

1H22 FINANCIAL RESULTS

30 JUNE 2022



1H22 KEY HIGHLIGHTS

Ikon student numbers up 41.8%¹



Bachelor of Early Childhood Education gaining traction



Strong rebound in ALG Letters of Offer



Strategic acquisition – Nurse Training Australia



Completed \$6m cap raise; welcomed Mulpha to register



Acquisition facility extended for 3 years



¹ In Trimester 2, 2022

Note: all comparisons in this presentation are against the previous corresponding period, unless otherwise noted

VALUE PROPOSITION INTACT

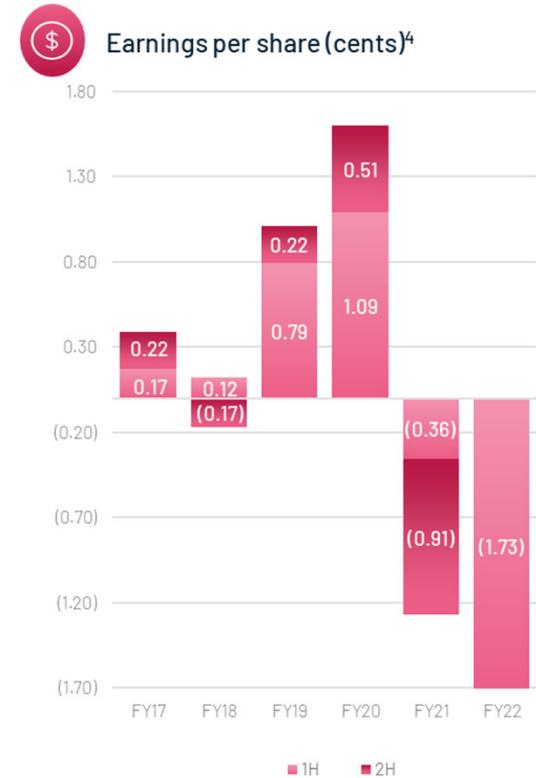
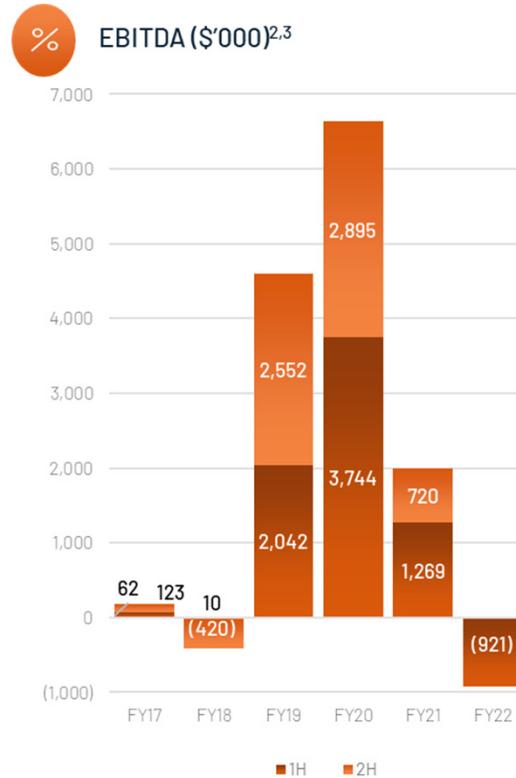
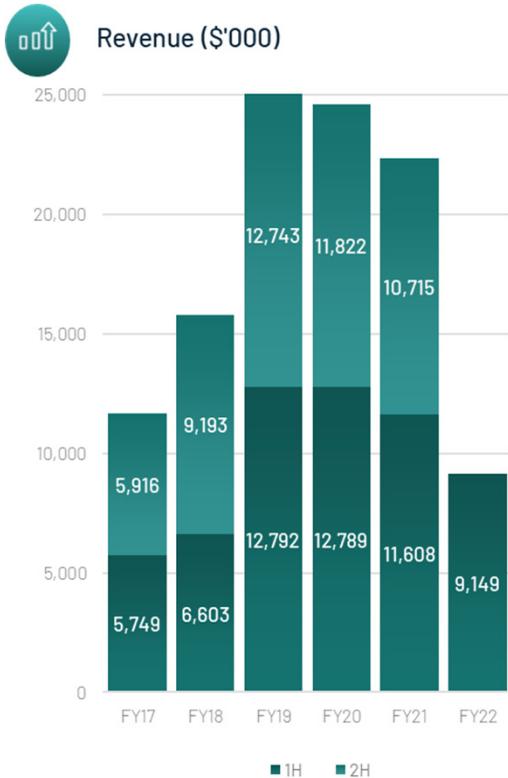
- Skills shortages and high growth in employment underpinning demand for education in Healthcare and Community Services
 - Strong emphasis on employability through practical skills training and industry linkages, delivering superior student outcomes
 - Global student recruitment network
 - National campus infrastructure
 - Growing online capability; student recruitment and delivery
 - Significant leverage opportunity through product development and pathways from vocational (VET) to higher education (HE)
 - Return to growth as market normalises post-Covid
- **Aggressive growth plans in place for both businesses**
 - **Acquisitions remain core part of Group growth strategy**
 - **Board and management team with successful track record and meaningful equity interest**

HALF-YEAR FINANCIAL SUMMARY

Group	Statutory result	
	1H22	1H21
Revenue	\$9.2m	\$11.6m
Cost of sales	(\$4.8m)	(\$5.7m)
Gross profit	\$4.4m	\$5.9m
Operating expenses	(\$5.3m)	(\$4.6m)
EBITDA	(\$0.9m)	\$1.3m
Net loss after tax before one-off items ¹	(\$2.2m)	(\$0.4m)
Net loss after tax for the period	(\$2.2m)	(\$1.1m)
EPS before one-off items ¹ (cents)	(1.73)	(0.36)
EPS (cents)	(1.73)	(0.94)

¹ One-off items include the proceeds from the disposal of the Company's shares in Gradability and due diligence and transaction costs

MULTI-YEAR PERFORMANCE^{1,2}



1 The Company's financial year ends 31 December. 1H refers to the first half of the financial year, from 1 January to 30 June. 2H refers to the second half of the financial year, from 1 July to 31 December

2 The financial results for 2020 and 2021 included \$2.2m and \$0.7m respectively of COVID-19 government and other relief measures

3 EBITDA represents the earnings of the Group before interest, tax, depreciation and amortisation, before one-off items

4 Basic earnings per share from continuing operations before one-off items

OPERATING BUSINESS UNITS



	1H22	1H21
Revenue	\$5.6m	\$8.9m
EBITDA	(\$0.1m)	\$1.7m
Education sector	Vocational	
Student market	International (100%)	
Student numbers ¹	1,200	
Student recruitment	Education agents	
Funding source	Fee-for-service	

	1H22	1H21
Revenue	\$3.6m	\$2.7m
EBITDA	(\$0.1m)	\$0.2m
Education sector	Higher Education	
Student market	Domestic (74%) and International (26%)	
Student numbers ¹	594	
Student recruitment	Direct and via Education Agents	
Funding source	FEE-HELP ² and fee-for-service	

1. In the term or trimester ended just prior to half-year end ie. Term 2, 2022 for ALG and Trimester 2, 2022 for Ikon
 2. Government loan program that assists eligible domestic students to pay their tuition fees

