

The Prime Minister, Minister of Planning and Economic Development, and Minister of Higher Education and Scientific Research Witness the Signing of a Shareholders Agreement Between Sovereign Fund and Al Ahly CIRA for Educational Services to Establish Four New International University Models in Egypt



Cairo, 02 July 2024

Dr. Mostafa Madbouly, Prime Minister, Dr. Hala El-Said, Minister of Planning and Economic Development, and Dr. Ayman Ashour, Minister of Higher Education and Scientific Research, witnessed today the signing of a shareholders' agreement between the Sovereign Fund of Egypt, represented by the Egypt Education Development Fund, and Al Ahly

CIRA for Educational Services. This joint venture between CIRA Education, the largest investor in private education in Egypt, Al Ahly Capital Holdings (ACH), The National Bank of Egypt's private equity arm, and the Education Support and Development Authority aims to establish a new company to develop four new international university models in Egypt, combining a unique blend of branches of international universities and technological universities.

The agreement was signed by Dr. Hala Al-Said, Minister of Planning and Economic Development and Chairman of the Board of Directors of Egypt's Sovereign Fund for Investment and Development, and Dr. Ayman Ashour, Minister of Higher Education and Scientific Research and representing the Education Support and Development Authority. The agreement was also signed by Mr. Hisham Okasha, Chairman of the Board of Directors of the National Bank of Egypt, and Dr. Hassan El Kalla, Chairman of the Board of Directors of the CIRA Education Company, on behalf of Al-Ahly CIRA for Educational Services.

The signing ceremony was attended by Mr. Ayman Soliman, CEO of the Sovereign Fund of Egypt; Dr. Mohamed Al-Sharqawi, Assistant Minister of Higher Education for Policy and Economic Affairs and Acting Executive Director of the Education Support and Development Authority; Mr. Ihab Rizk, Executive Director of the Education, Food, and Agriculture Sectors of the Sovereign Fund of Egypt; Mr. Mohamed El Kalla, CEO of CIRA Education; and Mr. Karim Saada, CEO of Al-Ahly Capital Company and Chairman of the Board of Directors of Al-Ahly CIRA Educational Services Company.

The new universities will be established in collaboration with a number of prestigious global educational institutions from Canada, Switzerland, Germany, and the United States through partners who will be announced upon the finalization of the relevant cooperation agreements. This public-private partnership underscores the joint commitment of various stakeholders to achieving excellence and fostering innovation in educational services. It ensures that students in Egypt benefit from the best educational curricula that meet global standards, significantly enhancing Egypt's educational landscape.

Commenting on this partnership, Her Excellency Dr. Hala El-Said, Minister of Planning and Economic Development and Chairperson of the Egypt Sovereign Fund, emphasized the state's commitment to education and the continuous efforts to advance the sector. She highlighted that the 2024-2025 Economic and Social Development Plan includes increasing the competitiveness of higher education through a set of incentivizing investment packages for the private sector. The plan also focuses on enhancing projects to elevate the quality and international competitiveness of Egyptian public universities, promoting the establishment of technological universities in more governorates in partnership with the private sector, and increasing the number of international students to boost educational service exports. Additionally, the plan seeks to align higher education outcomes with labor market needs by driving up the creation of technological universities.

She further explained that the National Structural Reform Program is a national initiative developed collaboratively across various sectors. The program focuses on several key pillars, including labor market efficiency and flexibility, recognizing the labor market's dynamic and technology-dependent nature. As a result, educational outcomes must align with the evolving labor market to balance supply and demand, necessitating a focus on technical and technological education.

Her Excellency affirmed that the Sovereign Fund operates at full capacity alongside its partners from the Egyptian and foreign private sectors and investment funds to maximize returns from the assets transferred to it. The fund aims to create opportunities from these assets, build partnerships with both national and international investors, and safeguard the rights of future generations. As the state's investment arm, the fund's strategy aligns with Egypt's Vision 2030, promoting development and spatial justice through investments across various governorates.



Dr. Ayman Ashour, Minister of Higher Education and Scientific Research, confirmed that signing the agreement aligns with the principle of international reference, which is a core aspect of the national strategy for higher education and scientific research. He noted that the Ministry supports establishing regional and international partnerships with prestigious foreign institutions and universities.

The Minister of Higher Education added that the Ministry is working to encourage investment in higher education by creating a suitable environment for investment, providing the necessary infrastructure, developing supportive policies and procedures, offering incentives for investors, and supporting efforts to diversify university education institutions.

“Our partnership with TSFE marks a pivotal milestone in our mission to enhance the access to high-quality education in Egypt,” Dr. Hassan El Kalla, CIRA Education’s Chairman, emphasized, “By joining forces with world-renowned universities and combining our resources and expertise, we are poised to create academic institutions that meet the highest global standards while addressing the diverse needs of our students and communities. This collaboration underscores the immense potential of public-private partnerships in driving sustainable development and societal progress.”

“This partnership exemplifies our dedication to creating impactful public-private collaborations that enrich the educational journey of Egyptians. By partnering with Al Ahly CIRA, we are bringing world-class education to our national campuses, ensuring accessibility and affordability,” remarked Mr. Ayman Soliman, Chief Executive Officer of The Sovereign Fund of Egypt.

