

Education Acquisition, Investment and Real Estate Advisory in KSA

- Investors' Overview deck
- By Emkan

Agenda

1

Context

2

About Emkan

3

Our Service Line and M&A Journey

4

Next Steps

5

The Team

1) Context

Potential of education market in KSA

The KSA education market offers significant scale potential. It is expected to **grow at a CAGR of 11% by 2030** due to (i) **population growth**, (ii) **increased enrollment in private schools**, and (iii) **privatization/government initiatives**. Above all there is a drive for improved quality.

Challenge & opportunity

At the same time the Covid-19 pandemic has created pressure on existing school financials and fragmented operational strategies. **Existing school operators are exploring funding options and potential exit/consolidation**. International investors have been interested in the market but have largely adopted a monitoring strategy. The focus on quality is forcing the hand of some operators which creates opportunity for investors in terms of school improvement followed by consolidation/platform growth and ultimate disposal.

In this context Emkan have the opportunity to build on its reputation amongst private sector clients and its experience with the KSA public sector to **offer support in education acquisition/sales, investment and real estate**.

Overview of the KSA education market

2) About Emkan

About Emkan

Emkan is an **education services company with a diverse portfolio of education initiatives** that has provided **3 distinct services** through its offices in **Jeddah, Riyadh, and Dubai**.



1

ADVISORY

- Human capital development consultancy
- Market entry support for Education Institutions
- Bespoke content development & training
- Strategy development



2

SCHOOLS & PROGRAM ESTABLISHMENT & DEVELOPMENT

- School establishment, audits & improvement
- Program, curriculum & content development



3

CAMBRIDGE International Examination

- Associate schools' support
- Cambridge Professional development training



Emkan has completed over forty five advisory projects with more than thirty-five regional clients and multiple partners

PUBLIC

PRIVATE

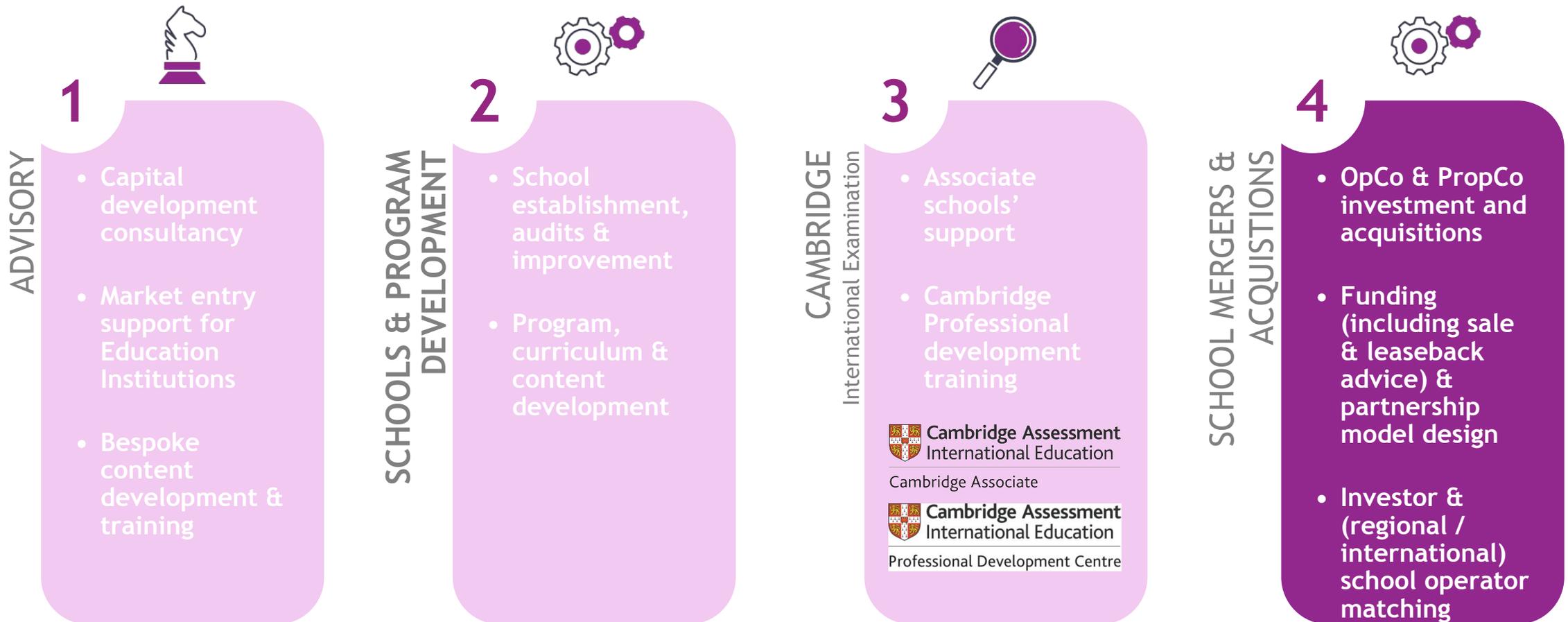
THIRD SECTOR

Local entities

International entities



Emkan has established in 2021 a 4th service line to respond to the market opportunity