GROUP OVERVIEW



CAMPUS & ONLINE DELIVERY

national footprint



HEALTH & COMMUNITY SERVICES FOCUS

underpinned by strong
domestic employment
opportunities



MULTI-SECTOR EDUCATION PROVIDER

vocational and
higher education



AGGRESSIVE GROWTH PLANS IN PLACE

acquisitions remain
key part of strategy



DIVERSIFIED STUDENT BASE

domestic,
international,
VET and HE



EXPERIENCED BOARD & MANAGEMENT

successful track
record in education
sector and
in M&A



QUALITY EDUCATION, EXPERIENCE & OUTCOMES

'work-ready'
graduates

STRATEGY ON TRACK

Short to medium-term



- New HE courses and online delivery mode gaining traction
- ALG poised for recovery, capacity in place
- Accelerate program development in both businesses
- Enhance online/digital capabilities in student recruitment and delivery

Long-term



- Significantly expand course offering – VET and HE
- Extend customer lifetime value through pathways and packaging
- Increased focus on online delivery and student recruitment
- Ongoing strategic acquisitions to build scale and broaden offering

	1H17	1H18	1H19	1H20	1H21	1H22
Education sectors	VET	VET	VET, HE	VET, HE	VET, HE	VET, HE
Qualifications offered	14	14	22	24	22	22
Ikon enrolments (HE) ¹	-	240	401	379	419	594
ALG enrolments (VET) ¹	1,253	1,456	2,001	2,149	2,040	1,200
Campus capacity (classrooms)	22	29	56	54	51	59

1. In the term or trimester ended just prior to the half-year end



HE Degrees

Typical duration: 3-4 years
Typical price: \$54,000



VET/HE Diplomas

Typical duration: 12-24 months
Typical price: ~\$15,000



VET Certificates

Typical duration: 9 months
Typical price: ~\$7,500

OPERATING HIGHLIGHTS

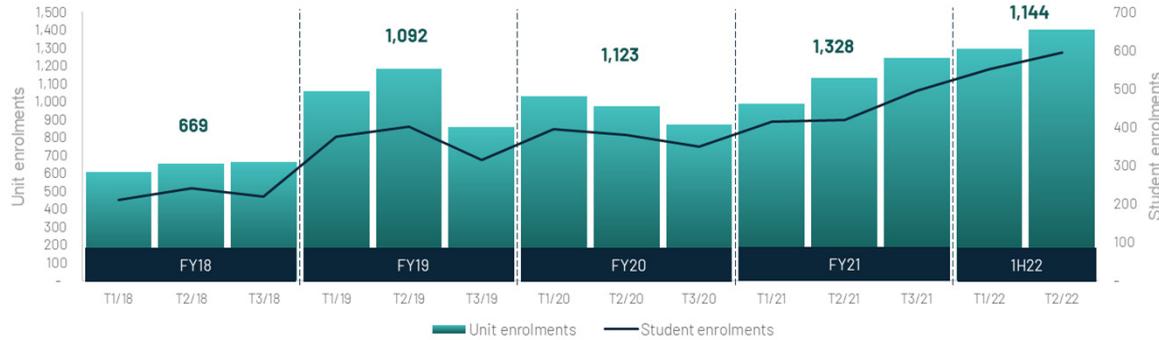


STUDENT ENROLMENTS



Student and Unit Enrolments (by Trimester)

4-year CAGR of **26.3%**

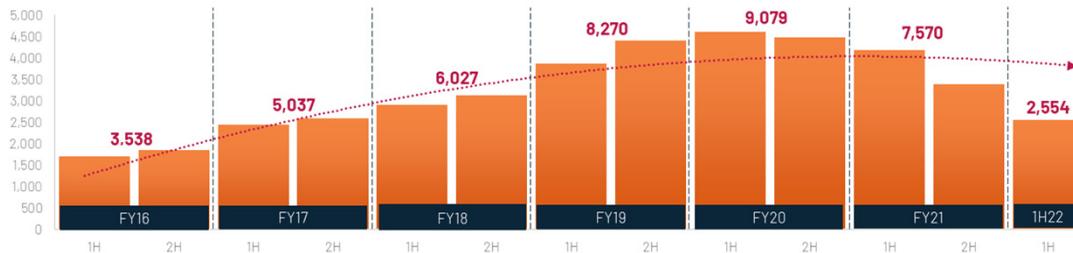


Trimester 2, 2022 enrolments up 41.8% as Bachelor of Early Childhood Education and online delivery gains traction



Student Enrolments (by half-year)

pre-Covid
5-year CAGR of **27.8%**



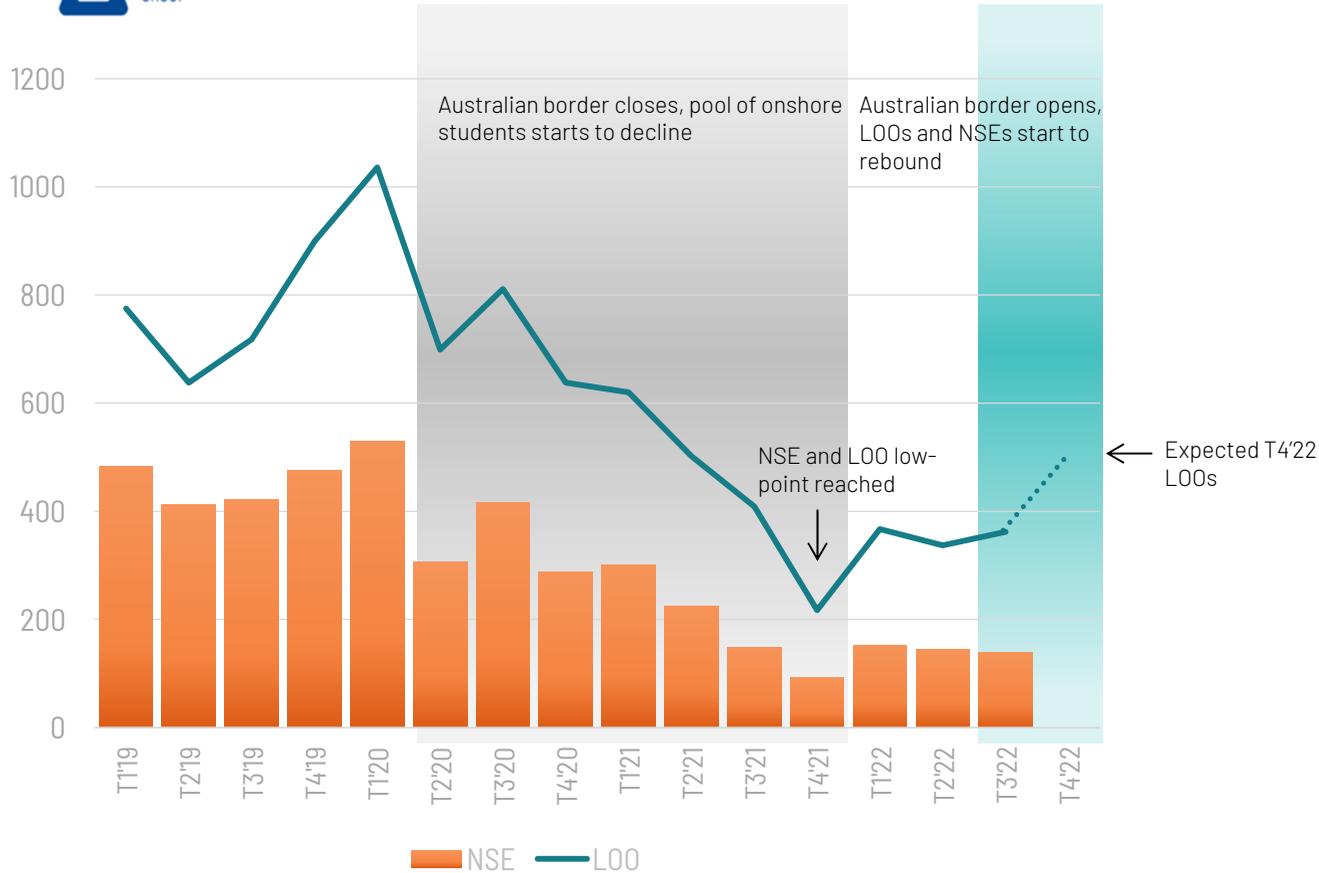
1H22 enrolments down 39.0%¹, growth expected to return from T4'22

