

CIRA Education maintains its impressive momentum, recording robust top-line growth of 22% year-on-year in FY 2022/2023

FY 2022/2023^{1/2} Financial & Operational Highlights

<div>Revenue^{1/2}</div> <div>EGP 2,027.3 million</div> <div>▲ 22% YoY</div>	<div>Adjusted EBITDA^{1/2/3}</div> <div>EGP 904.1 million</div> <div>▲ 12% YoY (44.6% Margin)</div>	<div>Adjusted Net Profit^{1/2/3}</div> <div>EGP 139.8 million</div> <div>▼ 64% YoY (6.9% Margin)</div>	
<div>Cash Earnings</div> <div>EGP 335.5 million</div> <div>▼ 36% YoY</div>	<div>Higher-Ed Students</div> <div>16.1 thousand</div> <div>▲ 15% YoY (47% Utilization)</div>	<div>K-12 Students</div> <div>32.6 thousand</div> <div>▲ 6% YoY (93% Utilization)</div>	<div>Nursery Students</div> <div>407</div> <div>Newly launched (35% Utilization)</div>
<div>Geographical Reach</div> <div>9 Egyptian governorates</div> <div>2/25 Universities/Schools</div>	<div>Number of Faculties</div> <div>23 faculties</div> <div>1,022 Teaching Staff</div>	<div>Number of Schools</div> <div>25 schools</div> <div>2,822 Teachers</div>	<div>Number of Nurseries</div> <div>6 nurseries</div> <div>136 Teaching Staff</div>

Cairo, 20 November 2023

CIRA Education ("CIRA" or the "Group", CIRA.CA on the Egyptian Stock Exchange), the largest fully integrated education service provider in the Egyptian private sector, announced today its results for the full-year period ending 31 August 2023, recording revenues of EGP 2.03 billion^{1/2}, up 22% YoY from the EGP 1.66 billion booked during the same period of the previous year. The increase in revenue was fueled by a rise in enrollment across CIRA's K-12, Higher Ed, and Nurseries platforms, driven by increased utilization resulting from recent expansion initiatives. Further down the income statement, CIRA registered an adjusted EBITDA^{1/2/3} of EGP 904.1 million, with a 44.6% margin, reflecting an increase of 12% YoY. Meanwhile, the Group's adjusted net profit^{1/2/3} declined by 64% YoY to reach EGP 139.8 million and yielding an associated margin of 6.9%, which was weighed down by surging interest rates.

Summary Income Statement

(EGP mn)	FY 2021/22	FY 2022/23	% change
Revenues^{1/2}	1,659.5	2,027.3	22%
Gross Profit^{1/2/4}	1,007.3	1,187.3	18%
<i>Gross Profit Margin</i>	<i>60.7%</i>	<i>58.6%</i>	<i>-2.1 pps</i>
Adjusted EBITDA^{1/2/3}	803.6	904.1	12%
<i>Adjusted EBITDA Margin</i>	<i>48.4%</i>	<i>44.6%</i>	<i>-3.8 pps</i>
Adjusted Net Profit^{1/2/3}	389.6	139.8	-64%
<i>Adjusted Net Profit Margin</i>	<i>23.5%</i>	<i>6.9%</i>	<i>-16.6 pps</i>

¹ Results exclude construction revenues and its associated costs & G&A of EGP 315.7 mn, EGP 280.7 mn and EGP 5.3 mn respectively, coming to a net profit of EGP 29.75 mn

² Results exclude the Group's share of losses from investing in associates amounting to EGP 24.5 mn

³ EBITDA & Net Profit are adjusted by non-recurring pre-operating expenses of EGP 4.3 mn associated with BUA, EGP 5.0 million with CSC, EGP 1.7 mn with CIC and EGP 2.4 mn with Al-Ahly CIRA, in addition to EGP 9 mn in provisions formed, amounting to a total adjustment of EGP 22.4 mn

⁴ Gross profit is adjusted for the depreciation of fixed assets, as per the segmental analysis in the audited financials

Note From the CEO

As another challenging year comes to an end, I wanted to take a moment to reflect on our accomplishments and express my pride in the exemplary performance that we have achieved. During a turbulent operating environment marked by rising interest rates and a prevailing inflationary environment, our organization not only met but surpassed its ambitious growth plans. I am particularly thrilled by the unprecedented level of admissions we have witnessed, with an influx of over 5,000 additional students for the upcoming academic year, which underscored the success of our expansion plans and the significant value we bring to our company and stakeholders. In the fiscal year 2022/2023, we achieved revenues of EGP 2.0 billion, representing a solid 22% year-on-year increase, despite government-imposed caps on corresponding tuition growth. This growth can be attributed to our reputation as the partner of choice, deeply committed to delivering accessible, affordable, and top-tier education - a commitment upheld even in the face of economic hardships.

