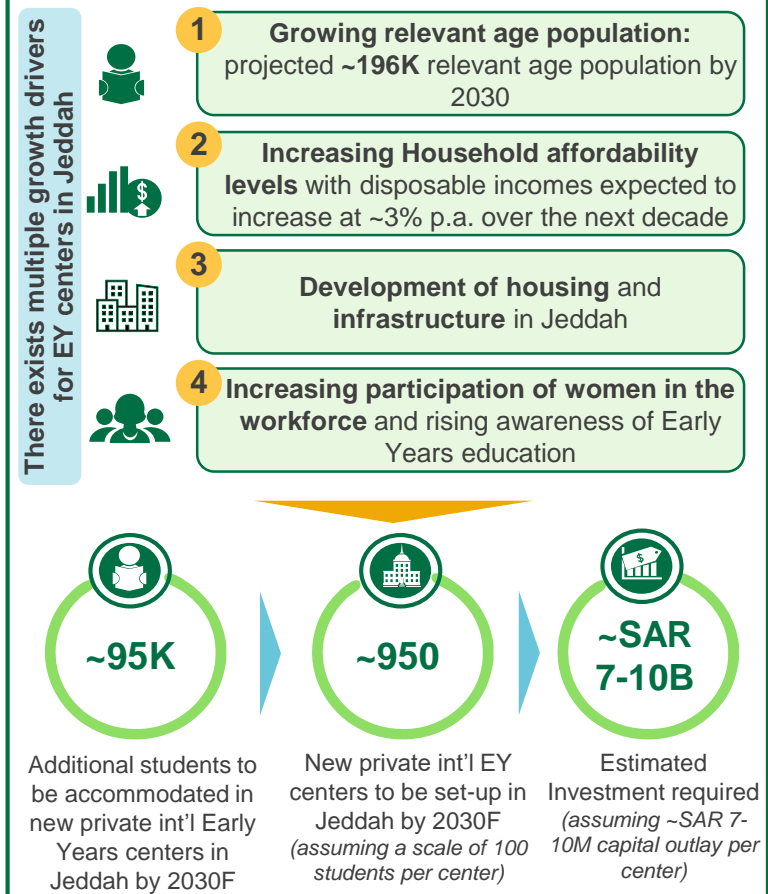
Adoption of Early Years in Jeddah



Jeddah Early Years Market Overview



Growth Drivers and Market Outlook



Note: * Growth in public is driven by a sudden increase in EY adoption in Jeddah in 2020, but on a small base (~5K)



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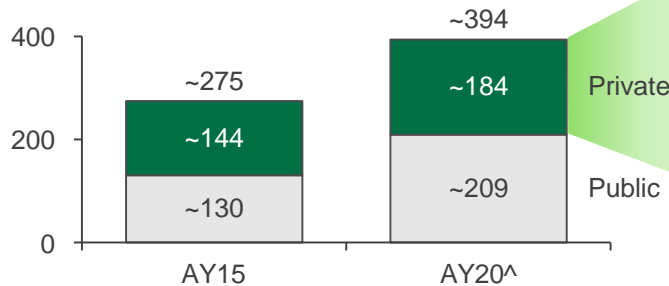
JEDDAH EARLY YEARS MARKET OVERVIEW

Structure of Early Years education in Jeddah

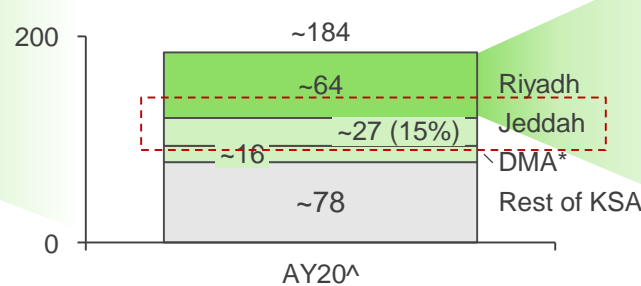
	Early Childhood Development	Pre-primary education	Early Years Education
Age range	0 – 3 years old ¹	3 – 6 years old ¹	0 – 6 years old ¹
KSA designation of education levels	Nursery	Kindergarten	-
Number of students enrolled (AY20)	<5K	~36K	~36K
Total relevant population (AY20)	~194K	~194K	~388K
Adoption rate (AY20)	<0.5%	~18%	~9%

