

Taaleem to Acquire a University in New Cairo

Cairo, November 30, 2022: Taaleem Management Services, Egypt's leading focused higher education platform, announced today that it signed binding documentation to acquire control of a university under-development in New Cairo.

The acquisition of the university will be completed through Taaleem's subscription to a capital increase of the target company that currently owns the university to fund the construction of the campus on an area of 80 thousand square meters in a strategic location in East Cairo, with a capacity to host up to seven faculties. The capital injection will be used to expedite the construction and subsequent launch of the university. The university file has received approvals from the Ministry of Housing, Utilities & Urban Communities (MHUC) and the Supreme Council of Private Universities (SCPU), with the licensing process pending only the cabinet's approval and the presidential decree.

Taaleem's investment will bring its ownership to 32% against a capital increase of EGP 302mn in the target company, with a path to 51% shareholding one year after the university enrolls students. Moreover, the Shareholders' Agreement (SHA) between Taaleem and the existing shareholders of the target company stipulates Taaleem's right to full operational and financial control over the university from the onset of the agreement.

The acquisition in East Cairo expands Taaleem's portfolio to three universities in Egypt and two in Greater Cairo, complementing its university in West Cairo, namely Badya University, which is currently also pending only the cabinet's approval and the presidential decree.

The successful completion of the transaction is subject to the fulfillment of transaction conditions and regulatory approvals, including the approval of the SCPU on the introduction of Taaleem as a shareholder into the New Cairo university company's capital.

Mohamed El Rashidi, Taaleem Management Services' Managing Director and Chief Executive Officer, commented:

"Acquiring this new university is a step forward towards our strategy of becoming Egypt's leading higher education services provider by expanding in key locations and providing value for money, high-quality tertiary education. We went through a rigorous selection process before landing on this university, which presented itself as an outstanding investment opportunity for Taaleem. The university's strategic geographic location, which is a high-density area with strong purchasing power, and its semi-green status, meaning that it has already completed part of the licensing process, coincided with Taaleem's expansion plan, making it an ideal investment opportunity. We are, therefore, very proud of our ability to execute our growth strategy and grasp the opportunity in the underpenetrated Egyptian higher education sector."

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About Taaleem Management Services

Established in 2015, Taaleem is a Major player in the tertiary education sector in Egypt. The company operates a platform-based model designed to be replicated across its assets, focusing on centralizing its supporting functions, creating synergies, and exploiting economies of scale, which enables the academic units to focus solely on providing accessible high-quality education and rich student experience. Taaleem's platform-based model demonstrated its ability to create value through its first asset, Nahda University Beni in Suef (NUB), the largest and first private university in Upper Egypt, enabling students from a very populous and under-served region to gain access to high quality education and skill-based learning. Taaleem, in partnership with Palm Hills Developments, is currently in the process of establishing Badya University, a new university campus in West Cairo, to be the second asset in the company's portfolio. Taaleem plans to grow more rapidly and is constantly exploring new growth opportunities, whether through M&A or greenfield projects, to continue its record of success.

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