3) Our Service Line and M&A Journey

We are specialized in three different approaches regarding education market entry



1 M&A of existing education facilities

Buying existing education businesses

- Investing in existing school brand (e.g. more capital for recruitment, marketing and building refurbishment, renovations & expansions)
- Transforming/rebranding existing school brand



2 Building and land acquisition

Acquisition of land and construction of building

- Built-to-Suit education building

Acquisition of existing empty or struggling education facility

- Buying and renovating existing school building(s) for resale



3 ISOs & Investors

ISOs & Investors relationship

- Linking local and international school operators with investors to support in school operations

We are offering customized services for a wide variety of investors



Family Offices
and Private
Individuals



Private Equity
Companies

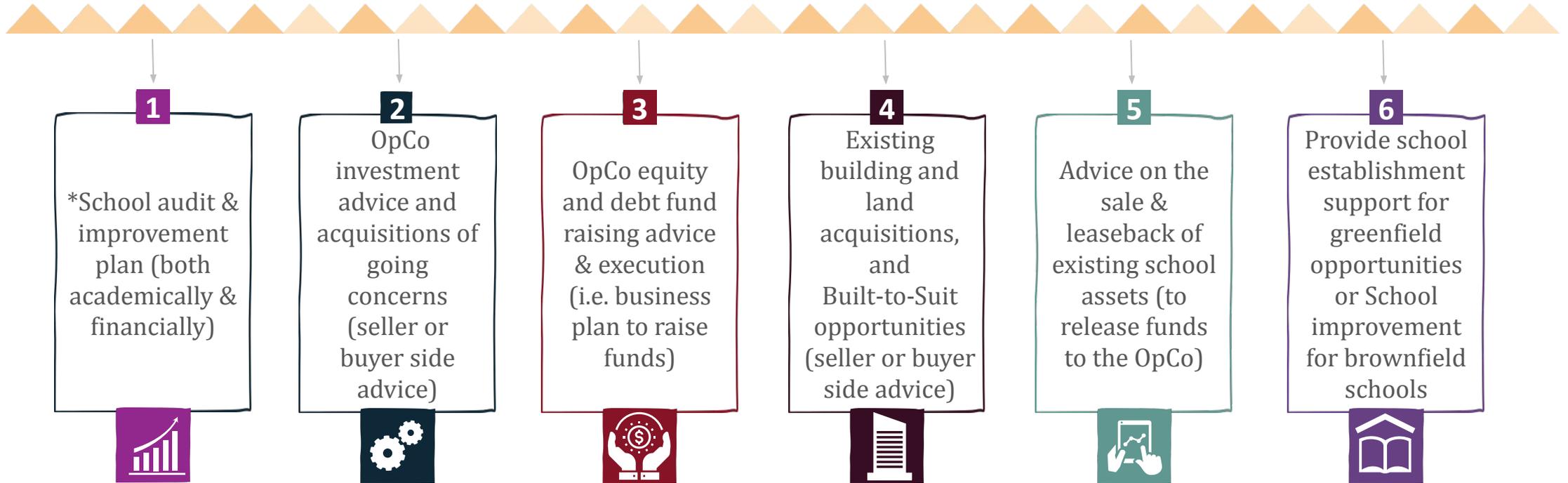


Real-estate
companies



International
School
Operators &
Education
Platforms

We offer six services related to K-12 school acquisition in KSA



*Note that this is optional if Investor requires full due diligence as part of its decision to buy an existing school

Based on the investor needs, we select and customize one or a combination of our six business services in a commercial proposal

The nature of our partnership with our schools and investors is one of transparency and consistent sharing

Our value proposition is an ease of operations, enhanced and ensured by the fact that our relationship with our schools & investors grants us unrestricted access to data as well as allows us to streamline and enhance efficiency of processes through our representation off them



NDA

Both parties sign an NDA (Emkan and investor) to ensure comfort and ease of sharing



Discussion

Initial discussions to detail all required data and documents based on school and investor needs



Dedicated Team

Allocated dedicated team from seller-side to ensure consistent and efficient support in accessing important data regarding the school