We experienced a surge in admissions across our existing institutions, which as a result of the influx, optimized the use of our teachers, facilities, and structures, to operate at near-full capacity. Despite the inflationary pressures and escalating interest rates, our margins were minimally affected thanks to our strong top-line growth which, together with operational efficiencies, saw us reap the benefits from economies of scale. Building on a strong financial year, we have decided to reduce our planned borrowings for the upcoming year by EGP 100 million from our initially proposed EGP 800 million future flow securitized bond. This decision was prompted by the prevailing trend of rising interest rates and is supported by our sufficient cash flow throughout the year enabling us to complete all of our projects. Moreover, our ability to expedite projects and deliver them on time has been instrumental in mitigating the impact of inflationary pressures and effectively managing our assets.

Looking at the past year, we have made significant strides in our forthcoming projects. The construction of two new schools, as part of a larger school complex in Cosmic Village is well underway, and this has contributed significantly to our record-breaking admissions. Developed in partnership with El Sewedy Capital and the Sovereign Fund of Egypt, we are especially pleased to participate in the first true public-private partnership model in Egypt's K-12 secondary education sector. By doing so, we aim to contribute to bridging the crucial demand gap for local quality education. Once complete, the school complex is expected to provide up to 3,000 seats, aligning with our commitment to provide accessible education across Egypt. In the K-12 realm, our strategic approach for the upcoming year is to enhance our impact positively.

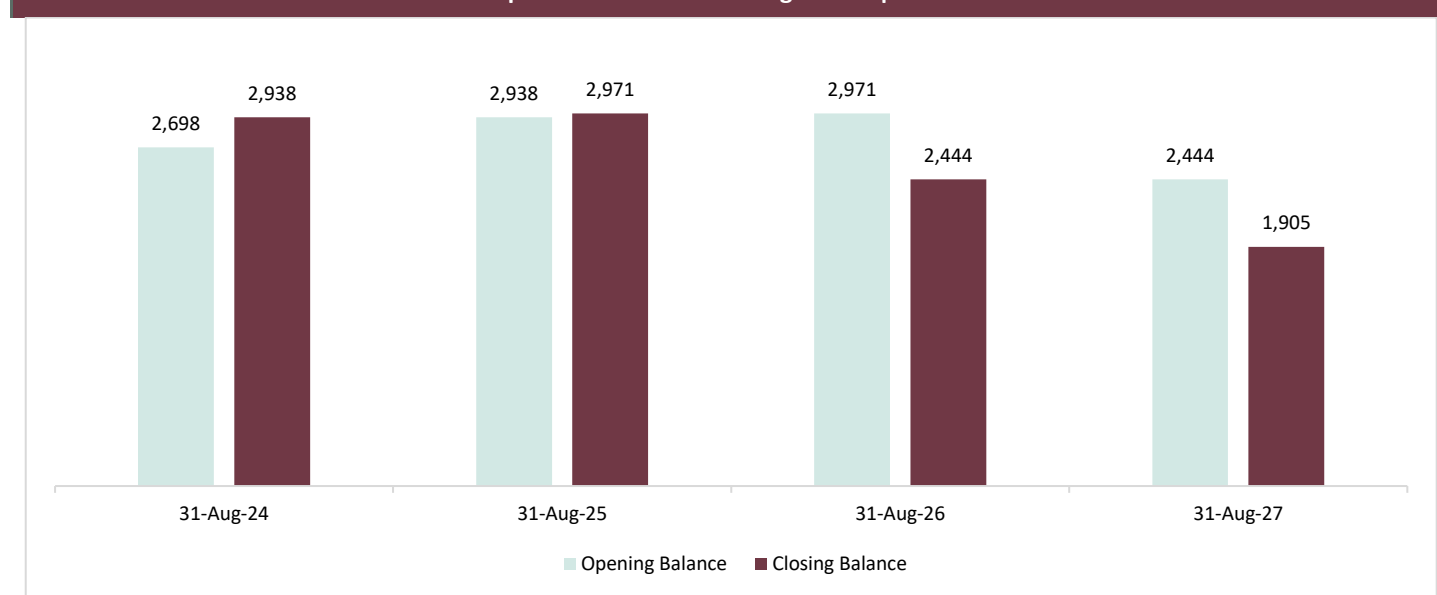
I am proud to announce the successful expansion of Badr University in Assiut, where we have exceeded our initially planned launch of 7 faculties and now anticipate a total of 11 faculties to be inaugurated in the coming spring. These new faculties will increase student capacity at the recently launched university by 6,000 seats, promoting more diversity, creating new opportunities, and fostering an improved educational landscape. Furthermore, I am pleased to report that the upcoming launch of Saxony Egypt University, Egypt's largest private technology university in the greater Cairo region, developed in partnership with Al Ahly Capital, is progressing as scheduled. The university is set to open its gates in September of 2024, and we are confident in its success, which will further enhance our position within the fastest-growing segment of the education sector.