1. 1H22 enrolments are the sum of enrolments in the two academic terms in the half

ALG LETTERS OF OFFER - LEADING INDICATOR



Letters of Offer (LOOs) and New Student Enrolments (NSEs)



Letters of Offer recovering
highlighting return of student demand



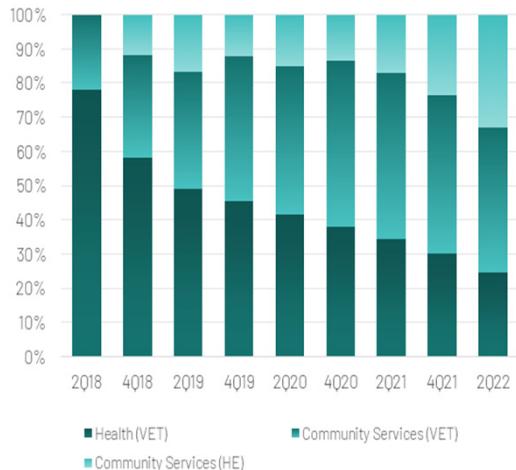
NSE growth subdued by visa processing delays
industry-wide issue, expected to normalise shortly

STUDENT PROFILE

By Course

Product diversification
strategy underway

Community services
represents **75%** of total student enrolments in 1H22² (66% in 1H21²)



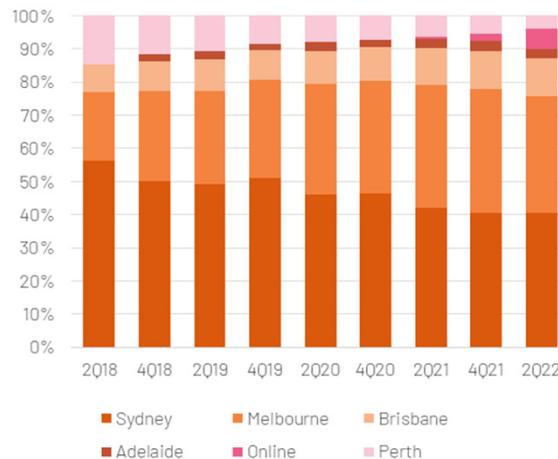
By Location

Geographic diversification
strategy working

↓ **Sydney now 41%**
down from peak - 56% of enrolments

Online enrolments gaining traction

↑ **Melbourne now 35%**
up from 20% at the end of 2017

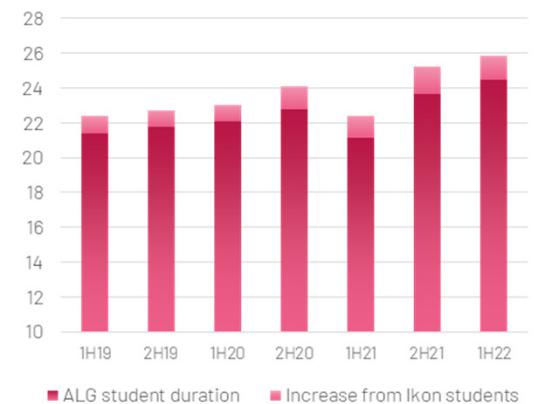


Average Duration (months)¹

Duration extension
strategy paying off, now 26 months

↘ **Ikon HE offering delivering growth**
3 to 4-year programs

↑ **ALG VET Diplomas now 57%³**
of enrolments (32% in 2018³)



1. Average duration of the combined student population of ALG and Ikon
 2. Student enrolments are the sum of the enrolments in the term or trimester ended just prior to year-end and half year-end
 3. Enrolments in Term 2, 2022

FOUNDATIONS FOR GROWTH

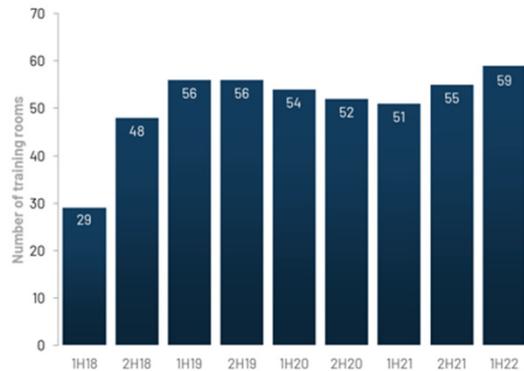
Training Rooms



National campus footprint optimised since 1H20, flexibility maintained



New ALG Sydney campus to facilitate growth



Course Offering



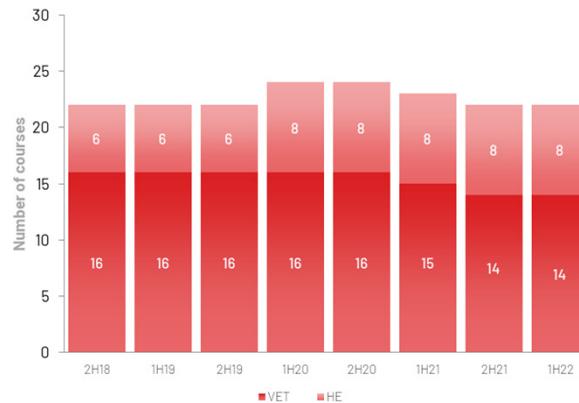
14 VET qualifications



8 HE programs including 2 new ECE courses launched in 2021



Underperforming courses **rationalised**



Room Capacity – By City¹



Surplus capacity in all states to accommodate the return of students



New ALG Sydney campus (from June 2022) has expanded capacity – **Sydney room availability now 54%**



1. In June 2022, the Company entered into a new four-year lease in Sydney as a replacement for its Kent Street campus

FINANCIAL RESULTS



ALG

Community Services Programs Supporting Business In Challenging Market Conditions

ALG	1H22	1H21	Variance	Variance
	\$'000	\$'000	\$'000	%
Revenue				
International student revenue	5,569	8,769	(3,200)	(36.5%)
Domestic student and other revenue	(4)	158	(162)	n/a
Total revenue	5,565	8,927	(3,362)	(37.7%)
Cost of sales				
Commission	(1,302)	(2,011)	709	35.3%
Venue	(212)	(330)	118	35.8%
Teaching	(1,554)	(2,262)	708	31.3%
Other	(49)	(89)	40	44.9%
Total cost of sales	(3,117)	(4,692)	1,575	33.6%
Gross profit	2,448	4,235	(1,787)	(42.2%)
<i>Gross margin (%)*</i>	44.0%	47.4%	n/a	(3.4%)
Operating expenses	(2,557)	(2,510)	(47)	(1.9%)
Operating EBITDA	(109)	1,725	(1,834)	n/a
<i>Operating EBITDA margin (%)*</i>	(2.0%)	19.3%	n/a	(21.3%)
Depreciation & amortisation				
- Lease related	(564)	(807)	243	30.1%
- Plant & equipment	(225)	(304)	79	26.0%
- Intangible assets	(57)	(83)	26	31.3%
Total depreciation & amortisation	(846)	(1,194)	348	29.1%
EBIT	(955)	531	(1,486)	n/a
<i>EBIT margin (%)*</i>	(17.2%)	5.9%	n/a	(23.1%)
Net finance expense - lease related	(189)	(250)	61	24.4%
Income tax benefit / (expense)	316	(121)	437	n/a
Net (loss) / profit for the period	(828)	160	(988)	n/a

