

1H24 RESULTS PRESENTATION

Career-ready qualifications in Healthcare,
Education and Community Services

30 JUNE 2024





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Snapshot



COMPANY OVERVIEW

2 accredited tertiary education providers



Higher Education (HE)



Vocational Education & Training (VET)

1 H24 METRICS

\$16.9m

1H24 Revenue¹

104

Permanent team members

\$8.0m

Cash at 30 June 2024

2,990

Students at period-end²
Domestic & International

7

Campuses + Online
NSW, VIC, QLD, SA

22

Courses: Certificates,
Diplomas, Bachelor & Master
Degrees

INVESTMENT PROPOSITION

1

Quality tertiary education business

Delivering superior student experience and outcomes to domestic and international students in the vocational and higher education sectors

2

In-demand course mix, aligned to long-term skills shortages

Offering employment-focused courses in large and growing sectors with long-term skills shortages

3

Material leverage of relatively fixed cost base

Delivering higher margins as student numbers and revenue grow

1H24 net profit after tax up \$1.6m on \$6.6m of additional revenue

4

Organic + M&A growth

Ambitious HE-focused product development program underway. Two Master programs recently accredited with others in development

Renewed focus on growth, including through sensible acquisitions

¹ Revenue includes \$0.1m of rental income on sub-leased premises

² Students in the last trimester or term of the half-year

All comparisons are to the previous corresponding period, unless otherwise indicated

Strategic positioning



HEALTHCARE, EDUCATION AND COMMUNITY SERVICES SPECIALIST



Large and growing employing industry

Healthcare and Social Assistance is Australia's largest and the fastest growing employing industry¹



Occupations with critical skills shortages

EDU qualifies students in 3 of the top 10 occupations identified as having critical skills shortages at the Jobs Summit September 2022



Pathways to skilled migration

EDU qualifications lead to ~15 ANZSCO occupation codes on the Strategic Skills Lists², providing potential pathways to skilled migration

¹ Australian Government, Jobs and Skills Australia, National Employment Projections May 2023 to May 2028

² The Australian and New Zealand Standard Classification of Occupations (ANZSCO) code for each occupation. The ANZSCO provides information on the skill level of jobs, qualifications and/or experience needed to work in occupations as used by government immigration

Tightening regulatory environment



Notwithstanding the positive results for the half, recent regulatory changes intended to manage the growth and improve the integrity of the international education sector are expected to create a more challenging trading environment.

In particular, the proposed introduction of the Government's capping regime for new overseas student commencements from 2025 is expected to reduce the size of the market and materially curtail enrolment growth in both Ikon and ALG.

Increased focus on genuine students

- New Genuine Student Test
- Increase in English language proficiency to IELTS 6.0
- Increase in financial capacity (savings) to \$30k
- Increased scrutiny of student visa applications
- Material increase in non-refundable student visa application fee
- Wind-back of working rights during and post-study
- Tourist and graduate visa holders no longer eligible to apply for a student visa while onshore

Increased focus on genuine providers

- Strengthened Fit and Proper Person requirements
- Prioritisation of visa processing aligned to provider risk rating
- Enforcement of suspension notices for poorly performing providers
- Cancellation of registration of dormant providers