With a secured land bank that has the capacity for two more universities, in addition to the other schools in our pipeline, CIRA remains at the forefront of the education industry. With demand for our institutions increasing daily, this success paves the way for an incredibly promising future as we continue to forge new exciting partnerships to fuel our growth. The launch of new schools, the expansion of faculties at Badr University in Assiut, and the upcoming Saxony Egypt

project underpins our unwavering dedication to delivering top-notch education and expanding our footprint. As an organization, our relentless pursuit is to elevate the education sector to unparalleled heights, while playing a vital role in shaping and enhancing the broader economic landscape.

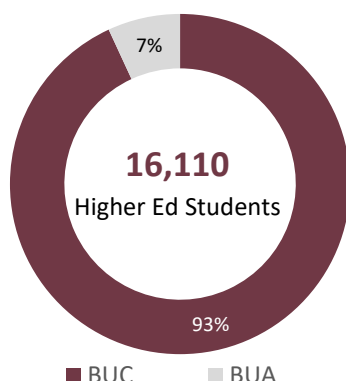
It is crucial for our investors to fully grasp the strategic growth trajectory of CIRA. Our proactive plan, initiated four years ago, focused on acquiring a substantial land bank and undertaking large-scale projects such as Badr University in Assiut (BUA), Cairo Saxony, and the upcoming Damietta University. Coupled with the launch of seven schools during this period, the Group's foresight has afforded CIRA a significant early-mover advantage, allowing us to establish educational institutions with minimal capital expenditure compared to the prevailing inflationary wave in Egypt. Notably, as a result of our early intervention, the calculated savings on our existing land bank, both phases of BUA, and new K12 schools amount to an impressive EGP 3.5 billion, exceeding our current level of borrowings. This year, we approached the peak of our debt facility, a trend expected to remain stable next year. As such, we expect to secure just EGP 500 million in additional debt by November 2024, representing the third tranche of our securitization program, before seeing it decline by the same amount by the end of the 2024/25 academic year. From 2026 onwards, we expect to see our debt balance steadily decline, illustrated by the below graph. Management is confident that these strategic decisions have and will continue to provide a substantial edge for CIRA and its educational institutions, showcasing the benefits of our early-mover approach.

Expected Debt Balance Progression | EGP mn

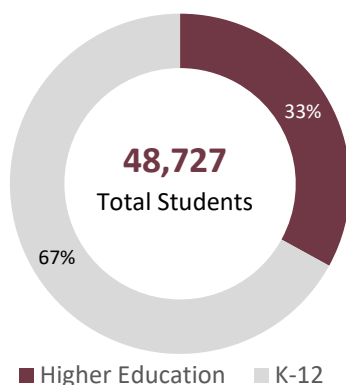


Mohamed El Kalla, Chief Executive Officer

**Higher-Ed Students by University
(FY 22/23)**



**Total Students by Segment
(FY 22/23)**



**K-12 Students by School Brand
(FY 22/23)**

Operational Performance

Higher Education

CIRA's higher education sector is performing on the back of growth across its two operational universities, Badr University in Cairo (BUC) and Badr University in Assiut (BUA).

The total student capacity grew 36% YoY in FY 2022/23, reaching 34 thousand students, compared to 25 thousand in the same period of the previous year. Higher student capacity is attributed to the establishment of CIRA's latest university, BUA. During the period, student enrollment experienced a 15% YoY rise, totaling 16.1 thousand students in FY 2022/2023. Despite the increasing enrollment rates, utilization declined by 9 percentage points to 47% as CIRA's capacities continued to expand following the inauguration of BUA. However, this sets a positive outlook for the future as the segment now has the capacity to stimulate more demand, thereby reaping the benefits of its ongoing expansion efforts.