* Movement in percentage points



Total enrolments down 39.0%, Community Services 61.9% of total enrolments



T4'22 Letters of Offer back to over 50% of pre-covid peak for same term



Revenue down 36.5%, in line with decline in enrolments



Well positioned for recovery with capacity in place



Gross profit down 42.2%, principally volume-related incl. smaller class sizes



Aggressive growth strategy in place



Operating expenses flat - cost structure largely maintained to participate in the recovery (PCP included \$175k of COVID relief)

IKON

Investing 3-5 Years Ahead Significant Growth Opportunity

Ikon	1H22	1H21	Variance	Variance
	\$'000	\$'000	\$'000	%
Revenue				
International student revenue	927	327	600	183.5%
Domestic student and other revenue	2,657	2,354	303	12.9%
Total revenue	3,584	2,681	903	33.7%
Cost of sales				
Commission	(147)	(46)	(101)	(219.6%)
Venue	(50)	(75)	25	33.3%
Teaching	(1,424)	(890)	(534)	(60.0%)
Other	(24)	(6)	(18)	(300.0%)
Total cost of sales	(1,645)	(1,017)	(628)	(61.8%)
Gross profit	1,939	1,664	275	16.5%
Gross margin (%)*	54.1%	62.1% ⁺	n/a	(8.0%)
Operating expenses	(2,062)	(1,446)	(616)	(42.6%)
Operating EBITDA	(123)	218	(341)	n/a
Operating EBITDA margin (%)*	(3.4%)	8.1%	n/a	(11.6%)
Depreciation & amortisation				
- Lease related	(455)	(242)	(213)	(88.0%)
- Plant & equipment	(22)	(20)	(2)	(10.0%)
- Intangible assets	(70)	(53)	(17)	(32.1%)
Total depreciation & amortisation	(547)	(315)	(232)	(73.7%)
EBIT	(670)	(97)	(573)	(590.7%)
EBIT margin (%)*	(18.7%)	(3.6%)	n/a	(15.1%)
Net finance expense - lease related	(158)	(103)	(55)	(53.4%)
Income tax benefit	139	67	72	107.5%
Net loss for the period	(689)	(133)	(556)	(418.0%)

* Movement in percentage points

** 1st year represents students in their 1st year of study with Ikon (commenced in the last 12 months), 2nd year represents students in their 2nd year of study and so on

↑ Enrolments up 41.8% with growth recorded across all programs

🎓 Bachelor of Early Childhood Education gaining traction with 129 enrolments in Trimester 2, 2022 – now 21.7% of enrolments

📈 Revenue up 33.7% lower than enrolment growth due to scholarship pricing (being progressively wound-down) in Early Childhood Education

🌐 Online (distance) HE offer launched 2021, now 18.4% of enrolments meaningful growth opportunity

🔄 Gain in gross profit offset by OPEX growth due to BECE start-up costs and increased investment in academic quality, product development and digital marketing spend

👥 Course development team in place, further programs underway

Ikon student numbers



GROUP PROFIT AND LOSS

Decline in ALG enrolments materially impacting results

Group	1H22	1H21	Variance	Variance
	\$'000	\$'000	\$'000	%
ALG and Ikon				
Total revenue	9,149	11,608	(2,459)	(21.2%)
Cost of sales	(4,762)	(5,709)	947	16.6%
Gross profit	4,387	5,899	(1,512)	(25.6%)
Gross margin (%)*	48.0%	50.8%	n/a	(2.8%)
Operating expenses	(4,619)	(3,956)	(663)	(16.8%)
Operating EBITDA	(232)	1,943	(2,175)	n/a
Operating EBITDA margin (%)*	(2.5%)	16.7%	n/a	(19.2%)
EDU Holdings				
Corporate costs	(689)	(673)	(16)	(2.4%)
EBITDA	(921)	1,270	(2,191)	n/a
EBITDA margin (%)*	(10.1%)	10.9%	n/a	(21.0%)
Depreciation & amortisation				
- Lease related	(1,019)	(1,049)	30	2.9%
- Plant & equipment	(247)	(324)	77	23.8%
- Intangible assets	(198)	(207)	9	4.3%
Total depreciation & amortisation	(1,464)	(1,580)	116	7.3%
EBIT	(2,385)	(310)	(2,075)	(669.4%)
EBIT margin (%)*	(26.1%)	(2.7%)	n/a	(23.4%)
Interest on lease liabilities	(347)	(354)	7	2.0%
Interest and borrowing expenses	(72)	(83)	11	13.3%
Income tax benefit	610	323	287	88.9%
Net loss before one-off items	(2,194)	(424)	(1,770)	(417.5%)
Due diligence and transaction costs	(8)	(677)	669	98.8%
Gain from disposal of assets	7	-	7	n/a
Net loss for the period	(2,195)	(1,101)	(1,094)	(99.4%)

* Movement in percentage points



Diversification across VET and HE, domestic and international student market assisted in minimising **revenue decline**



Deliberate strategy to maintain cost structure for expected recovery in student volume



OPEX impacted by unwinding of COVID relief, investment in organisational capability and higher digital marketing spend



Gross profit and margin impacted by lower student enrolments and increased teaching costs from smaller class sizes in ALG, unwinding of COVID relief and Ikon scholarship pricing for new program launched in 2021



Corporate costs approximately flat



Due diligence and transaction costs in 1H21 related to bid for RedHill Education Limited – offer lapsed in July 2021

BALANCE SHEET AND CASHFLOW

Balance Sheet Intact

	30 Jun 22 (proforma) ³	30 Jun 22	31 Dec 21
	\$'000	\$'000	\$'000
Cash & cash equivalents	9,993	6,058	6,275
Trade & other receivables	1,528	1,528	293
Goodwill	11,918	11,918	11,918
Intangibles	1,711	1,711	1,663
Plant & equipment	2,716	2,716	2,627
ROU assets	13,950	13,950	11,835
Other assets	2,605	2,605	1,984
Total assets	44,421	40,486	36,595
Contract liabilities	3,836	3,836	1,586
Trade & other payables	3,864	3,864	3,392
Borrowings	2,250	2,250	2,750
Lease liabilities	16,161	16,161	13,759
Other liabilities	2,554	2,554	3,261
Total liabilities	28,665	28,665	24,748
Net assets	15,756	11,821	11,847