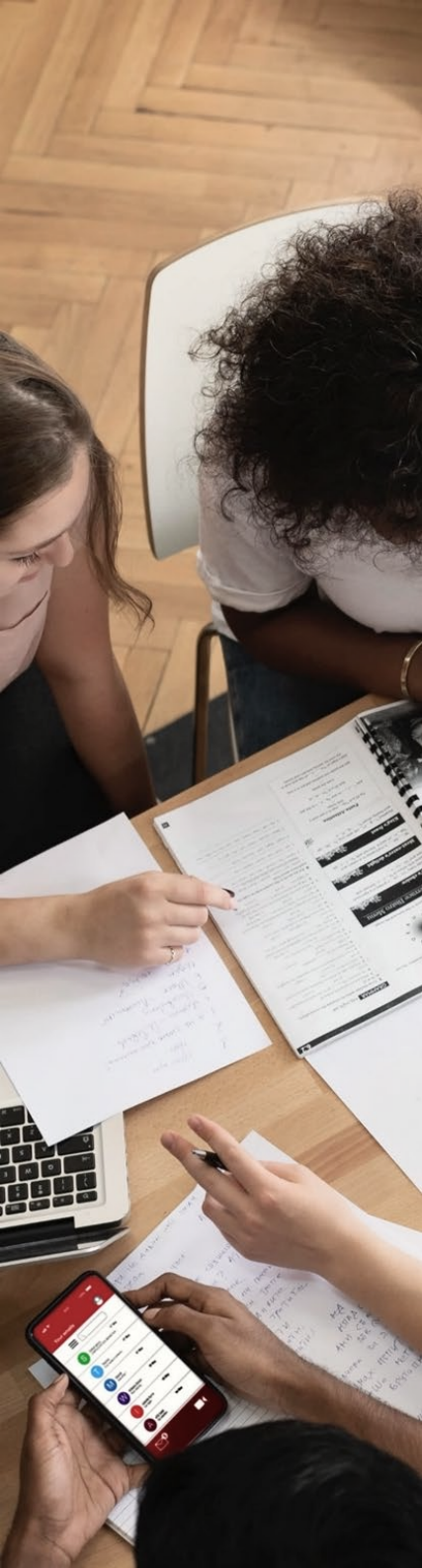
Capping sector and provider growth

- Proposed introduction of caps on overseas student commencements for HE and VET providers from calendar 2025
- Ikon has received an indicative cap for 2025 of 200 commencements, well below its 347 commencements in calendar 2023 and 784 year-to-date 2024 (up to and including Trimester 2 2024)
- ALG yet to receive its 2025 cap however Board expects it to be materially lower than expected commencements in 2024

01

1H24 HIGHLIGHTS





Highlights



Higher education (Ikon) enrolments¹ up 85%

Growth continuing into Trimester 2, 2024 - up 102%

Operating leverage evident

Ikon 1H24 EBITDA margin improved by 8 ppts to 28%

Vocational (ALG) enrolments¹ rebuilding

1H24 up 24%
LTM to T3'24 up 23% on PCP

Operating capacity remains

Positioned to deliver operating leverage on higher student numbers

Skills shortages driving shift in program mix

92% of 1H24 enrolments in Community Services courses

Continued shift to Online

64% of 1H24 Ikon domestic enrolments, compared to 49% in the PCP

Continued strength in Early Childhood Education

In both HE and VET

Program development

Ikon - 2 Masters Degrees accredited, launching 1H25



Financial & Student Metrics

FINANCIAL METRICS

	1H24	vs	1H23
Revenue ¹	\$16.9m	↑	\$10.3m
EBITDA ²	\$2.3m	↑	\$0.2m
Net profit / (loss) after tax	\$28k	↑	(\$1.6m)

STUDENT METRICS

	1H24	vs	1H23
Letters of offer	2,829	↑	1,774
New student enrolments (NSEs)	1,490	↑	778
Enrolments ³	5,507	↑	3,646

