

CIRA's Update on The Consumer Protection Authority (CPA) Decree Regarding the School's Transportation Fees



Dear CIRA investors,

In keeping with our continuous and transparent communication regarding COVID19's impact on the Egyptian Education industry, we wanted to share the latest updates regarding an official decree issued by The Consumer Protection Authority (CPA).

The decree announces that schools, higher education institutions, and third-party transportation providers will refund 25% of school bus fees paid for the 2019-2020 academic year. Students returning to school this fall will receive the rebate as a discount from the 2020-2021 academic year which begins next month.

In the wake of the COVID19 pandemic, CIRA had already proactively waived up to 21% of total annual transportation fees (total of 9.5 million EGP) from our Q3 revenues as disclosed in our latest financial release (Q3 ending May 31st), to be credited to the next academic year 2020/2021. In light of this decree, all returning students will receive the rebate as a discount from the 2020/2021 academic year fees. Those who either graduated or who have changed schools will be getting their 25% in cash within no more than 30 days.

Due to CIRA's early financial planning, the impact of the decree should be minimal on CIRA's year-end financials for the academic year 2019/2020 which will result in waiving a further 2 million EGP for the next academic year 2020/2021. Our early initiative is also a testament to the social responsibility we are proud to assume towards our stakeholders and the wider community.