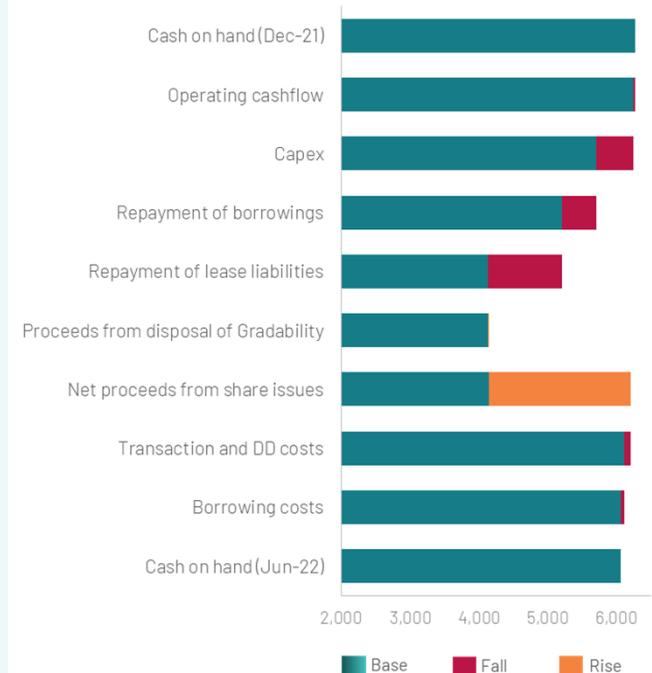
Cash balance at 30 June 2022 only reflects part of cap raise. Further \$3.9m received, net of fees in July 2022 (refer proforma)

Capex of \$0.3m on new Sydney Quay St campus and \$0.2m of product development

Other liabilities largely consists of a FEE-HELP overpayment, repayable over the 8-year period calendar 2022 - 2029

Lease liabilities increased as a result of new Quay St lease

Cashflow Movements²



1. Under the Relief Package, the Department of Education, Skills and Employment guaranteed the payment of approved 2020 FEE-HELP estimates for all Higher Education Providers, with any excess FEE-HELP advances paid in 2020 to be repaid over the calendar 2022 - 2029 years. The first instalment was paid in April 2022

2. Under AASB16, lease payments are not classified as operating cashflow. 1H22 operating cashflow less repayment of lease liabilities was (\$1.1m)

3. Proforma includes \$3.9m received in July from the second tranche of the cap raise and the SPP

DEBT STRUCTURE

Gearing	30 Jun 22 (proforma) ²	30 Jun 22	31 Dec 21	Variance
	\$'000	\$'000	\$'000	\$'000
Acquisition facility	2,250	2,250	2,750	(500)
Bank guarantee facility ¹	878	878	1,021	(143)
Total gross debt	3,128	3,128	3,771	(643)
Cash and cash equivalents	9,993	6,058	6,275	(217)
Net cash / (debt)	6,865	2,930	2,504	426

Gearing ratio	30 Jun 22 (proforma) ²	30 Jun 22	31 Dec 21	Variance*
Gearing ratio - gross debt ³	16.6%	20.9%	24.1%	(3.2%)
Gearing ratio - net debt ⁴	(77.2%)	(33.0%)	(26.8%)	(6.2%)

* Movement in percentage points

1. As at reporting date

2. Proforma includes \$3.9m received in July from the second tranche of the cap raise and the SPP

3. Calculated as debt / (debt + equity)

4. Calculated as (debt - cash) / (debt - cash + equity)

\$6.1m cash at bank



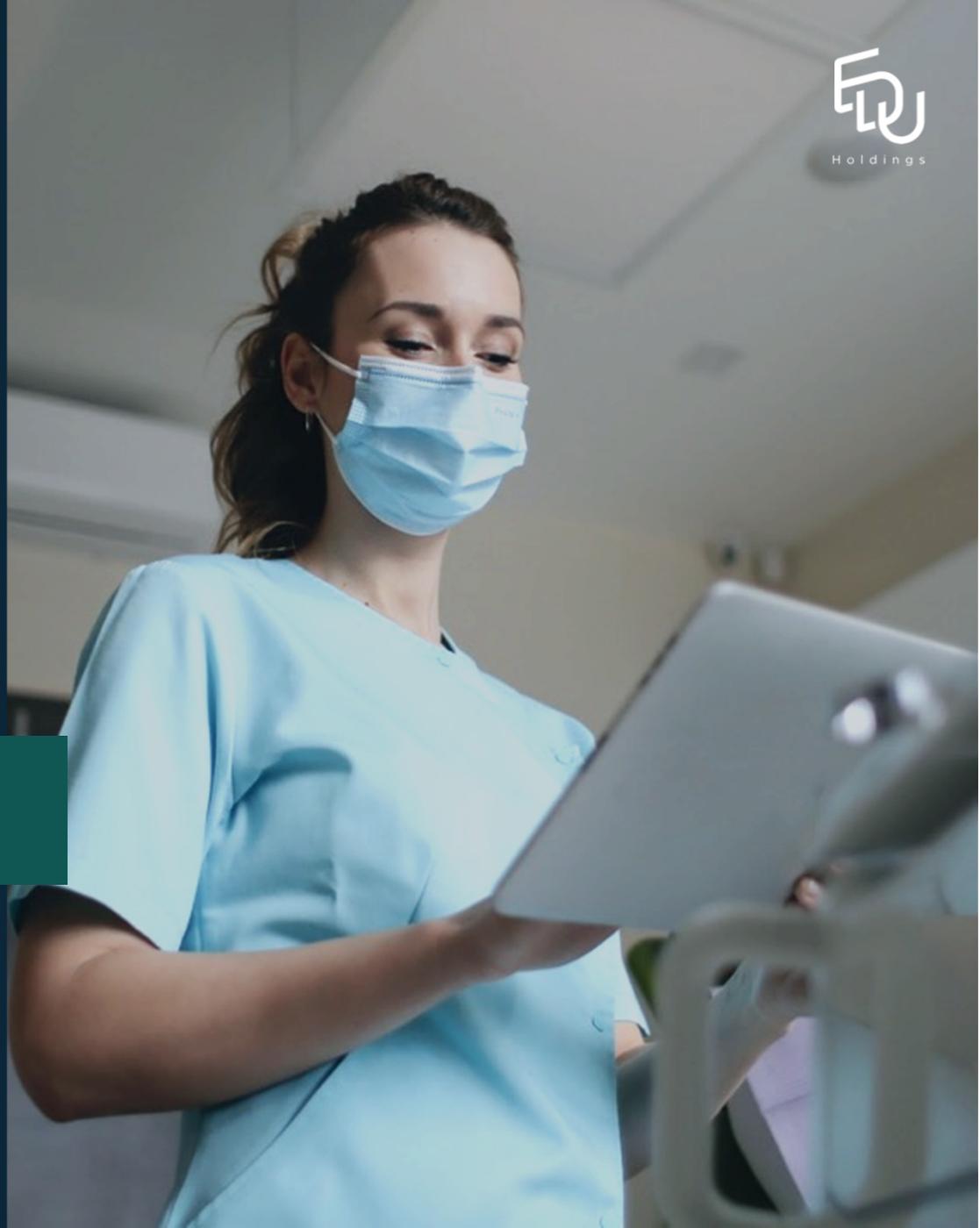
**Acquisition facility
extended 3 years**