¹ Revenue includes \$0.1m of rental income on sub-leased premises

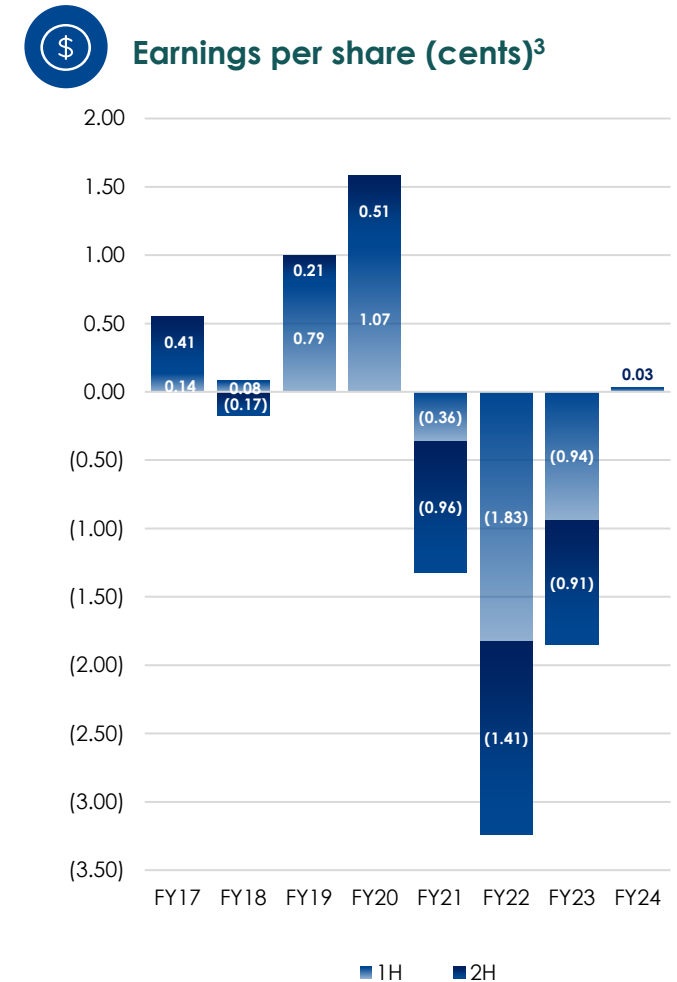
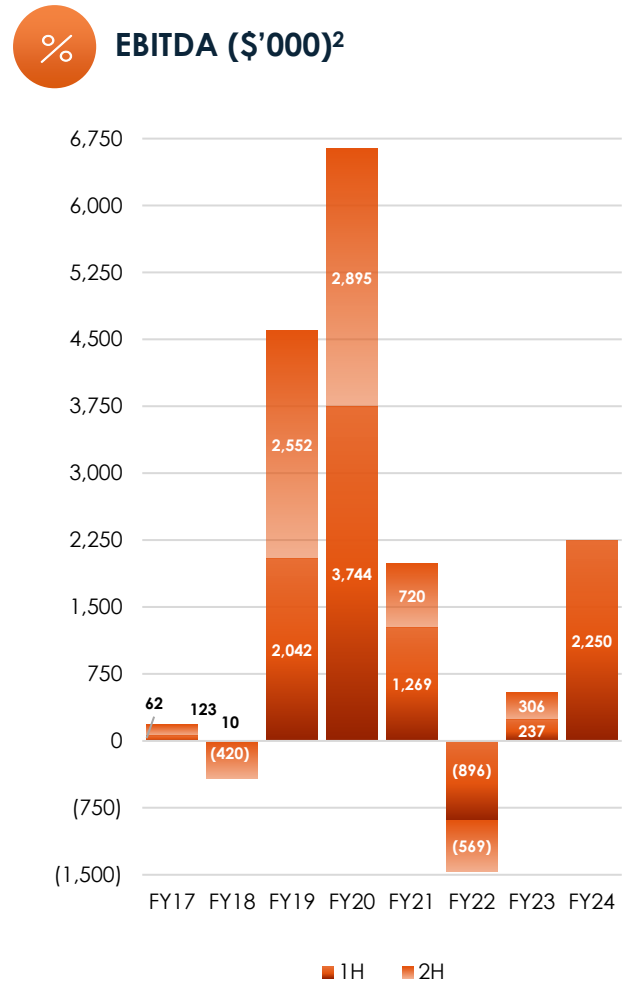
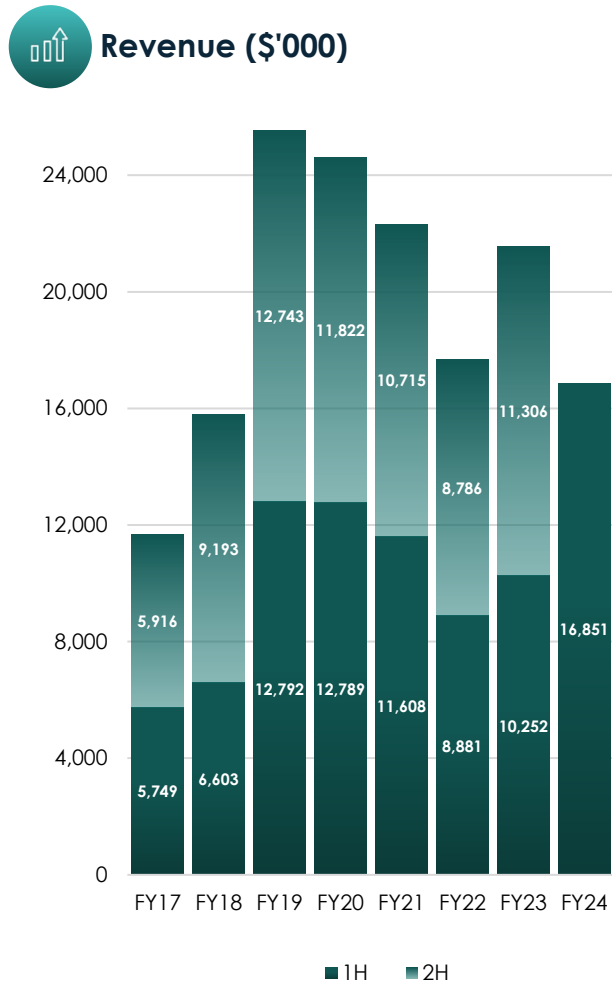
² EBITDA is a financial measure which is not prescribed by Australian Accounting Standards and represents the profit under Australian Accounting Standards, adjusted for specific non-cash and significant items