Representation

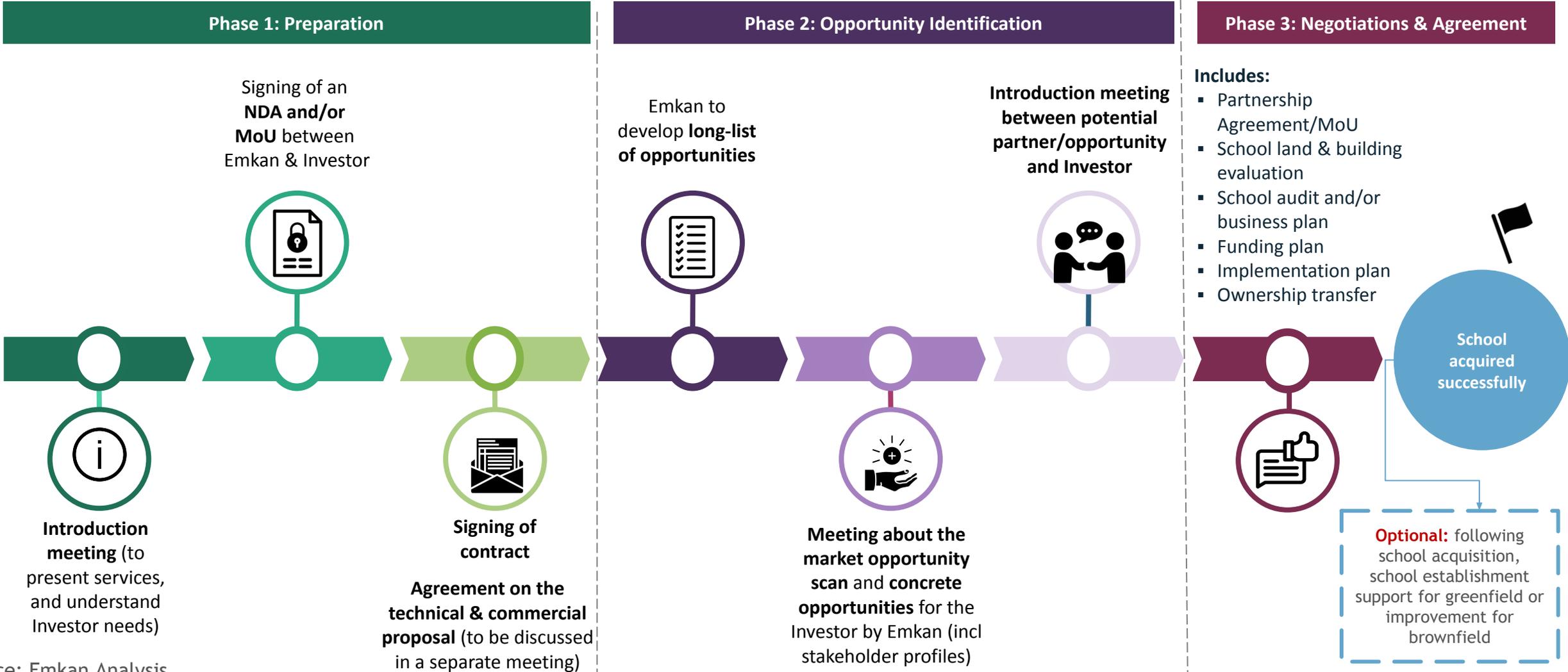
Emkan will provide representation on behalf of the school and investor in front of other stakeholders

Overall journey for the Investor (can be customized based on Investor needs)

Between Emkan & Investor

Between Emkan & Investor

Between School/Seller & Investor. Emkan facilitator



Our starting point for the identification of investment opportunities



Verify interest of partners to sell school, raise funds, or to participate in Greenfield opportunities

Through our **relationships** we will **verify interest** of potential school owners to sell the school or to raise capital (OpCo and/or PropCo) or of potential operators aiming to open a greenfield school



Identify existing target schools or school operator partner

Using our **network**, we will **identify target schools** based on **the investor's standards & investment needs**. We also work with **Government entities** looking for international operators and investors to provide education services.



Develop high-level school/school operator profile

By leveraging our **experience** in school assessment and transformation, we will develop **initial due diligence** reports



Conduct introduction meeting

Coordinated by Emkan & Daymer. Purpose of the call is an **introduction between the school/school operator and investor**, and laying out the **investment opportunity**. Investor to give green light to continue the process with a specific school/seller

Once an opportunity is identified for an existing school, we can conduct a school audit (focused on academics & financials) of the school if the Investor is interested in that

1		Student learning and online learning capabilities	>	We will measure (by reviewing documentation and attending classes) <i>current student performance, student progress over time, learning skills, and students' behaviour and attitudes, and the school's capabilities to teach online</i>
2		Academic accreditation	>	Given the current academic accreditation (e.g. AdvancED, COBIS, BSME, IBO, NAISCA), is the <i>school operating in line of the requirements?</i> (e.g. governance, personnel, programs)
3		Leadership & management	>	We will review the <i>school strategy, leadership roles & responsibilities, quality assurance mechanisms and staff performance management,</i>
4		Curriculum, teaching & student support	>	We will observe how teachers <i>teach the curriculum, how they design and deliver assessments, how they deal with gifted and SEN students, and the functioning of student affairs</i>
5		Students, teachers & parents' satisfaction	>	We will conduct online surveys, face-to-face interviews, and focus groups to indicate students, teachers & parents satisfaction about the school's operations & student progress
6		MoE regulatory compliance	>	We will investigate if the school operations are in line with regulations from MoE (e.g. class sizes, Saudization rate of teachers)
7		Financial audit	>	Analyzing financial metrics such as revenues, operational costs, EBIDTA, net profit, and cash balance over the past years