**No principal
repayments until
Nov-23**



2H22 PRIORITIES & OUTLOOK



STRATEGIC PRIORITIES



Increased student volume to derive scale benefits



New program development



Governance, academic quality and student experience



Online capability in student recruitment and delivery



Disciplined M&A activity



2H22 OUTLOOK



- T3'22 enrolments of 1,069, down 11% on T2'22
- Student demand returning with T4'22 Letters of Offer back to over 50% of pre-Covid peak
- Expecting to report a turnaround in enrolments in T4'22
- Slightly weaker EBITDA loss in 2H22
- Positive EBITDA in FY23 as volume and scale benefits return

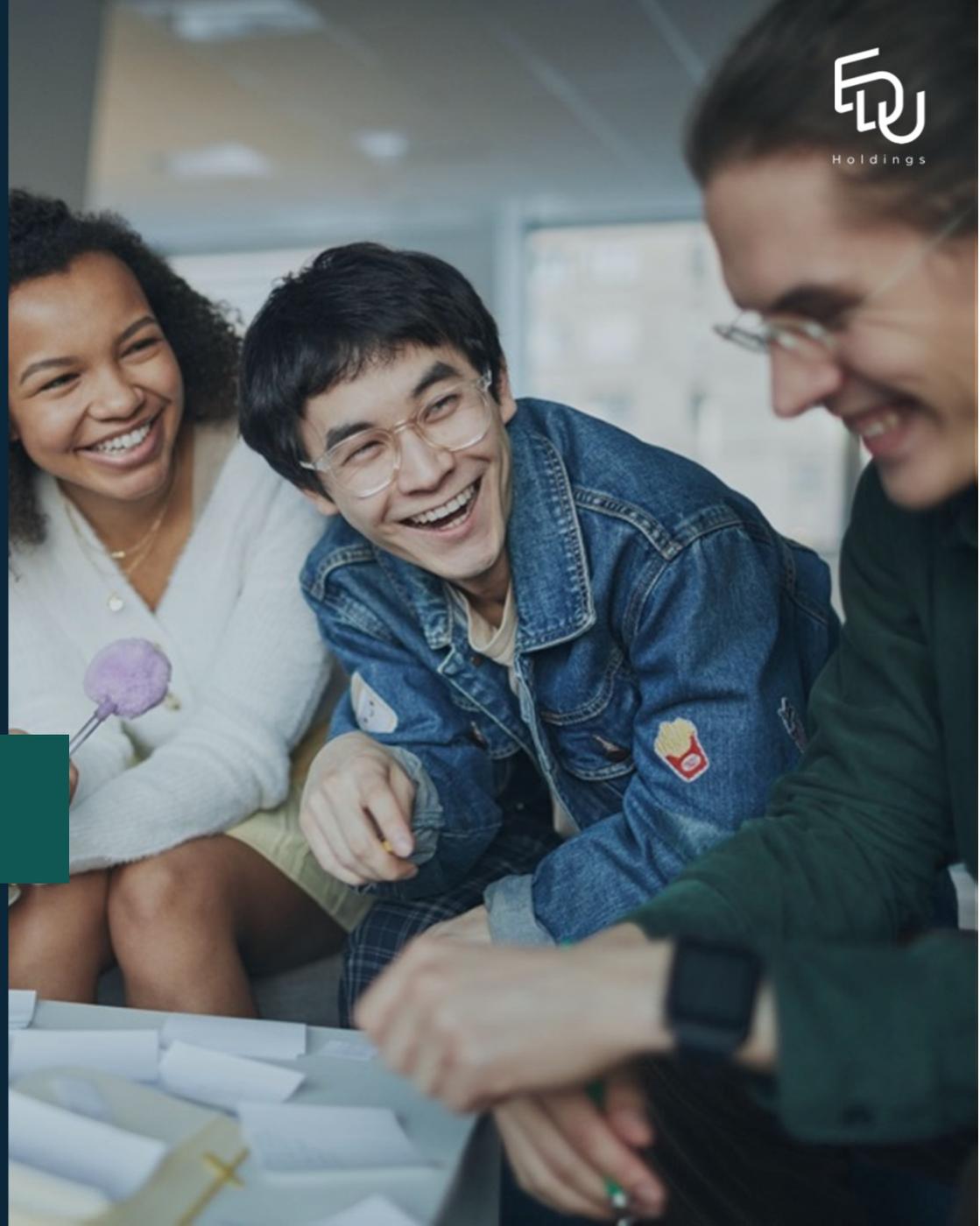


- Growth in student numbers, unit enrolments and revenue continuing
- Positive EBITDA in 2H22, leverage emerging with increase in scale
- Continued investment in product development and operational capability

GROUP

- Completion of acquisition of Nurse Training Australia (NTA) in 4Q22 or 1Q23
- Smaller EBITDA loss in 2H22
- Return to growth and EBITDA positive in FY23

APPENDICES



GROUP

Half on half analysis

	1H22	1H21	Variance	Variance*	2H21	2H20	Variance	Variance*
	\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000	%
ALG and Ikon								
Total revenue	9,149	11,608	(2,459)	(21.2%)	10,715	11,822	(1,107)	(9.4%)
Cost of sales	(4,762)	(5,709)	947	16.6%	(5,160)	(5,402)	242	4.5%
Gross profit	4,387	5,899	(1,512)	(25.6%)	5,555	6,420	(865)	(13.5%)
Gross margin (%)*	48.0%	50.8%	n/a	(2.8%)	51.8%	54.3%	n/a	(2.5%)
Operating expenses	(4,619)	(3,956)	(663)	(16.8%)	(4,155)	(3,067)	(1,088)	(35.5%)
Operating EBITDA	(232)	1,943	(2,175)	n/a	1,400	3,353	(1,953)	(58.2%)
Operating EBITDA margin (%)*	(2.5%)	16.7%	n/a	(19.2%)	13.1%	28.4%	n/a	(15.3%)
EDU Holdings								
Corporate costs	(689)	(673)	(16)	(2.4%)	(680)	(458)	(222)	(48.5%)
EBITDA	(921)	1,270	(2,191)	n/a	720	2,895	(2,175)	(75.1%)
EBITDA margin (%)*	(10.1%)	10.9%	n/a	(21.0%)	6.7%	24.5%	n/a	(17.8%)
Depreciation & amortisation								
- Lease related	(1,019)	(1,049)	30	2.9%	(1,256)	(1,085)	(171)	(15.8%)
- Plant & equipment	(247)	(324)	77	23.8%	(331)	(324)	(7)	(2.2%)
- Intangible assets	(198)	(207)	9	4.3%	(224)	(194)	(30)	(15.5%)
Total depreciation & amortisation	(1,464)	(1,580)	116	7.3%	(1,811)	(1,603)	(208)	(13.0%)
EBIT	(2,385)	(310)	(2,075)	(669.4%)	(1,091)	1,292	(2,383)	n/a
EBIT margin (%)*	(26.1%)	(2.7%)	n/a	(23.4%)	(10.2%)	10.9%	n/a	(21.1%)
Interest on lease liabilities	(347)	(354)	7	2.0%	(346)	(376)	30	8.0%
Interest and borrowing expenses	(72)	(83)	11	13.3%	(80)	(99)	19	19.2%
Income tax benefit / (expense)	610	323	287	88.9%	447	(220)	667	n/a
Net (loss) / profit before one-off items	(2,194)	(424)	(1,770)	(417.5%)	(1,070)	597	(1,667)	n/a
Due diligence and transaction costs	(8)	(677)	669	98.8%	(76)	(76)	-	-
Gain from disposal of assets	7	-	7	n/a	1,912	-	1,912	n/a
Net (loss) / profit for the period	(2,195)	(1,101)	(1,094)	(99.4%)	766	521	245	47.0%

