

# Najran Private National Early Years Schools

Investment Opportunity – Early Years

EDUCATION – August 2022





# Najran Private National Early Years Opportunity

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

## OPPORTUNITY OVERVIEW

### Adoption of Early Years in Najran



The Early Years GER\* in Al-Baha is low (~27%); 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

~27%

Early Years GER\* (AY20), Najran



Kingdom wide Target Early Years GER\*

~90%

Total Pvt. National EY Enrolment, Najran

~2K

AY20

~19K

AY30F

### Najran Early Years Market Overview



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

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

Private National

~49%

Private International

~33%

Public

~14%



Private National segment's enrolment share is expected to **triple by 2030** and reach ~54% based on historical growth rates

Share of EY enrolment in Najran by ownership



Public Private National Private International

### Growth Drivers and Market Outlook

There're multiple growth drivers for EY centers in Najran



**1 Growing relevant age population<sup>1</sup>** (~2.1% growth p.a.) from 2009 till 2020



**2 Increasing Household affordability;** Average monthly income of ~8.7K SAR<sup>2</sup> Spending on education: ~296M SAR<sup>3</sup>



**3 Mining, agriculture and heritage tourism are among the most prominent sectors in Najran,** such as the presence of Almasane Al Kobra Mining company with more than 500 employees and other entities will contribute to the creation of jobs and economic movement that will create a need for educational service.



~17K

Additional students to be accommodated in new private National Early Years centers in Najran by 2030F



~177

New private National EY centers to be set-up in Najran by 2030F (assuming a scale of 200 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 Najran

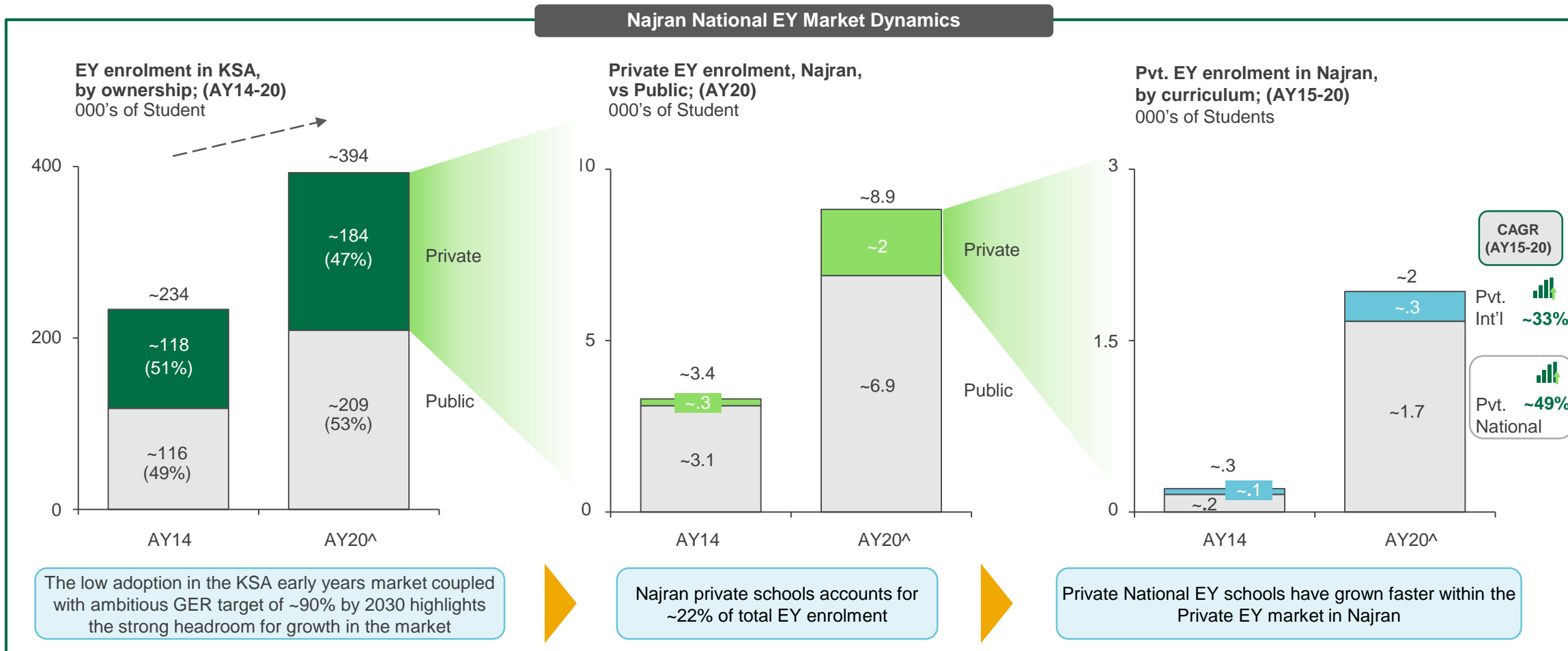
Note 1: year 2020 population is ~621 thousands, Note 2: average household monthly income in year 2018, Note 3: household spending in year 2017 GER\*: Gross Enrollment Ratio



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## Najran EARLY YEARS MARKET OVERVIEW