³ Enrolments are the sum of all student enrolments in each of the terms and trimesters during each financial period

Key Financial Metrics¹



Multi-year analysis

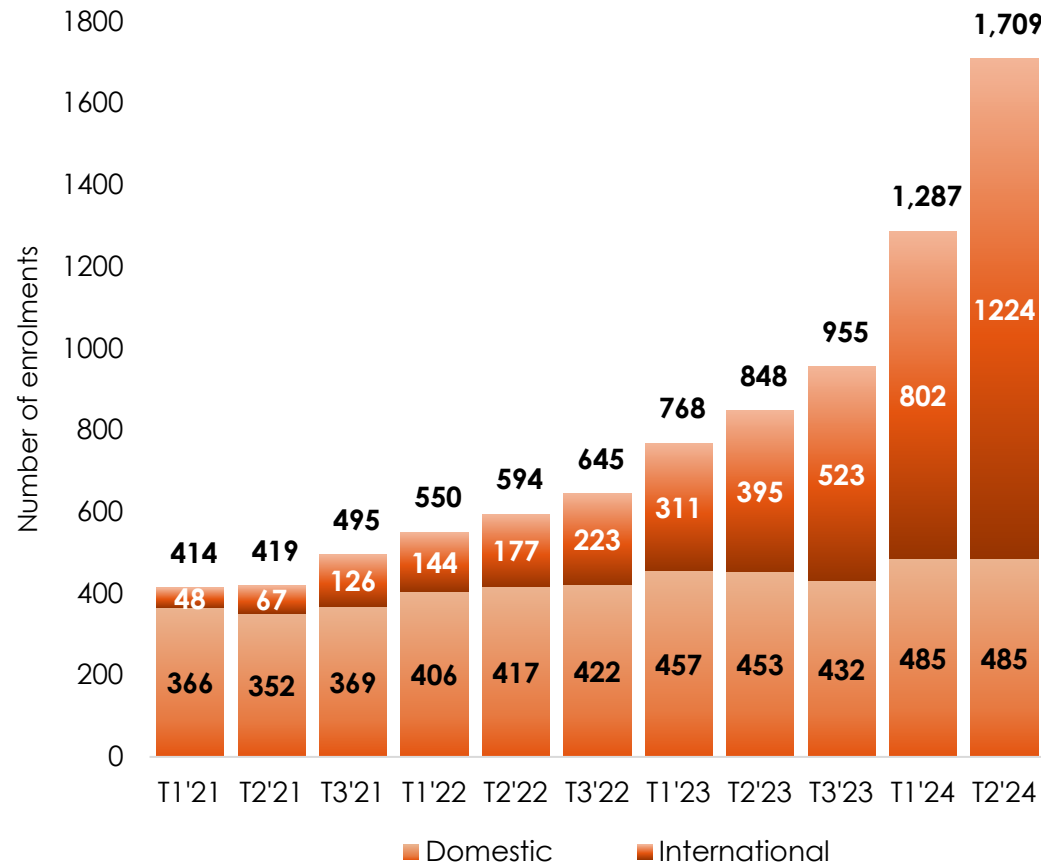


¹ The Company's financial year ends 31 December. 1H refers to the 1st half of the financial year, from 1 January to 30 June. 2H refers to the 2nd half of the financial year, from 1 July to 31 December

² EBITDA represents the earnings of the Group before interest, tax, depreciation and amortisation, before one-off items

³ Basic earnings per share from continuing operations before one-off items, transaction and due diligence costs