* Movement in percentage points

ALG	1H22	1H21	Variance	Variance*	2H21	2H20	Variance	Variance*
	\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000	%
Revenue								
International student revenue	5,569	8,769	(3,200)	(36.5%)	7,039	8,564	(1,525)	(17.8%)
Domestic student and other revenue	(4)	158	(162)	n/a	346	335	11	3.3%
Total revenue	5,565	8,927	(3,362)	(37.7%)	7,385	8,899	(1,514)	(17.0%)
Cost of sales								
Commission	(1,302)	(2,011)	709	35.3%	(1,649)	(1,947)	298	15.3%
Venue	(212)	(330)	118	35.8%	(178)	(161)	(17)	(10.6%)
Teaching	(1,554)	(2,262)	708	31.3%	(1,742)	(2,391)	649	27.1%
Other	(49)	(89)	40	44.9%	(98)	(173)	75	43.4%
Total cost of sales	(3,117)	(4,692)	1,575	33.6%	(3,667)	(4,672)	1,005	21.5%
Gross profit	2,448	4,235	(1,787)	(42.2%)	3,718	4,227	(509)	(12.0%)
<i>Gross margin (%)*</i>	44.0%	47.4%	n/a	(3.4%)	50.3%	47.5%	n/a	2.8%
Operating expenses	(2,557)	(2,510)	(47)	(1.9%)	(2,522)	(2,173)	(349)	(16.1%)
Operating EBITDA	(109)	1,725	(1,834)	n/a	1,196	2,054	(858)	(41.8%)
<i>Operating EBITDA margin (%)*</i>	(2.0%)	19.3%	n/a	(21.3%)	16.2%	23.1%	n/a	(6.9%)
Depreciation & amortisation								
- Lease related	(564)	(807)	243	30.1%	(810)	(837)	27	3.2%
- Plant & equipment	(225)	(304)	79	26.0%	(309)	(306)	(3)	(1.0%)
- Intangible assets	(57)	(83)	26	31.3%	(88)	(89)	1	1.1%
Total depreciation & amortisation	(846)	(1,194)	348	29.1%	(1,207)	(1,232)	25	2.0%
EBIT	(955)	531	(1,486)	n/a	(11)	822	(833)	n/a
<i>EBIT margin (%)*</i>	(17.2%)	5.9%	n/a	(23.1%)	(0.1%)	9.2%	n/a	(9.3%)
Net finance expense - lease related	(189)	(250)	61	24.4%	(201)	(269)	68	25.3%
Income tax benefit / (expense)	316	(121)	437	n/a	210	(81)	291	n/a
Net (loss) / profit for the period	(828)	160	(988)	n/a	(2)	472	(474)	n/a

* Movement in percentage points

Half on half analysis

Ikon	1H22	1H21	Variance	Variance*	2H21	2H20	Variance	Variance*
	\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000	%
Revenue								
International student revenue	927	327	600	183.5%	674	384	290	75.5%
Domestic student and other revenue	2,657	2,354	303	12.9%	2,656	2,539	117	4.6%
Total revenue	3,584	2,681	903	33.7%	3,330	2,923	407	13.9%
Cost of sales								
Commission	(147)	(46)	(101)	(219.6%)	(94)	(53)	(41)	(77.4%)
Venue	(50)	(75)	25	33.3%	(27)	(42)	15	35.7%
Teaching	(1,424)	(890)	(534)	(60.0%)	(1,355)	(640)	(715)	(111.7%)
Other	(24)	(6)	(18)	(300.0%)	(17)	3	(20)	n/a
Total cost of sales	(1,645)	(1,017)	(628)	(61.8%)	(1,493)	(732)	(761)	(104.0%)
Gross profit	1,939	1,664	275	16.5%	1,837	2,191	(354)	(16.2%)
Gross margin (%)*	54.1%	62.1%	n/a	(8.0%)	55.2%	75.0%	n/a	(19.8%)
Operating expenses	(2,062)	(1,446)	(616)	(42.6%)	(1,633)	(893)	(740)	(82.9%)
Operating EBITDA	(123)	218	(341)	n/a	204	1,298	(1,094)	(84.3%)
Operating EBITDA margin (%)*	(3.4%)	8.1%	n/a	(11.6%)	6.1%	44.4%	n/a	(38.3%)
Depreciation & amortisation								
- Lease related	(455)	(242)	(213)	(88.0%)	(446)	(247)	(199)	(80.6%)
- Plant & equipment	(22)	(20)	(2)	(10.0%)	(22)	(19)	(3)	(15.8%)
- Intangible assets	(70)	(53)	(17)	(32.1%)	(63)	(32)	(31)	(96.9%)
Total depreciation & amortisation	(547)	(315)	(232)	(73.7%)	(531)	(298)	(233)	(78.2%)
EBIT	(670)	(97)	(573)	(590.7%)	(327)	1,000	(1,327)	n/a
EBIT margin (%)*	(18.7%)	(3.6%)	n/a	(15.1%)	(9.8%)	34.2%	n/a	(44.0%)
Net finance expense - lease related	(158)	(103)	(55)	(53.4%)	(145)	(107)	(38)	(35.5%)
Income tax benefit / (expense)	139	67	72	107.5%	38	(294)	332	n/a
Net (loss) / profit for the period	(689)	(133)	(556)	(418.0%)	(434)	599	(1,033)	n/a

* Movement in percentage points

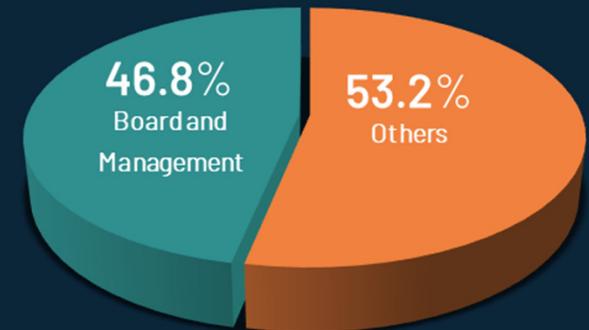
CAPITAL STRUCTURE

Meaningful Shareholder and Board Alignment

	Number	% Diluted
Ordinary shares ¹	165,214,443	95.9%
Performance rights ^{2,3,4}	5,800,000	4.1%
Fully diluted	171,014,443	100.0%

	\$'000
Market capitalisation - \$0.14 per share ^{1,5}	23,130
Cash	(6,058)
Debt	2,250
Enterprise value	19,322

Ownership¹



1. As at 18 August 2022
2. 2,200,000 performance rights approved at the November 2021 AGM, exercisable 3 years from issue date, 1/3rd exercisable if the 20-day VWAP exceeds \$0.20, 1/3rd exercisable if the 20-day VWAP exceeds \$0.24 and 1/3rd exercisable if the 20-day VWAP exceeds \$0.27
3. 2,350,000 performance rights approved at the November 2020 AGM, exercisable 3 years from issue date, half exercisable if the 20-day VWAP exceeds \$0.28 and half exercisable if the 30-day VWAP exceeds \$0.32
4. 1,250,000 performance rights approved at the November 2019 AGM, exercisable 3 years from issue date, if the 20-day VWAP exceeds \$0.42
5. Undiluted basis