As of August 31, 2023, the teaching staff in the higher education segment comprised 1,022 professors, reflecting a 15% YoY increase fueled by the launch of BUA. The Pupil Teacher Ratio (PTR) remained relatively stable at 15.8x during the full-year period, exceeding the management's target range of 15.3x-15.4x. The number of administrative staff in the higher education segment increased by 48% YoY, reaching 1,246. Meanwhile, the Pupil Admin Ratio (PAR) decreased from 16.6x to 12.9x in the corresponding period.

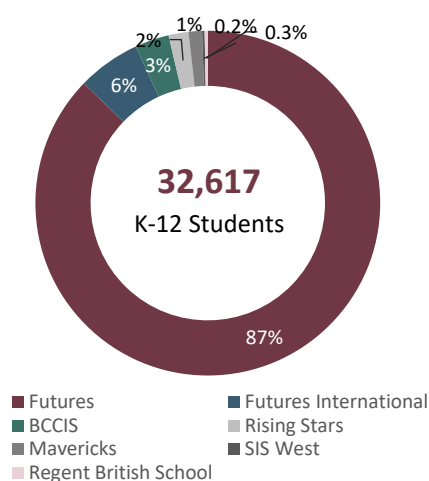
Higher Ed | Key Operational Highlights

	FY 21/22	FY 22/23	% change
Number of Faculties	16	23	44%
Teaching Staff Size	886	1,022	15%
Admin Staff Size	844	1,246	48%
Capacity (No. Students)	25,000	34,000	36%
Number of Students	14,007	16,110	15%
Pupil Teacher Ratio (PTR)	15.8x	15.8x	-0.03x
Pupil Admin Ratio (PAR)	16.6x	12.9x	-3.7x
Utilization	56%	47%	-8.6 pps

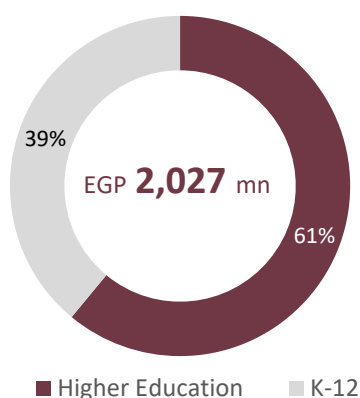
K-12 Education

As of FY 2022/23, CIRA's K-12 segment network includes 25 schools, spanning across 9 Egyptian governorates. The most recent addition to the network is Futures Language School in Qena, which commenced operations at the beginning of the academic year. Currently, the K-12 segment comprises 7 brands: Futures, Futures International, British Columbia Canadian International School (BCCIS), Saxony International School (SIS), Mavericks, Rising Stars, and Regent British Schools.

CIRA Education's K-12 education segment witnessed a 6% YoY increase in its student population, reaching a total of 32.6 thousand students during FY 2022/2023. Similarly, the segment's student capacity experienced a 3% YoY growth, reaching 35 thousand



**Revenue by Segment
(FY 22/23)**



students, driven by higher utilization rates. Utilization increased to 93%, improving 2.8 percentage points YoY.

The K-12 segment increased its teaching staff size by 3% YoY, totaling 2,822 teachers as of August 31, 2023. Consequently, this increase resulted in a higher Pupil Teacher Ratio (PTR) of 11.6, compared to 11.2 one year prior. Additionally, the segment enlisted 2,252 administrative staff in FY 2022/2023, reflecting a 7% YoY rise, with a corresponding Pupil to Admin Ratio (PAR) of 14.5.

K-12 | Key Operational Highlights

	FY 21/22	FY 22/23	% change
Number of Schools	24	25	4%
Number of Teachers	2,750	2,822	3%
Admin Staff Size	2,110	2,252	7%
Capacity (No. Students)	34,000	35,000	3%
Number of Students	30,820	32,617	6%
<i>Pupil Teacher Ratio (PTR)</i>	<i>11.2x</i>	<i>11.6x</i>	<i>0.4x</i>
<i>Pupil Admin Ratio (PAR)</i>	<i>14.6x</i>	<i>14.5x</i>	<i>-0.2x</i>
<i>Utilization</i>	<i>91%</i>	<i>93%</i>	<i>2.8 pps</i>

Financial Performance

At CIRA, we believe that our segmental analysis of EBITDA and Net Profit between our K-12 and Higher Education segments is more accurately represented when the general costs, including interests on loans, are appropriately allocated between the two segments. Therefore, while we are required by law to report our segment analysis as per our audited financials, we have provided an adjusted segmental analysis of EBITDA and Net Profit in the second table below, which reflects a more realistic allocation of expenses between our K-12 and Higher Education segments.

