

## Cairo for Investment and Real Estate Development Releases Q3 2021/2022 Results

### Cairo, 21 July 2022

Cairo for Investment and Real Estate Development (“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 9-month period ending 31 May 2022, with steady top line growth of 15% y-o-y to EGP 1,464.0 million driven by double-digit revenue growth across its K-12 and higher education segments on the back of increased enrollments year-on-year. The Group recorded an adjusted EBITDA<sup>1</sup> of EGP 825.2 million in 9M 2021/22, up by 12% y-o-y, yielding an EBITDA margin of 56.4%, down by 1.7 pts YoY primarily on the back of high start-up costs associated with the Group’s recent expansion initiatives. Increasing operating costs, combined with a strong hike in finance costs driven by new debt associated with its ongoing expansion, saw CIRA’s adjusted net profit<sup>1</sup> decline by 3% y-o-y to EGP 448.3 million in 9M 2021/22, trickling down to a net profit margin of 30.6%, representing a contraction of 5.8 pps y-o-y.

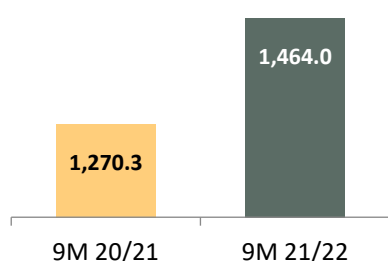
The total number of students enrolled at BUC increased by a steady 6% y-o-y to come in at 14,007 students by the end of 9M 21/22, with the full effect of its newly launched faculties, which saw the overall capacity of the university increase by 32% y-o-y during the same period, not yet fully realized due to their recent inauguration. At CIRA’s K-12 platform, student capacity grew by 12% y-o-y to 34,000 students, while student enrollment followed close behind at a growth of 9% y-o-y to 30,985 students.

### Note from the CEO

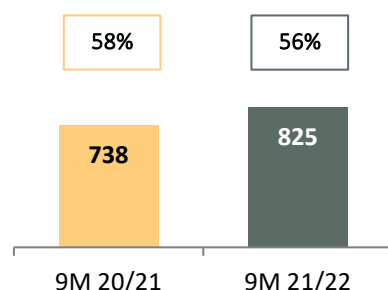
The first nine months of the academic year has seen CIRA go achieve significant milestones in the face of ongoing global and local headwinds as we remain steadfast in meeting CIRA’s growth objectives while implementing a number of measures in order to absorb inflationary pressures. As a result of our continuous hard work, I am particularly proud to announce that CIRA’s inclusion among Forbes’ Top 50 Listed Companies in Egypt in 2022 as the first company from Egypt’s educational sector to receive this honour.

We look forward to being the first Egyptian company to embark on a future flow securitization program after receiving approval from the relevant authorities. The program will see us raised EGP 2 billion to cover expansionary investments over the next 3 years. We believe that our participation in the program not only reflects the trust of our regulators and financial institutions,

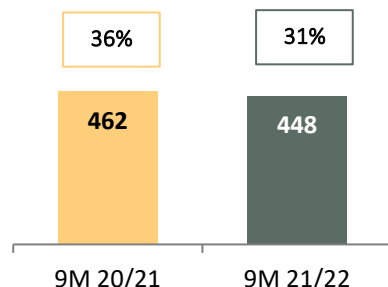
#### Revenue Progression (EGP mn)



#### Adj. EBITDA Progression (EGP mn, % margin)



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



<sup>1</sup> CIRA’s adjusted EBITDA & net profit factor out one-off pre-operating expenses of EGP 7.3 mn related to BCCIS & SIS for the 2021/22 academic year

but is testament to our commitment to introduce innovative financing tools that achieve a healthy financing mix between DFIs, local banks, shariah-compliant banks and future flow securitization.

The surge in inflation has seen us formulate a strategic plan over the coming two years to absorb increasing CAPEX associated with our planned expansion through value engineering and the rephasing of launches across our K-12 and higher-ed segments, all while continuing to commit to our forward-looking growth objectives. In terms of ongoing operations, already licensed tuition fee hikes will be necessary to offset inflationary growth of certain cost items, particularly salaries. In order to reduce the financial burden of growing tuition fees on our students and their families, more financing options will be provided for both tuition and other fees, with CIRA partnering up with valU for consumer financing to provide a more convenient payment plans for through monthly installments as part of our unwavering commitment to providing high-quality, accessible education to Egypt's growing middle class.

At our higher education segment, we remain focused on delivering on our expansion plans. We will begin to accept applications for Badr University in Assiut by August with the launch of 6 faculties by the beginning of the coming academic year following the receipt of the required operating licenses. As part of our continued expansion, we plan to break ground on the construction of Cairo Saxony University by early September of this year with plans to launch the university's first phase by September 2023 with 4 cohorts. We are very optimistic regarding student admissions for the upcoming academic year 2022/23 on the back of the reversal of the centralized higher education admission system that was imposed by the ministry last year which, coupled with an expected pool of 700,000 newly graduated high schoolers, is expected to lead to a significant hike in student admissions.

Our nurseries segment has seen significant growth during the last quarter as we have worked tirelessly to expand our presence in Egypt by launching our third KidzGround branch in Suez in June of this year with 25 children enrolled in just one month of its launch, bringing up the total number nurseries under the segment to 4. We look forward to further accelerated expansion with the segment, with the planned addition of 2 new nurseries in due course.

We are without doubt going through a challenging period given the recent market turbulences and uncertainty on both the global and local level. However, we believe that CIRA has the right fundamentals and risk controls in place to weather current economic challenges and deliver on its growth objectives, as we have done year over year, demonstrating the strong potential and conservative nature of CIRA's business model. We would like to express our sincerest gratitude towards our investors and their continued confidence in us as one of the primary foundations of our success, and we remain optimistic of what is to come.

**Mohamed El Kalla, Chief Executive Officer**

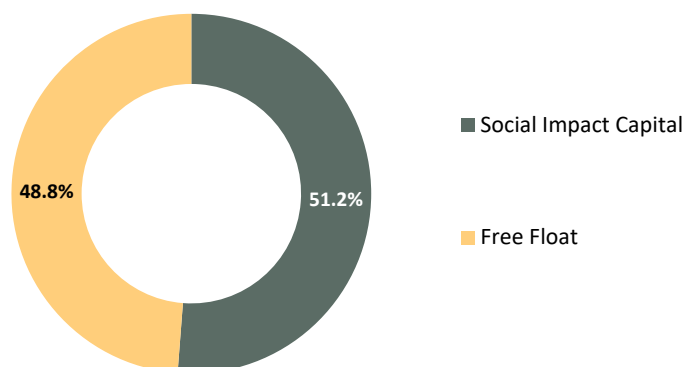
### Contacts

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### 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 Structure (as of 31 May 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.