COURSE OFFERING

Health and Community Services Focus

HE Courses – Ikon	Typical Job Outcomes
 Arts Therapy	Counselor or Art Therapist
 Counselling and Psychotherapy	Counselor or Psychotherapist
 Early Childhood Education	Early Childhood Teacher

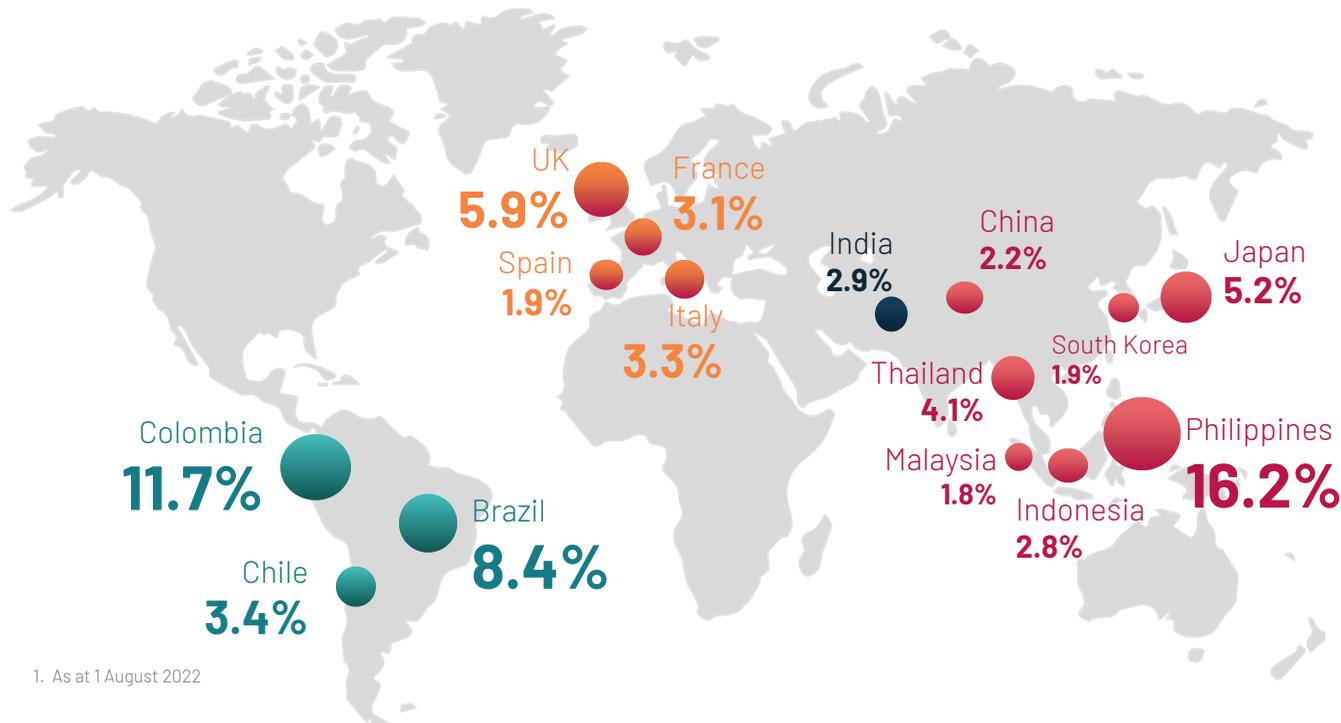
VET Courses – ALG	Typical Job Outcomes
 Ageing Support	Residential Care Worker
 Community Services	Community Care Worker or Manager
 Counselling	Counselor
 Early Childhood Education and Care	Childcare Worker or Childcare Centre Manager
 Fitness	Personal Trainer or Gym Instructor
 Mental Health	Mental Health Worker
 Remedial Massage	Massage Practitioner
 Sport and Recreation Management	Manager in Sports Industry
 Yoga Teaching	Yoga Teacher

ALG INTERNATIONAL STUDENT DIVERSITY

Diverse student base with low source country concentration risk



Student enrolments by source country (Top 15)¹



1. As at 1 August 2022

Highly diverse student population with students from over **65 source countries**

Wide student recruitment network with over **250 active education agents** in Australia and offshore

Low concentration risk of any individual source country or education agent

Well-positioned for recovery now that **Australian border open to international students**

EXECUTIVES AND DIRECTORS



Adam Davis

BAppFin (Macquarie University)
Chief Executive Officer and
Managing Director

Adam has extensive experience in the education sector as founder and CEO of formerly ASX-listed Tribeca Learning Limited. Under Adam, Tribeca acquired and integrated numerous education businesses, consolidating the market and creating the leading national provider. The company was acquired by Kaplan, Inc. in 2006. Adam holds a Bachelor of Applied Finance from Macquarie University.



Lyndon Catzel

BEC (Sydney University), CA
Chief Financial Officer and
Company Secretary

Lyndon has over 25 years' financial, operational and strategic experience as a CEO, CFO and COO across numerous private businesses in funds administration, financial services, healthcare, software and wholesale distribution. Lyndon is a Chartered Accountant and holds a Bachelor of Economics (Finance and Accounting) from the University of Sydney.



Gary Burg

BAcc (Wits), MBA (Wits)
Non-Executive Chair

Gary has been involved with Global Capital Group since 1995 in South Africa and in Australia since 2001. In Australia, Gary has been involved in numerous businesses across a range of sectors including life insurance, financial services and education. Gary is currently a director of ClearView Limited which is listed on the ASX.



Greg Shaw

BCom (University of
Queensland), CA
Non-Executive Director

Greg Shaw has over 25 years' experience in listed leisure and hospitality businesses with operations across Australia, New Zealand and the United States. He was appointed as CEO of Mulpha Australia Limited in 2015, and in 2016 became CEO of Mulpha International Berhad listed in Kuala Lumpur. Prior to Mulpha, between 2002 and 2015 Greg was CEO of Ardent Leisure which grew from a \$70 million enterprise to a \$1.2 billion business. Greg has extensive experience in growing operating business platforms across many industry sectors.



Peter Mobbs

B.Com, LL.B (WSU), Grad Dip
Legal Practice (College of Law),
GAICD
Non-Executive Director

Peter is Managing Director of Greyrock, a private investment company with a focus on education and technology. Peter led the private equity backed merger of his business, Ivy College, with the education arm of the Australian Institute of Management (AIM.) Peter was the inaugural Group CEO and is a director and shareholder of the merged group - Scentia. He holds degrees in commerce and law, is admitted to practise in the Supreme Court of NSW, is a member of YPO Sydney and is a graduate of the AICD Company Directors course.



Jonathan Pager

MEc (Macquarie University)
Non-Executive Director

Jonathan has over 25 years' experience as a management consultant and corporate adviser across a wide range of industries in Australia and overseas. He has a Masters of Economics and qualified as a Chartered Accountant with Deloitte, where he commenced his career. Jonathan has restructured and listed a range of public companies and been a director of publicly listed companies in the resources and industrial sectors.

CONTACTS

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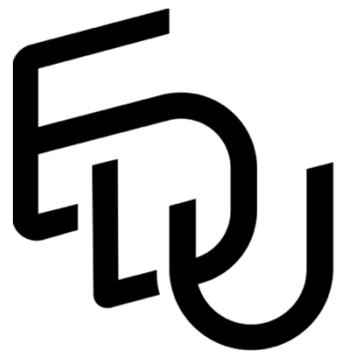
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H o l d i n g s