Breakdown as per audited results:

(EGP million)	Higher Education			K-12 Education			Total		
	FY 21/22	FY 22/23	Chg.	FY 21/22	FY 22/23	Chg.	FY 21/22	FY 22/23	Chg.
Tuition Revenue	948.0	1,169.2	23%	606.6	710.9	17%	1,554.5	1,880.1	21%
% of Revenue	95.9%	94.7%		90.4%	89.7%		93.7%	92.7%	
Other Revenue	40.6	65.8	62%	64.3	81.5	27%	104.9	147.3	40%
% of Revenue	4.1%	5.3%		9.6%	10.3%		6.3%	7.3%	
Total Revenue^{1/2}	988.6	1,235.0	25%	670.9	792.4	18%	1,659.5	2,027.3	22%
Adj. EBITDA^{1/2/3}	654.6	781.9	19%	149.0	122.1	-18%	803.6	904.1	12%
Adj. EBITDA Margin	66.2%	63%		22%	15.4%		48%	45%	
Adj. Net Profit^{1/2/3}	438.8	507.50	16%	(49.2)	(367.7)	648%	389.6	139.8	-64%
Adj. Net Profit Margin	44.4%	41.1%		-7.3%	-46.4%		23.5%	6.9%	

Breakdown with Weighted Segmentation⁴ Adjustment:

(EGP million)	Higher Education			K-12 Education			Total		
	FY 21/22	FY 22/23	Chg.	FY 21/22	FY 22/23	Chg.	FY 21/22	FY 22/23	Chg.
Tuition Revenue	948.0	1,169.2	23%	606.6	710.9	17%	1,554.5	1,880.1	21%
% of Revenue	95.9%	94.7%		90.4%	89.7%		93.7%	92.7%	
Other Revenue	40.6	65.8	62%	64.3	81.5	27%	104.9	147.3	40%
% of Revenue	4.1%	5.3%		9.6%	10.3%		6.3%	7.3%	
Total Revenue^{1/2}	988.6	1,235.0	25%	670.9	792.4⁵	18%	1,659.5	2,027.3	22%
Adj. EBITDA^{1/2/3/4}	634.6	761.9	20%	169.0	142.1	-16%	803.6	904.1	12%
Adj. EBITDA Margin	64%	62%		25%	18%		48%	45%	
Adj. Net Profit^{1/2/3/4}	358.8	267.5	-25%	30.8	(127.7)	-514%	389.6	139.8	-64%
Adj. Net Profit Margin	36.3%	21.7%		4.6%	-16.1%		23.5%	6.9%	

¹ Results exclude construction revenues and its associated costs & G&A of EGP 315.7 mn, EGP 280.7 mn and EGP 5.3 mn respectively, coming to a net profit of EGP 29.75 mn

² Results exclude the Group's share of losses from investing in associates amounting to EGP 24.5 mn

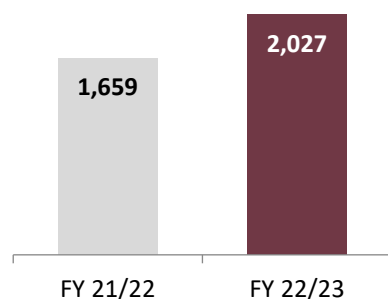
³ EBITDA & Net Profit are adjusted by non-recurring pre-operating expenses of EGP 4.3 mn associated with BUA, EGP 5.0 mn with CSC, EGP 1.7 mn with CIC and EGP 2.4 mn with Al-Ahly CIRA, in addition to EGP 9 mn in provisions formed, amounting to a total adjustment of EGP 22.4 mn

⁴ EBITDA & Net Profit were reclassified between the K-12 & Higher-Ed segments by EGP 240 mn (EGP 20 mn in G&A expenses & EGP 220 mn in finance costs) to reflect the accurate distribution of senior management compensation and finance costs

⁵ The EBITDA margin was weighed down by the early operation of the 6 new K-12 schools

Revenue Progression

(EGP mn)



Revenues

CIRA Education reported total revenues of EGP 2.03 billion for the full year 2022/23, marking a significant increase of 22% YoY. The notable growth in the top-line was primarily driven by ongoing advancements in the Group's platforms, with Higher Education contributing the majority of the growth share during this period, particularly following the launch of Badr University in Assiut.