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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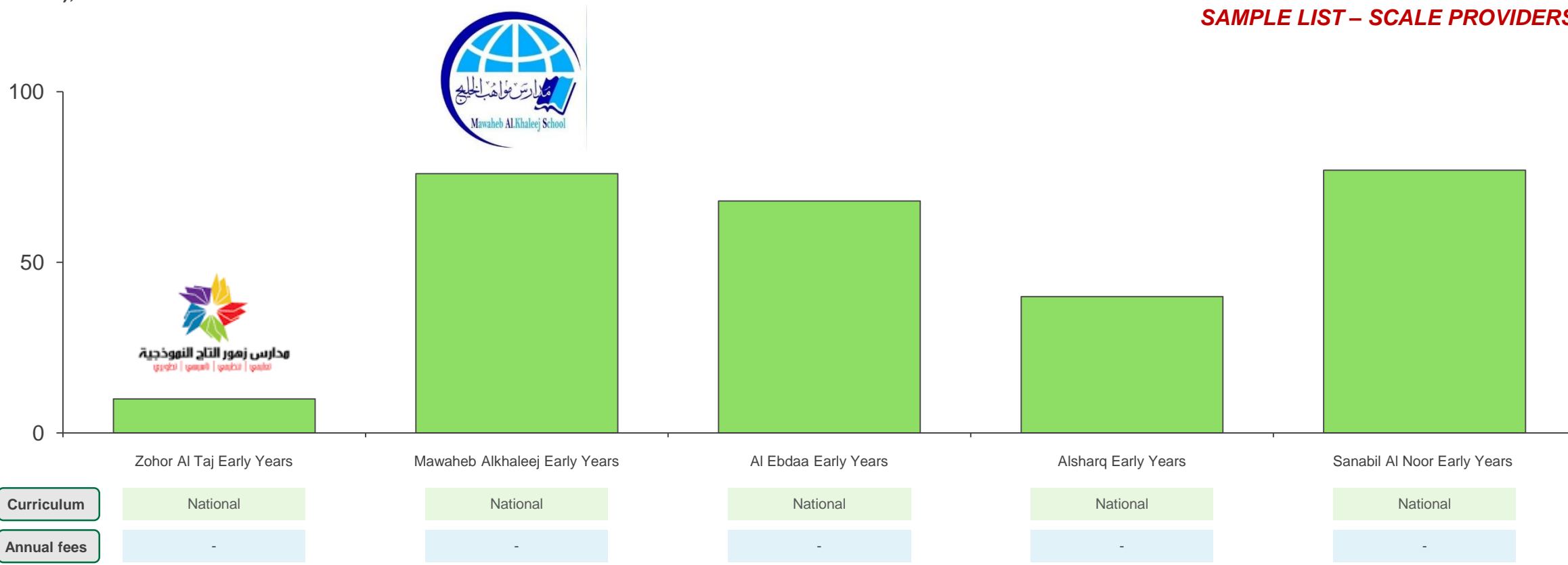
## Najran EY MARKET ASSESSMENT AND COMPETITIVE LANDSCAPE

**INDICATIVE**

### Najran Pvt. National EY Providers

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

**SAMPLE LIST – SCALE PROVIDERS**



Source: Industry Participant Discussions; Provider websites

Note: \*Enrolment for AY21



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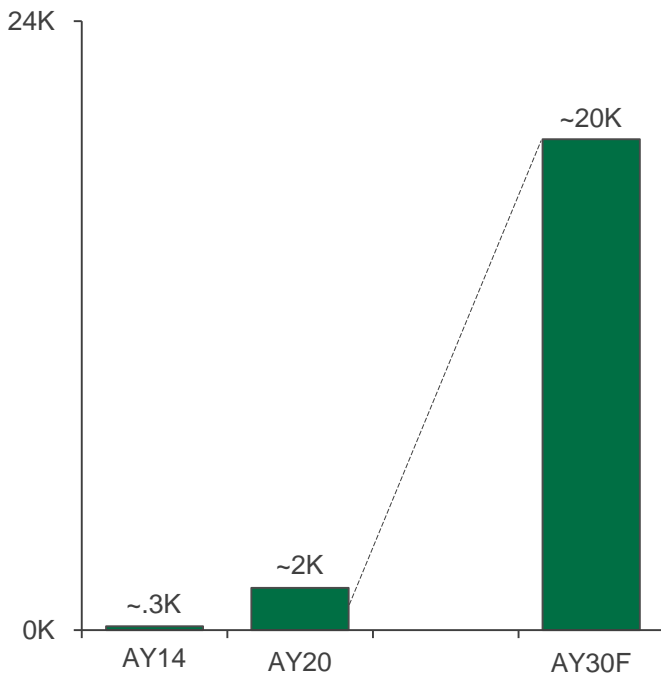
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## FINANCIAL CONSIDERATIONS

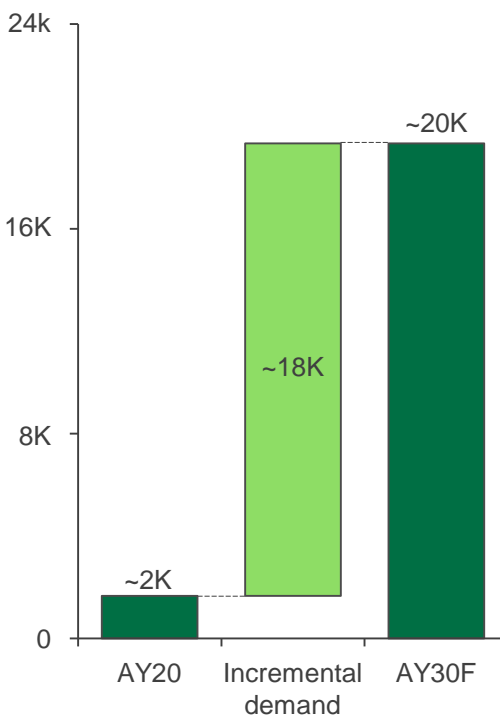
**INDICATIVE**

### Enrolment forecast and unmet demand

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



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



**Additional students in new private National EY centres by 2030F**



~17K

**Number of new private National EY Schools to be opened**



~177

**Capital outlay expense required per new center**



~SAR 7 - 10M

**Investment required to establish ~65 new private National EY Schools**



~SAR 1.2-1.8B

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