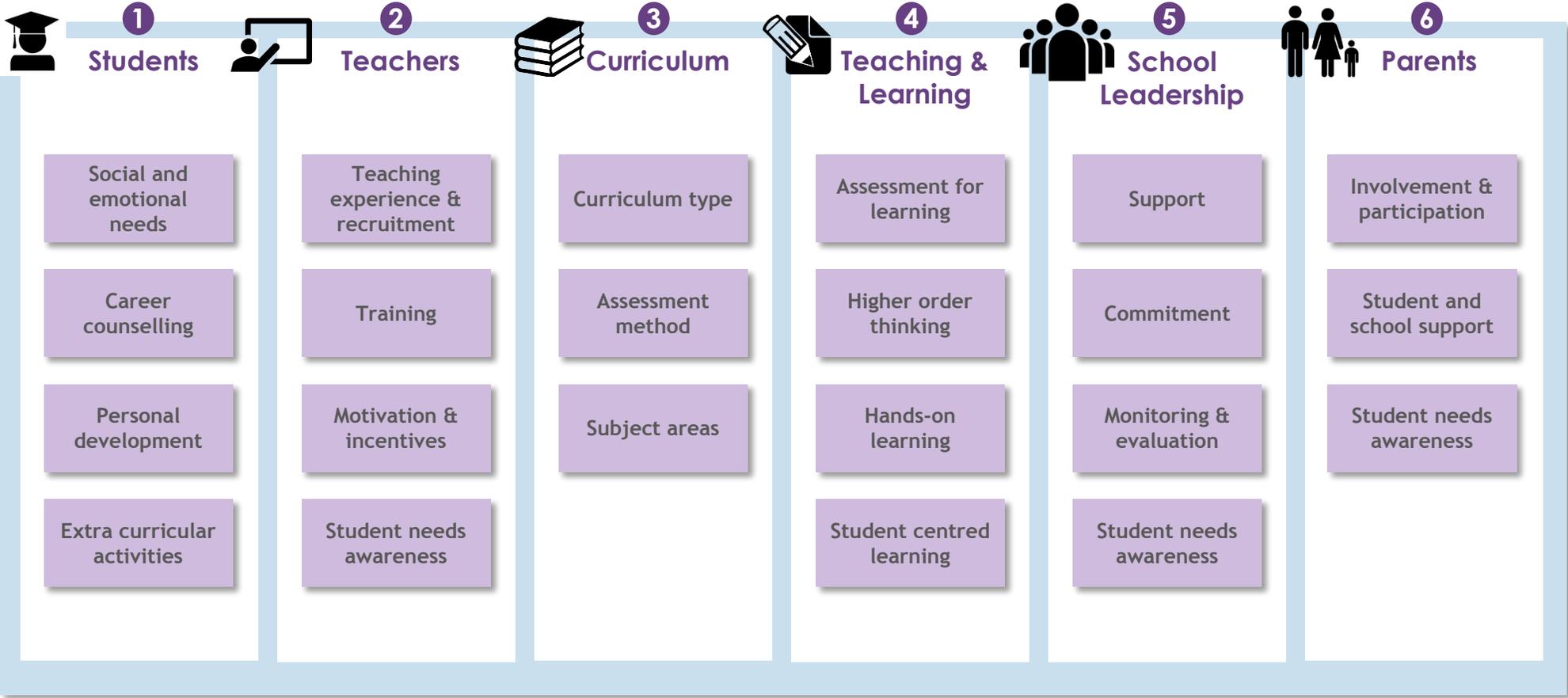
When possible, the school will be visited to inspect land & building and gather final data points