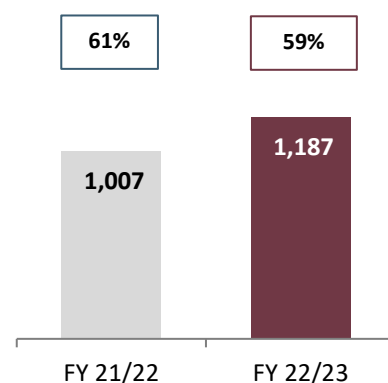
Tuition revenues experienced a 21% YoY growth, reaching EGP 1.88 billion, and continued to constitute the majority of the year-to-date revenue at 93%. This growth was driven by an upsurge in student enrollment across CIRA Education's diverse platforms, prompted by the inauguration of Badr University in Assiut and Futures Language School in Qena.

CIRA's higher education platform experienced robust growth throughout the year, achieving a record-high revenue of EGP 1.23 billion, reflecting a substantial 25% year-over-year increase. The main drivers of this growth were the introduction of BUA and a significant increase in student enrollment at BUC. As a result, tuition revenues within the platform showed a notable 23% year-over-year increase, reaching EGP 1.17 billion in the fiscal year 2022/23. This platform played a pivotal role in contributing to the majority of the Group's overall top-line and growth during this period, accounting for 61% and 67%, respectively.

CIRA's K-12 platform recorded total revenues amounting to EGP 792.4 million, reflecting an impressive 18% year-on-year surge. This upturn was propelled by a substantial increase in tuition revenues, which reached EGP 710.9 million during the same period, showcasing a robust 17% year-over-year growth. The expansion was further facilitated by heightened enrollment rates in recently established schools. Additionally, there was a noteworthy 27% year-over-year growth in other revenues, totaling EGP 81.5 million in FY 2022/23. This increase was driven by the recovery of revenues from various sources, including bus transport, activities, and admissions. Notably, CIRA's K-12 platform played a significant role in bolstering the Group's overall top line and growth, contributing 39% and 33%, respectively.

Gross Profit Progression

(EGP mn, % margin)



Gross Profit

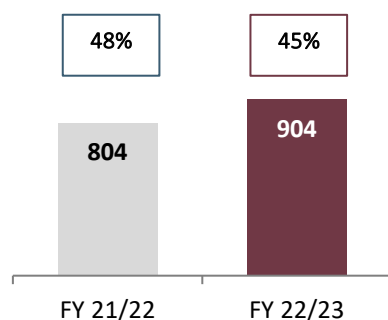
Gross profit increased 18% YoY to EGP 1.19 billion in FY 2022/23, despite a substantial 57% YoY increase in operating costs fueled by higher salaries and wages amidst the prevailing inflationary environment. The impact of escalating costs was partially mitigated by a solid top line and improved operational efficiencies. Consequently, the gross profit margin stood at a robust 58.6% in FY 2022/23, undergoing a 2.1 percentage point decrease over the same period.

SG&A

SG&A expenses amounted to EGP 301.1 million in FY 2022/23, showing a notable 41% year-over-year increase. This uptick was driven by heightened selling and administrative expenses associated with recent and upcoming launches. Despite the challenging inflationary backdrop, adept cost management and enhanced efficiency strategies maintained the stability of SG&A as a percentage of revenues. Experiencing only a marginal 0.4 percentage points year-over-year increase, it came in at 12.4% of revenues in FY 2022/23.

Adj. EBITDA Progression

(EGP mn, % margin)



EBITDA

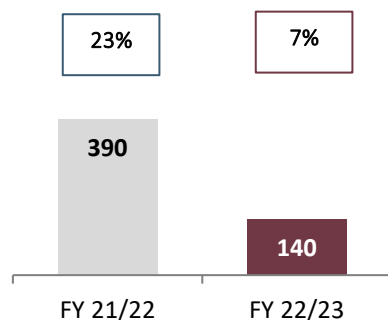
CIRA Education's adjusted EBITDA, which excludes one-off expenses and provisions, booked EGP 904.1 million in FY 2022/23, signaling a 12% YoY increase. However, the corresponding adjusted EBITDA margin saw a decline of 3.8 percentage points year-over-year, settling at 44.6% for the period. This decrease can be attributed to a reduction in gross profitability, elevated start-up costs from recent projects, and the payment of legal and audit fees in foreign currency. The impact of these factors was particularly notable due to the series of devaluations to the Egyptian pound since 2022.