Jeddah Int'l EY Market Dynamics

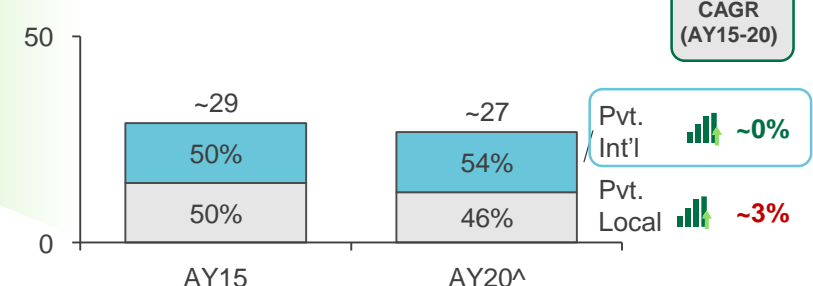
Early Years enrolment in KSA, by ownership; (AY15-20)
000's of Student



Private Early Years enrolment, Riyadh, Jeddah & DMA* vs rest of KSA; (AY20)
000's of Student



Pvt. Early Years enrolment in Jeddah, 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

Jeddah accounts for ~15% of KSA's private Early Years enrolment

Private International Early Years centers have a **>50% share in enrolment** within the Private Early Years market in Jeddah

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
*DMA stands for Dammam Metropolitan Area which includes Eastern province cities of Dammam, Al Khobar, and Dhahran; ¹-Age 0 to 3 refers to Age 0, Age 1 and Age 2; Age 3 to 6 refers to Age 3, Age 4 and Age 5; Age 0 to 6 refers to Age 0, Age 1, Age 2, Age 3, Age 4, and Age 5; ²-ISCED stands for International Standard Classification of Education



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JEDDAH EARLY YEARS MARKET ASSESSMENT AND COMPETITIVE LANDSCAPE

INDICATIVE

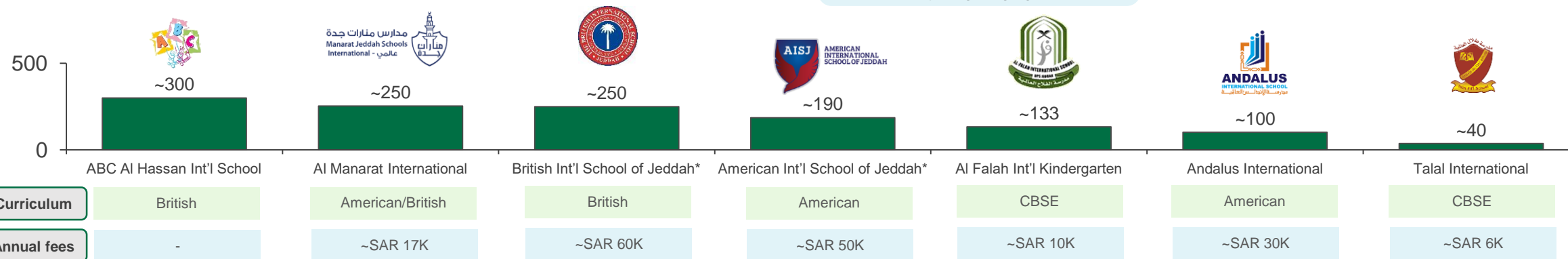
Growth drivers of private Early Years

- Growth in Jeddah's population as a result of ongoing projects under aegis of Vision 2030 to make Jeddah the "logistics and warehousing hub" of KSA
- Rising household affordability levels with disposable incomes rising at 3% p.a. over the next decade
- Development of housing and Infrastructure revamp in Jeddah with more than 17K housing units in development
- Rising participation of women in the workforce (~21% in Q2 of 2016 to ~35% in Q3 of 2021 in Makkah) and increasing awareness

Growing demographics and increased urbanization in Jeddah is expected to drive demand for high quality international education

Jeddah Pvt. Int'l Early Years Providers

Enrolment in Private International Early Years Schools, Jeddah (AY2022); Number of students



Most of the scaled Early Years providers typically offer a full-through K-12 offering, and are able to attract students in the younger age groups

SAMPLE LIST – SCALE PROVIDERS

Note: *Enrolment for AY21

Source: Industry participant discussions; Provider websites



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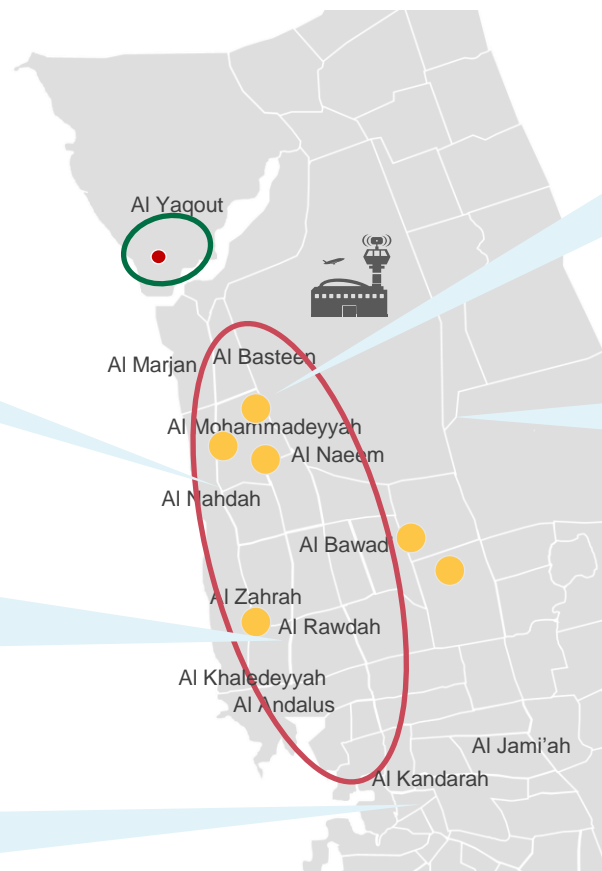
INDICATIVE