The next steps once Emkan has established a brownfield opportunity

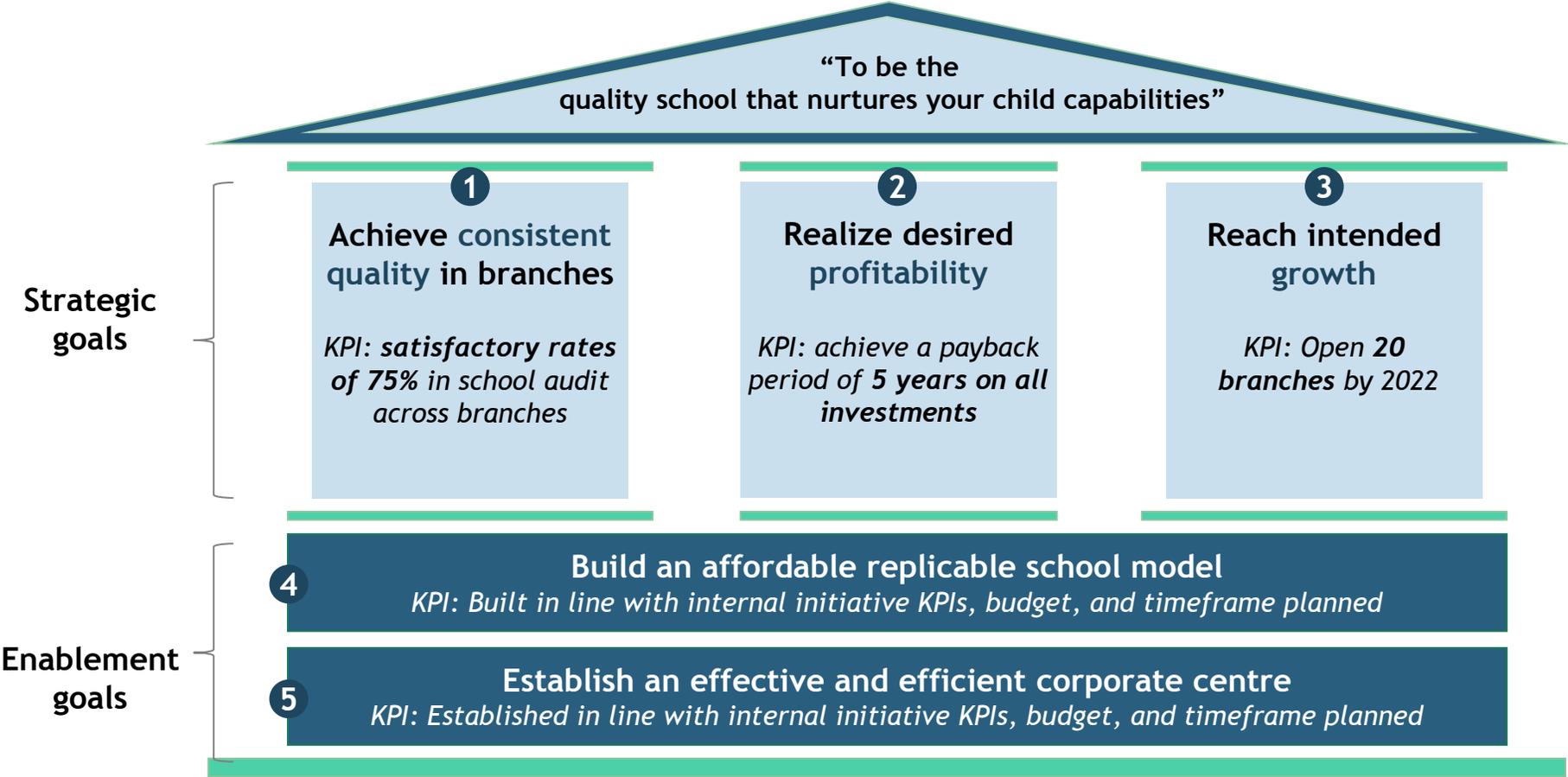
-  Partnership objectives & timelines through an MoU
-  Evaluation to establish value/investment of the education business/asset
-  Business plan will be prepared for the OpCo and Propco
-  Strategic & marketing plan will be prepared (may include platform building)
-  Funding options will be considered including shareholding consequences
-  An implementation plan will be agreed which will identify additional input (e.g. legal and valuations)
-  Facilitation of ownership transfer or partnership creation
-  Market positioning will be commenced to maximize the success of the transaction

Emkan can support in one or more of these eight items based on the Investor needs

Emkan school establishment projects focusing on provision target the following areas for strategy and implementation