Net Profit

Adjusted net profit for FY 2022/23 amounted to EGP 139.8 million, marking a 64% YoY decline and resulting in a net profit margin of 6.9%, down by 16.6 percentage points YoY during the same period. The contraction observed in the Group's bottom line was primarily driven by net financing costs more than tripling, reaching EGP 400.4 million year-to-date. This increase was attributed to rising interest rates for the period, coupled with the completion of the first phase of its future flow securitized bond worth EGP 800 million in November 2022.

Adj. Net Profit Progression

(EGP mn, % margin)



Balance Sheet

CIRA Education registered EGP 498.4 million in cash on hand and at banks as of August 31, 2023, representing a substantial 179% increase since the beginning of the year, with its growth attributed to the issuance of EGP 800 million in securitized bonds. The company's property, plant, and equipment balance stood at EGP 6.22 billion by the end of August 31, 2023, up 12% year-to-date, primarily a result of the addition of BUA to its portfolio. Overall, the total value of the company's assets substantially increased by 19% year-to-date, reaching EGP 7.90 billion as of August 31, 2023. Moreover, the significant growth in cash balance had a direct effect on net debt, reducing it by 7% year-to-date to EGP 1.95 billion as of year-end 2023.

Recent Developments



Construction of Cairo Saxony University to be Finalized by July 2024

The construction of Saxony Egypt University, Egypt's first private technology university developed in partnership with Al Ahly Capital, remains on its planned timeline. Upon completion in July 2023, the university is scheduled to commence operations in September 2024.



Inauguration of the Cosmic Village's School Complex

CIRA Education has launched the first phase of Cosmic Village's School Complex in partnership with The Sovereign Fund of Egypt (TSFE) and El Sewedy Capital. The first phase of the complex is set to house four schools, including CIRA Education's own Regent British School, a mid-tuition range international school, and Futures Tech, catering to Egypt's middle-income segment. The event was attended by several leading government figures, including H.E. Dr. Moustafa Matbouly, Prime Minister of Egypt.



CIRA Education to Submit Academic Proposal for Advanced Sci-Tech University in Damietta

CIRA has prepared the proposal to establish the Advanced SCI-Tech University in Damietta. The Group plans to submit the proposal for consideration in the process of obtaining a presidential decree by December.



BUC Ranks 201 out of 300 in the Shanghai World University Rankings

Badr University in Cairo (BUC) has ranked 201st in the Academic Ranking of World Universities and Global Ranking of Academic Subjects as per the esteemed Shanghai ranking list. This accomplishment was reinforced by its outstanding performance in two key subjects: pharmacy and pharmaceutical sciences. The university's efforts to publish more research in these fields played a significant role in securing this admirable ranking.



CIRA Education Inspires Entrepreneurship Dialogue at MIT's Legatum Center

CIRA Education participated in a session at the Legatum Center for Development and Entrepreneurship at MIT. The session featured guests Ridzki Kramadibrata, former President and current Commissioner of Grab Indonesia, and Mohamed Kalla, CEO of CIRA Education, and treated Legatum Student Fellows to a unique learning experience as they engaged in discussions with both entrepreneurs.

2022/23 OUTSTANDING PEARSON LEARNER AWARDS

Ahmed Moustafa Mohamed Fahim Ibrahim from CIRA's Talae El Mostaqbal British School has been awarded the outstanding person learner award for his academic excellence, which was demonstrated in his achievement of obtaining the highest subject mark across Egypt.

About CIRA Education

Founded in 1992, CIRA Education is the largest fully integrated education service provider in the Egyptian private sector. The company's vision emerged from the intent and desire to improve the quality of education in Egypt for the middle class in particular. With more than 45,000 students in 25 schools across 9 governorates and 2 universities, namely Badr University in Cairo and Badr University in Assiut, CIRA continues to offer high quality education at affordable prices for the Egyptian mid-market segment. CIRA's K-12 schools offer multiple education tracks, including British, American, Canadian, French, German and National curricula, and its students consistently place highly in national and district rankings; a testament to the quality of education our schools have to offer. We pride ourselves in owning all our institutes, with an exception of one school, and managing our operations and support services through the company's subsidiaries. These services include: educational management, educational content development, technological solutions, construction, maintenance, and transportation. CIRA's higher education universities currently has 23 faculties with more than 16,000 enrolled students as of the first term of the 2022/2023 Academic Year.

