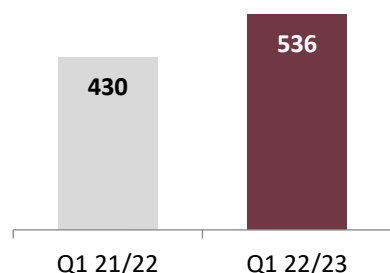
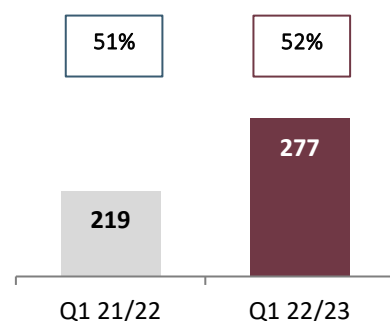


CIRA Education Releases Q1 2021/2022 Results

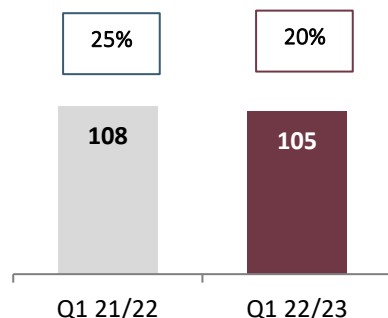
Revenue Progression (EGP mn)



Adj. EBITDA Progression (EGP mn, % margin)



Adj. Net Profit Progression (EGP mn, % margin)



Cairo, 25 January 2023

CIRA Education ("CIRA" or the "Group", CIRA.CA on the Egyptian Stock Exchange), the largest fully-integrated educational service provider in the Egyptian private sector, announced today its results for the 3-month period ending 30 November 2022, with adjusted revenues¹ coming in at EGP 536.1 million in Q1 2022/23, climbing 25% y-o-y on the back of the continued expansion across both its K-12 and higher education segments, which drove up enrollments during the same period. The Group's adjusted EBITDA¹ recorded EGP 277.0 million during the same period, representing an increase of 27% y-o-y, and translating into an adjusted EBITDA margin of 51.7%, up 0.81 pps y-o-y. Adjusted net profit¹ recorded EGP 104.7 million in Q1 2022/23, down by 3% y-o-y, translating to a corresponding adjusted net profit margin of 19.5% for the period. The contraction witnessed at the Group's bottom-line was primarily driven by a significant increase in financing costs.

The total number of students enrolled at BUC together with the Group's recently launched, Badr University in Assiut (BUA), came in at 16,057 students, up by 15% y-o-y in Q1 2022/23, with the full effect of its newly launched faculties, which saw the overall capacity of the university increase by 36% y-o-y during the same period, yet to be realized. At CIRA's K-12 platform, student capacity grew by 3% y-o-y to 35,000 students with the launch of Futures Language School in Qena, while student enrollment followed at a growth of 6% y-o-y to 32,687 students.

Note from the CEO

I am pleased to report on what has been a strong first quarter of the 2022/23 academic year for CIRA, which saw solid double-digit growth across our top line and operating profits during the period, the latter driven by improved profitability on both the gross profit and EBITDA level. Our growing margins amid significant inflationary and currency pressures is attributed to a greater level of economies of scale, which enabled us to absorb double-digit growth in costs during the same period. Increasing admissions has proven to be the best mitigate to current market headwinds, enabling CIRA to continue to maximize its operational leverage.

While projects that are currently in motion are expected to be completed on time, the inflationary environment will make it challenging to phase out our medium to long-term growth plans as previously scheduled on the back of ongoing hikes in construction material costs. As such, we expect to see some delays in these projects by at least a year as we continue to monitor the supply chain and material price fluctuations. For projects already underway,

¹ Results exclude construction-related activities, including EGP 96.7 mn in construction revenues (bringing total revenues to: EGP 632.8 mn) and EGP 89.2 mn in costs related the development of CapitalMED Medical City

we are currently working on a model which will ensure a higher level of value engineering, with the aim to bring down our ratio of CAPEX to additional student capacity. We have broken ground on two new schools in Cosmic Village, namely Futures Tech and Regent British School, with both schools scheduled to be completed by September 2023. The construction of Saxony Egypt University, Egypt's first private technology university developed in partnership with Al Ahly Capital, is also underway, with the planned completion of its first phase by September 2023 and its planned opening based on the timely receipt of the required approvals to begin operations.

