



Alkhabeer Capital launches private equity fund targeting Saudi Arabia's emergent education sector

Jeddah, Saudi Arabia – 25 April 2016: Alkhabeer Capital, the asset management and investment firm based in Jeddah, Saudi Arabia, announced today the launch of Alkhabeer Education Private Equity Fund I ("The Fund"), the first education-focused product in its Private Equity investment portfolio.

The Fund is a closed-ended investment fund that was launched in Q4 2015 and offered by way of private placement, according to the Investment Fund Regulations. It aims to generate returns by acquiring a controlling stake in Adwa'a Al Riyadh Education Company, a privately-owned provider of primary, secondary, and high school education in Riyadh. The Fund provides a direct channel for investors to access Saudi Arabia's education market, the largest in the Arabian Gulf Region.

Commenting on the launch of the Fund, Ahmed Saud Ghouth, Chief Executive Officer of Alkhabeer Capital, said: *"The government is aggressively investing in diversifying and growing its non-oil economy including the announcement of US\$51 billion budget allocation for the education sector in 2016. This pledge also provides interest-free, long-term developmental loans to schools through the Ministry of Finance to foster the growth of the Kingdom's private education sector."*

The increase in government focus on privatization, coupled with the low penetration rate of private schools in the country, provide promising investment factors for the private sector.

Mr. Ghouth added: *"We are very pleased to partner with Adwa'a Al Riyadh Education Company, which has demonstrated a robust and sustainable business model since its establishment in 2001. Our Private Equity team has developed a detailed plan alongside the management for creating further value through introducing new programs and activities, while optimizing current operations by identifying efficiency improvement areas and increasing capacity and capacity utilization."*

Mr. Ibrahim Al Muhanna, Chairman of Adwa'a Al Riyadh Education Company, commented: *"The partnership with Alkhabeer Capital represents a key milestone for the Company's evolution and supports our goal in becoming a leading education company. Adwa'a Al Riyadh is uniquely positioned to benefit from the government commitment to develop the education sector."*

Alkhabeer Capital is a leading asset management and investment firm, authorized by the Capital Market Authority (license number 07074-37).

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Press Release

About Alkhabeer Capital

Alkhabeer Capital is a leading asset management and investment banking firm providing world-class investment products and services that endeavors to help institutions, family groups and qualified investors access to and/or allocate capital in ways that deliver real and enduring economic value.

It is licensed by Saudi Arabia's Capital Market Authority (CMA) under license number 37-07074. The asset management area provides investment opportunities through a large and growing portfolio of public and private funds in the areas of real estate, private equity and capital markets, while the investment banking area offers specialized Sharia compliant capital raising and M&A advisory services to businesses, private investors and families.

Alkhabeer Capital also provides advisory services on structuring Waqf entities and Waqf wealth management through its "Waqf" Program, which targets educational institutes, charitable foundations, family groups, high net worth individuals and other philanthropists who wish to establish Waqf entities.

Alkhabeer Capital has offices in Jeddah and Riyadh.

For more details on Alkhabeer Capital, please visit www.alkhabeer.com

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