Geographic focus

Heart of the city with most mid-priced and budget schools, population is a good mix of Asians, Arabs, and Saudis in places such as Bani Malik and Faisaliyah

The government has launched the **Jeddah Central Project** which will lead to development of 17,000 housing units. This will increase demand for schooling in the surrounding areas

Old Jeddah is dominated by **lower income Saudi and expat populations** in Al Mahjar and Al Falah. **This area is now by renovated by local authorities**



North Jeddah (or New Jeddah) has seen a **surge in population** due to ease of business and availability of land right from Obhur Al Shamaliyah to Ash Shati

East Jeddah is a developing region with **low range housing options**; houses National/Public schools in Bryman

High growth catchments / potential focus areas for opening of new schools

- Int'l Early Years Centers
- Jeddah Economic City
- Kingdom Tower

Early Years Licensing Entity:

0-10 Age from 3-6

17K planned housing units as a part of the Jeddah central project can potentially make western Jeddah an area of focus for opening of new early year centers



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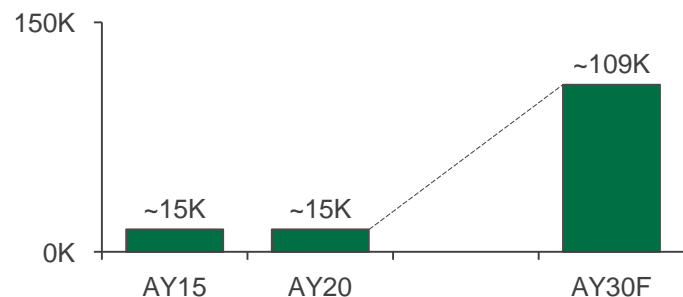
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FINANCIAL CONSIDERATIONS

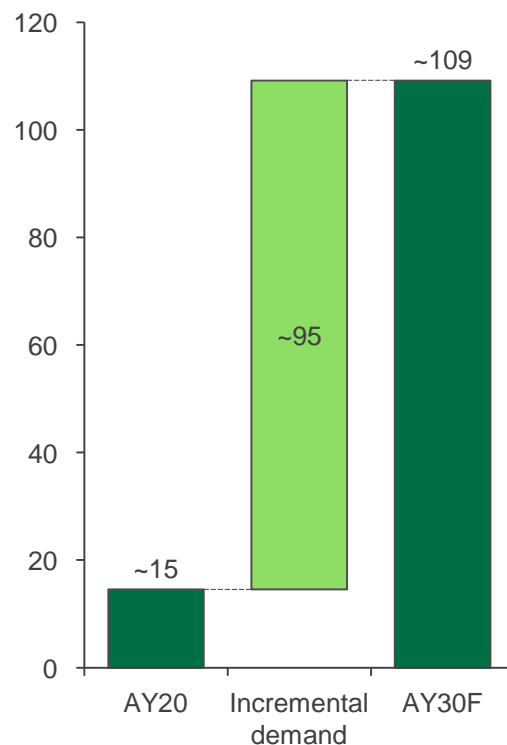
INDICATIVE

Enrolment forecast and unmet demand

Jeddah Private int'l curriculum EY enrolment forecast (AY15-21,AY30F)
Number of students



Required additional capacity estimation, EY Int'l segment, Jeddah; (AY2020-30F);
000's of seats



Relevant age population (3-6 years old)	~197K	~194K	~196K
Gross enrolment ratio	~17%	~18%	~90%
Total EY enrol.	~34K	~36K	~176K
% share of pvt. in total EY enrol.	~84%	~75%	~82%
Share of int'l curric. on total pvt. EY enrol.	~50%	~54%	~75%

Additional students in new private int'l Early Years centres by 2030F



~95K

Average scale of students per center



100

Number of new private int'l Early Years centers to be opened



950

Capital outlay expense required per new center



~SAR 7-10M

Investment required to establish 850 new private int'l EY centres



~SAR 7-10B

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