I am excited to announce that Badr University in Assiut (BUA) officially opened its doors in the beginning of the academic year with the launch of 7 new faculties, which saw overall enrollments at CIRA's higher education segment grow by 15% year-on-year. Furthermore, bus revenues, which took a significant hit during the pandemic, grew by almost 30% year-on-year in Q1 2022-23. With the rise in gas prices, parents are expected to increasingly choose to use school buses as a more economical option for transporting their children to and from school, leading to further growth for this promising revenue stream.

Despite solid top line and operating profitability growth, CIRA's bottom-line declined by 3% year-on-year as a result of increasing depreciation and interest expenses during the period. The former came as a result of new and ongoing projects, particularly BUA, which generated high levels of depreciation during the period, while the latter a result of soaring interest rates, which saw our net interest expense grow by more than double its original amount during the same period last year. On the other hand, increasing interest rates saw us generate a higher level of interest income from deposits, which cushioned the growth in net interest expenses by 10-15%. With the exception of a downward revision in CIRA's budgeted net profit margin, CIRA's key financial targets for the FY 2022/23 academic year have remained unchanged on the back of strong admissions growth and improved economies of scale.

As we have seen time and time again, Egyptian families look for quality educational solutions that are affordable, particularly during periods of economic hardships. Unfortunately, there is a lack of quality education available to the middle-income population, creating a demand-supply gap that has been favorable to CIRA year-to-date, with a surge in enrollments year-on-year. Although the coming year will bring with it significant challenges, we are confident that CIRA is uniquely positioned and has the tools in place to successfully navigate any ongoing inflationary environment, just as it has done during previous economic headwinds, and sustain its growth.

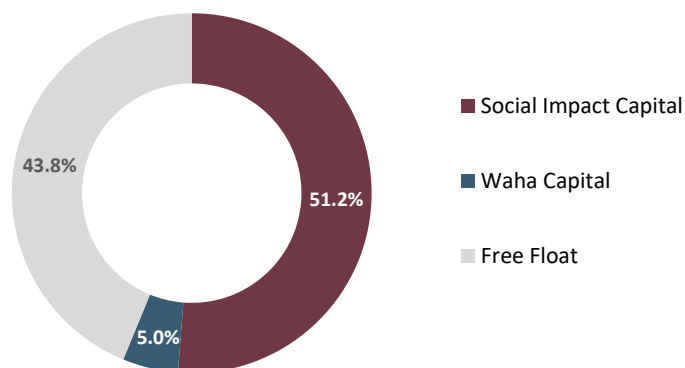
Mohamed El Kalla, Chief Executive Officer

Contacts

Tel: +(202) 2274-1667
Email: IR@cairoinvest.com.eg

Share Information

Listing Date	1 Oct 2018
EGX Ticker	CIRA.CA
Shares Outstanding	582,790,325
Par Value / Share	EGP 0.40
Paid-up Capital	EGP 233.1 million

Shareholder Structure¹ (as of 30 November 2022)

Forward-Looking Statements

This communication contains certain forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts and events, and can be identified by the use of such words and phrases as “according to estimates”, “anticipates”, “assumes”, “believes”, “could”, “estimates”, “expects”, “intends”, “is of the opinion”, “may”, “plans”, “potential”, “predicts”, “projects”, “should”, “to the knowledge of”, “will”, “would” or, in each case their negatives or other similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans, or expectations regarding our business and management, our future growth or profitability and general economic and regulatory conditions and other matters affecting us.

Forward-looking statements reflect our management’s (“Management”) current views of future events, are based on Management’s assumptions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. The occurrence or non-occurrence of an assumption could cause our actual financial condition and results of operations to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements. Our business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to become inaccurate. These risks include fluctuations in prices, costs, ability to retain the services of certain key employees, ability to compete successfully, changes in political, social, legal or economic conditions in Egypt, worldwide economic trends, the impact of war and terrorist activity, inflation, interest rate and exchange rate fluctuations and Management’s ability to timely and accurately identify future risks to our business and manage the risks mentioned above.

¹ Represents the CIRA’s shareholding structure as of 30 November 2022