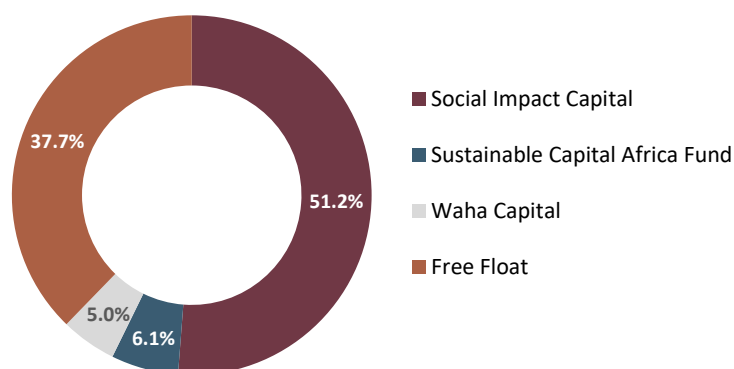
Contacts

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 31 August 2023)



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 31 August 2023

Income Statement

CAIRO EDUCATION AND ITS SUBSIDIARIES

Consolidated statement of profit or loss for the twelve-month period ended 31 August 2023

(All amounts in Egyptian Pounds)	FY 22/23	FY 21/22	YoY %
Operating revenue	2,343,011,087	1,717,358,172	36.4%
Operating costs	(1,314,120,367)	(835,816,663)	57.2%
Gross profit	1,028,890,720	881,541,509	16.7%
General and administrative expenses	(301,080,648)	(213,445,556)	41.1%
Provisions	(12,130,271)	(13,105,665)	
Other income	13,670,092	9,339,350	
Group share from investment in associates	(24,506,035)		
Operating profits	704,843,858	664,329,638	6.1%
Finance costs – net	(400,372,222)	(126,779,994)	
Profit before tax	304,471,636	537,549,644	-43.4%
Current tax	(184,896,603)	(162,266,126)	
Deferred tax	2,974,033	(1,379,074)	
Profit for the period	122,549,066	373,904,444	-67.2%
Basic & Diluted Earnings per share	0.19	0.54	
Profits attributable to			
Owners of the Parent Company	125,363,095	370,769,124	-66.2%
Non-controlling interests	(2,814,029)	3,135,320	-189.8%
Profit for the period	122,549,066	373,904,444	-67.2%

Balance Sheet

CIRA EDUCATION AND ITS SUBSIDIARIES

Consolidated statement of financial position as at 31 August 2023

(All amounts in Egyptian Pounds)	31-Aug-23	31-Aug-22
Assets		
Non-current assets		
Property, plant and equipment	6,217,839,929	5,570,092,804
Work in progress	21,581,907	164,317,426
Investment in associates	241,274,499	196,578,530
Goodwill	32,381,699	28,975,049
Right of Use	7,811,928	18,263,419
Total non-current assets	6,520,889,962	5,978,227,228
Current assets		
Inventories	17,533,980	16,349,926
Work in progress	241,644,255	-
Current debtors and other debit balances	619,588,480	457,787,394
Cash on hand and at banks	498,428,158	178,404,068
Total current assets	1,377,194,873	652,541,388
Total assets	7,898,084,835	6,630,768,616
Liabilities and shareholder's equity		
Shareholder's equity		
Issued and paid-up capital	233,116,130	233,116,130
Reserves	200,030,606	193,091,736
Retained earnings	934,140,770	1,002,278,439
Total shareholders' equity attributable to owners of the Parent Company	1,367,287,506	1,428,486,305
Non-controlling interest	259,841,324	135,998,396
Total shareholder's equity	1,627,128,830	1,564,484,701
Liabilities		
Non-current liabilities		
Non-current portion of borrowings and credit facilities	868,628,626	1,137,447,664
SUKUK Al-Ijarah	413,503,616	531,554,701
Securitization	784,895,575	-
Deferred tax liabilities	33,929,957	36,553,438
Non-current portion of lease liability	4,260,219	2,544,143
Non-Current Creditors and other credit balances	1,376,273,586	1,548,620,037
Total non-current liabilities	3,481,491,579	3,256,719,983
Current liabilities		
Provisions	57,307,408	84,637,690
Sukuk Al-Ijarah - current portion	118,051,085	58,051,085
Creditors and other credit balances	1,077,914,309	740,543,741
Deferred revenue	841,655,159	340,975,051
Current income tax liabilities	185,379,286	164,501,879
Current portion of borrowings and credit facilities	506,495,545	404,226,773
Current portion of lease liability	2,661,634	16,627,713
Total current liabilities	2,789,464,426	1,809,563,932
Total liabilities	6,270,956,005	5,066,283,915
Total liabilities and shareholders' equity	7,898,084,835	6,630,768,616