“We are very enthusiastic about entering into this groundbreaking Public-Private Partnership with the Sovereign Fund of Egypt. This agreement marks a significant milestone in our mission to expand access to world-class education. By establishing new micro international university campuses, we are creating a solid infrastructure to elevate the standards of the Egyptian labor force to top international levels. Together, we will promote innovation, drive academic excellence, and create opportunities for generations to come,” added Mr. Hisham Okasha, Chairman of the National Bank of Egypt and Al Ahly Capital Holding.

Commenting on this partnership, Mr. Ihab Rizk, the CEO of TSFE Education, Food & Agriculture sectors, added, “This partnership heralds the start of numerous future collaborations, firmly underscoring our commitment to expanding our diverse educational offerings across the nation for a brighter, more inclusive future for all. By leveraging underutilized government-owned assets, we fulfill our promise and achieve investment-grade returns. This approach fosters industry integrity through competition and reestablishes Egypt’s historical reputation as a premier regional destination for education.”

Dr. Mohamed Al-Sharqawi, Assistant Minister of Higher Education for Policy and Economic Affairs and Acting Executive Director of the Education Support and Development Authority, added that the Authority supports establishing partnerships with the private sector in line with the objectives of the National Strategy for Higher Education and Scientific Research. He emphasized the importance of leveraging the state’s assets and achieving significant academic and research outcomes through cooperation with prestigious international universities. This collaboration aims to support the development of university education, provide diverse educational opportunities for students to obtain dual academic degrees, offer modern study programs, and focus on practical training to prepare students to meet the demands of the local, regional, and international labor markets.”

“At CIRA Education, we are relentless in our pursuit of better-quality education, taking pride in our continuous ambition to elevate education standards in Egypt to international levels. This new agreement with the Sovereign Fund of Egypt is another step toward achieving that goal, providing us with an opportunity to further our mission and continue offering high-quality education services for Egyptian students,” added Mr. Mohamed El Kalla, CEO of CIRA Education.

“We are excited to partner with the Sovereign Fund of Egypt in this innovative initiative. This PPP agreement is our shared vision of enhancing educational opportunities and fostering educational brilliance. By establishing micro international university campuses, we are paving the way for a brighter future, empowering students with the knowledge and skills they need to succeed in a rapidly evolving world. This collaboration highlights our commitment to making high-quality education accessible to all.” Commented Mr. Karim Saada, CEO of Al Ahly Capital Holding and Chairman of Al Ahly CIRA for Educational Services.

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Investor Relations Contact:

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

About CIRA Education

Established in 1992, CIRA Education is the largest provider of integrated educational services in Egypt. It embraces a vision centered on enhancing educational opportunities in Egypt, with a dedicated focus on catering to the needs of the middle class. The company owns, manages and operates 30 schools, 2 universities and 9 Pre-Schools/Enrichment Centers in 12 different governorates, providing accessible, high-quality educational services. CIRA Education provides a diverse portfolio of curricula in the K-12 sector, including British, American, Canadian, French, German, in addition to the Egyptian National curriculum. Its PreK student body comprises 453 students, while its K-12 platform boasts more than 34,000 students. As for higher education, CIRA currently hosts more than 19,000 students in 23 different faculties, according to its enrollment data for the 2023/2024 academic year. <https://cira.com.eg/>

About Al Ahly Capital Holding

Al Ahly Capital Holding (ACH) is investment arm of National Bank of Egypt (NBE) an innovative private shareholding company founded in 2008 by with an authorized capital of EGP 40.0Bn for a mission to invest strategically in sectors that drive development and growth in Egypt. As of 2023, ACH Group's AUMs marked c. USD 2.5bn. ACH is the leading publicly owned investment company in Egypt with demonstrable track record for generating proprietary deal-flow and achieving exceptional returns. ACH operates a full range of services through three strategic pillars: Private Equity, Capital Markets, and Non-banking Financial Services.

About Al Ahly CIRA for Education Services

Established in 2021, Al Ahly CIRA for Educational Services S.A.E is a joint venture between CIRA Education and the National Bank of Egypt's investment arm, Al Ahly Capital Holding (ACH). The venture aims to provide top-notch, world-class education to all segments of Egyptian society, with a particular focus on middle-income citizens.

About The Sovereign Fund of Egypt

The Sovereign Fund of Egypt (TSFE) was established in 2018 to attract private investments to Egypt and promote and co-invest in state-owned assets to maximize their value and efficiency for future generations in partnership with the domestic and international private sector. It operates through unique legislation that allows it to operate with a private-sector mindset and according to private-sector laws and regulations. Its goals include investing in transactions that create jobs



and increase the private sector's contribution to the Egyptian economy. TSFE operates by global best practices in investment and ESG. An independent board of directors and general assembly oversee the fund. TSFE is a member of the International Forum of Sovereign Wealth Funds (IFSWF), One Planet Sovereign Wealth Funds (OPSWF), The European, Middle East and North Africa Sovereign Wealth Funds Foundation (EMENA SWF), and finally, Africa Sovereign Investors Forum (ASIF).

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.