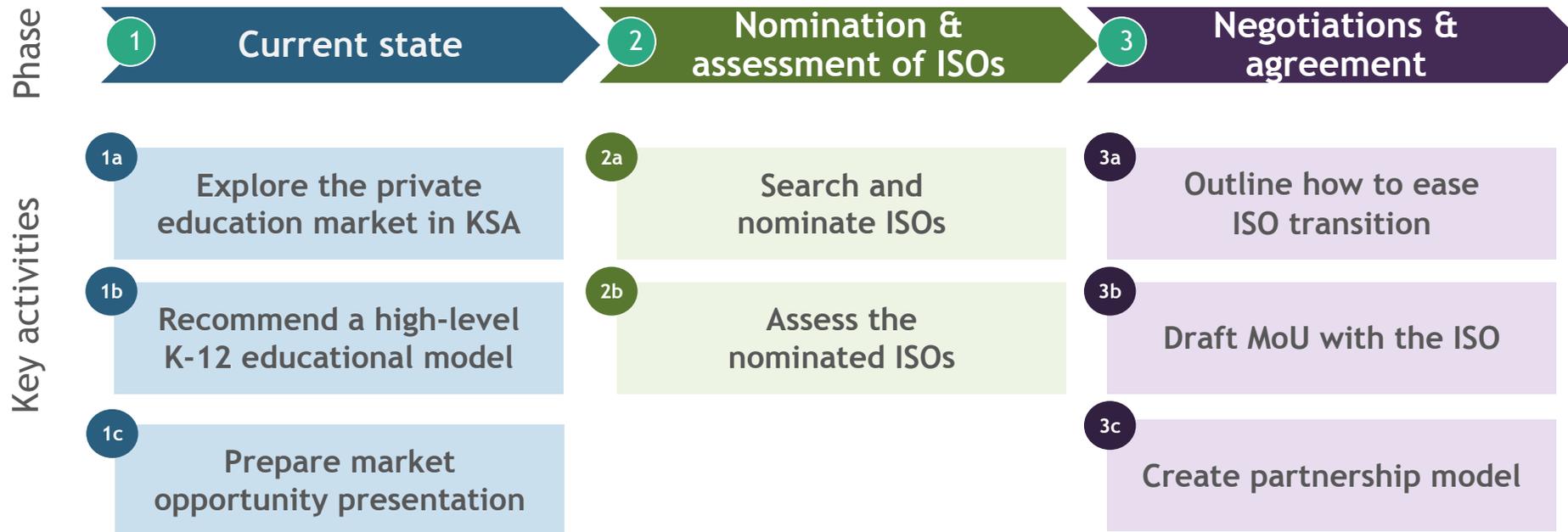


We begin by identifying a range of strategic goals to achieve the school’s vision



Optional service: matching Investors with Regional / International School Operators
(ISO)

We can also link investors who wish to provide Build-to-Suit education solutions with Regional / International School Operators (ISOs)



Screening & selection of International School Operators

Selection criteria*

Via desktop research (first round)	Through ISO meetings (second round)
Premium or premium plus	Prepared to launch school by (DATE)
Value proposition	Holistic educational curriculum
Prestigious and reputed	Assessment and admission of students
Students matriculating into top universities	Variety of extracurriculars
K-12	Team strength
In operation for 10+ years	Innovative / unique pedagogy
Expansion record	Teacher / leader capacity building programs

Key

High priority

Medium priority

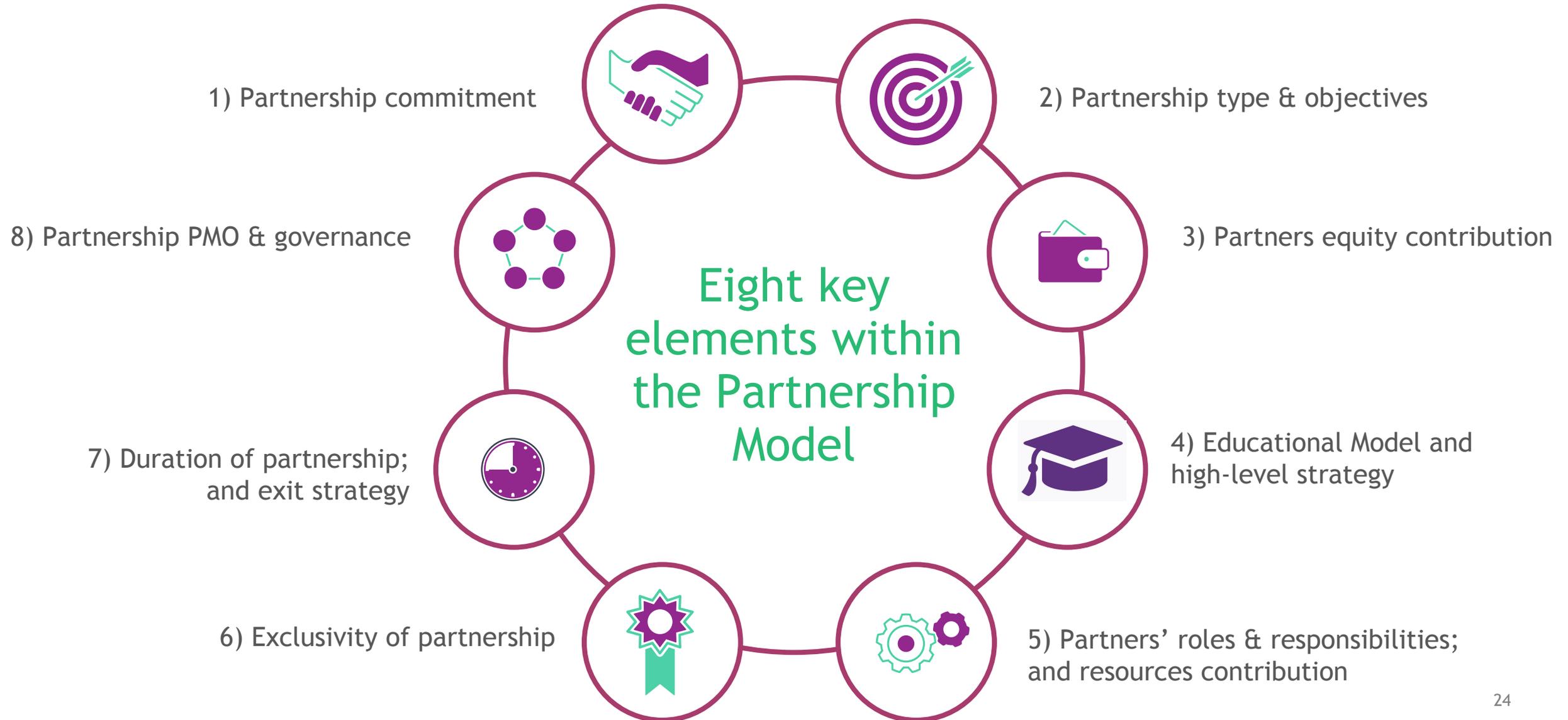
* To be customized based on Investor needs

Source: Emkan Analysis

We formulated 21 options that shape the new school's Educational Model

A School type	B School curriculum	C Teacher ratios and class sizes	D Other
<ul style="list-style-type: none"> • What grades should be offered by the school? • Which grade levels should the school focus on in its first years of operations? • What should the tuition fee range be? • What is the average K-12 school size? • What student gender should the school cater to? • What is the school's value proposition? 	<ul style="list-style-type: none"> • Which curriculum should the school follow? • Should the chosen curriculum be supplemented with other subjects? • Should we include students of special needs? • Should we offer dual language instruction? • Which third language will be taught at the school? 	<ul style="list-style-type: none"> • What should the adult to child ratio for PreK & nursery be? • What should be the adult to child ratio for KG 1-2? • What should be the adult to child ratio for grades 1-3? • What should be the teacher to student ratio for grades 4-6? • What should be the teacher to student ratio for grades 7-12? • What should be the average class size? 	<ul style="list-style-type: none"> • How should the afterschool program be developed? • What level of parental engagement should we adopt? • Which platform are we using to communicate with students and parents? • Should the school offer meal plans?

The key elements within the Partnership Model



4) Next Steps

Next steps

- 1 Emkan to share **NDA/MoU**, and Investor to sign it
- 2 Emkan to draft **technical & commercial proposal**
- 3 Investor & Emkan to **sign contract**
- 4 Emkan to present **high-level investment opportunities in a second meeting**
- 5 Investor to **confirm his interest** in one or more of the investment opportunities
- 6 Emkan to share **details of the seller/opportunity** and arrange for an **introduction call between Investor and Seller**

5) The Team

The team working with you

Department Leadership



Basma Bushnak
Oversee project direction



Mark Ryder
Oversee overall project with a focus on designing & implementing school funding & partnership models

Experts



Anne Loose
Oversee school evaluation and technical aspects of the school

Project Management



Faouzi Hammouchi
Lead day to day Project Management

Project Team



TBD
Execute day to day project

BASMA BUSHNAK



Basma Bushnak

CEO at Emkan

Function and Specialization

- Teacher & leadership training
- Cambridge Professional Development Qualifications

Education, Licenses and Certifications

- Masters in Curriculum, Pedagogy and Assessment (Institute of Education, University of London, UK)
- Certified Program Leader for Cambridge PDQ
- Certified trainer for TVTC

Background

Basma has experience in producing content and managing the **training programs for schools and in-house at Emkan in different areas of interest for teachers**. She is a **certified Program Leader for the Cambridge Professional Qualification Development certificate**, and a **certified Trainer for TVTC** since 2015.

She **leads the Cambridge Associate Program at Emkan**, where new schools are recruited under the Emkan network, and provided with the required Cambridge services e.g. Cambridge examinations, access to resources, teacher training, and school development services in line with Cambridge standards

Select professional experience

- Leading a project with MiSK in which **300 public school KSA teachers (in 5 regions)** are **being trained** in the **Cambridge Certificate in Teaching with Digital Technologies**
- Led a national project with National Digitization Unit (MEP) in which **150 public school KSA teachers (in 3 regions)** were **trained** in the **Cambridge Certificate in Teaching with Digital Technologies**
- Trained over 50 teachers in private schools in Jeddah on different topics such as dealing with gifted students in the classroom, and Creative School Leadership
- Contributed in **training & leading content developers for Arab International Portal**
- Advised Aanaab Academy: portal for training Arab teachers
- Led **school establishment projects** for schools in Jeddah and Khobar
- Contributed to the development of **Saudi Arabian Teacher licensing project** with EEC
- Conducted **school audits for Cambridge schools** as part of Cambridge approval process

ANNE LOOS



Anne Loos

International Education Expert at Emkan

Function and Specialization

- Government advisory & training
- Teacher standards & training
- National reform design & implementation
- International policy development

Education, Licenses and Certifications

- Masters of Education (Melbourne University, AUS)
- Bachelor of Psychology & Education (James Cook Univ, AUS)

Background

Anne has worked on an extensive range of national and international **education system policy development & evaluation, strategic reform initiatives** centered on teaching and leadership quality, improving education system and schooling performance, improvement centered regulatory design, inclusive education, and building local capacity for sustainable long-term improvements.

Anne's professional experiences span **Australia, Saudi Arabia & the UK**. She has worked in partnership on significant projects with international experts from an extensive **range of educational systems including the US, Singapore, Finland, Scotland, England, New Zealand, Canada, Estonia & the Philippines**.

She has led a range of **complex & significant portfolios undertaking strategic planning, needs analysis, innovative policy, program & project design, workforce training, and the application of research & evaluation to reform and program design**. Anne has presented extensively in international education forums, and authored and co-authored a broad range of reports and papers

Select professional experience

- Led international consultation **with Emkan** working on a range of projects such as:
 - **National Centre for Educational Professional Development** (NCEPD) (VRO, MoE, Learning First)
 - **2030 Vision digitizing education** - Teaching with Digital Technologies (MoE, NDU, TETCO, MiSK, Cambridge)
 - **Cambridge Professional Development Qualifications** (Cambridge & range of Saudi partners)
 - Aanaab **Micro-credentials framework** design
 - Madarisna - reporting on innovation in **data-driven decision making** in education in KSA
 - **Parent Engagement in Future Gate** - program & impact evaluation (TETCO, MoE)
 - Emkan School Assessment & Improvement Framework - design & implementation
 - School transformation program design & implementation (range of KSA private schools)

Mark Ryder



Mark Ryder

Real-estate & educational expert

Function and Specialization

- Developing school international expansion strategies
- Restructuring and investment
- OpCo & PropCo strategy creation and implementation
- Operational viability assessment
- Real estate including sale & leasebacks

Qualifications

Bachelors of Arts - BA Upper 2nd, Masters in in planning, Law conversion, Solicitor

Background

Mark Ryder is part of the Emkan team and is also the Managing Director of the Daymer Group which he established in the UAE in May 2015 to advise nursery and K- 12 school and university operators, landowners, build to suit developers and funders across the Middle East. **Mark has over 25 years of business experience working as a town and country planner, solicitor, investment manager, chief executive, developer, in house property director and self-employed consultant.**

The following is a summary of Mark's career:

- General Manager, Daymer Group - education consultancy, Dubai
- Group Director of Global Real Estate & Development, GEMS Education, Dubai
- Development & Regeneration Consultant, MJR Regeneration, UK
- Sports City Director, Manchester City Council, UK
- Chief Executive, ISIS Waterside Regeneration, UK
- Director, London & Amsterdam/ING Real Estate, UK

Select professional experience

- NBK Capital, ENBD Real Estate Fund and Emirates REIT - sale & leaseback advice
- GEMS Education - **school and land acquisition, business development and identification of market influences including facilities, unique selling points and futureproofing of sites**
- Dulwich College International, Kings Ely UK, Bloom Education (Brighton College and Dwight), Shattuck St Mary's US - **school international expansion strategies**
- Global Indian International School/Global Schools Foundation - school acquisition
- Dubai College - **shariah compliant funding**
- Cognita Education - retained as their Middle East representative for 3.5 years

Faouzi Hammouchi



Faouzi Hammouchi
Manager at Emkan

Function and Specialization

- Project Management
- Strategic Management
- Program Design
- Operational Management
- School M&A

Qualifications

- Masters in Strategic Management (Erasmus University Rotterdam, Netherlands)
- Bachelor in Business Administration (Erasmus University Rotterdam, Netherlands)

Background

Faouzi Hammouchi is a Manager at Emkan. He holds a Bachelor's Degree in Business Administration and a Masters Degree in Strategic Management which are both obtained from the Erasmus University Rotterdam. He also followed a minor Strategy Consulting.

He joined Emkan in 2015. Faouzi has gained extensive experience in Strategic Management by working closely together with our clients on **different large-scale projects in both the public and private sector. He worked as a Project Leader on organizational improvement projects, the development of nation-wide programs to improve KSA's human capital, complex financial modeling for school operators and investors, (acquisition) strategies, and implementation plans.**

Select professional experience

- Led **2 large-scale projects of school investors that asked support in identifying potential school acquisitions, investigating willingness to sell, collecting school data and conduct initial due diligence**
- Developed a **strategic plan, financial plan and implementation plan to establish a new chain of Kindergarten schools in Saudi**
- Led the launch and **implementation of a national teacher internship trainee program**
- Worked on a **career-education program to increase employability skills of Saudi nationals**. Part of his work was to develop the strategy and operating model
- Designed and managed a **national initiative to upskill Saudi's in advanced digital skills**
- Worked on an **organizational improvement project for a private K-12 school**. The project include a school evaluation, benchmarks, strategy formulation and a implementation plan
- Conducted a **feasibility study and strategic plan for a new Special Education school**
- Designed and managed the a **feasibility study and improvement plan for a Continuous Education Deanship of a public University**



امكان
EMKAN

Thank You



<http://emkaneducation.com/>



info@emkaneducation.com



www.twitter.com/emkaneducation



www.linkedin.com/company/emkan-education



www.instagram.com/emkaneducation/



+966 50468382