HE (Ikon) momentum continuing



Ikon growth accelerated

T2'24 enrolments up 102% on PCP

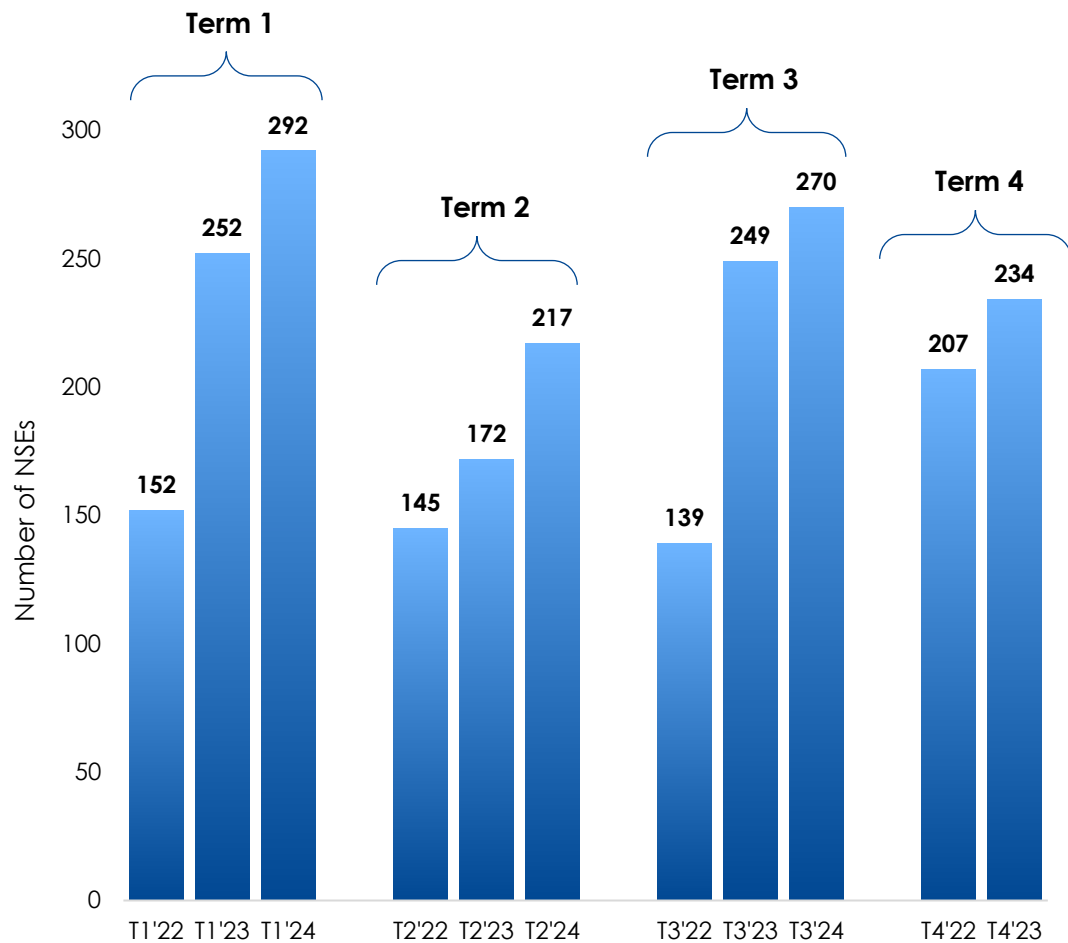
Sales, marketing and admissions functions bolstered and delivering

Mark Falvo joined 2H23, appointed GM, Future Students to lead sales, marketing and admissions across the EDU Group

Offshore sales capability increasing

Full time in-country sales managers being appointed

Positive trend in VET (ALG) NSEs



NSEs - leading indicator, up 20%

- Bodes well for 2H24

5 consecutive terms of total enrolments growth

- Smaller cohorts of graduating students being replaced with larger commencing cohorts
- 24-month average study duration means students that commenced in 1H24 will still be studying in 2025

Relatively well-positioned for tightening of regulations and visa settings

- High-quality provider with courses aligned to skills shortages

Strategy unfolding



Higher value courses

HE now **62%** of Group revenue vs **0%** in 1H18

Longer average study duration

30 months in 1H24 vs **18** months in 1H18

Alignment to skills shortages

92% of 1H24 enrolments in Community Services courses vs **20%** in 1H18

Expansion of course portfolio

22 courses in 1H24 vs **14** in 1H18

Leverage online delivery

64% of domestic enrolments, up on **0%** in 1H18



Certificates

Diplomas

Degrees / Masters



Average duration²

< 1 year

1-2 years

3-4 years

Average price¹

\$9,000

\$19,000

\$56,000*

* Degrees only as tuition fees for Masters programs yet to be established

¹ Represents the current weighted average price of programs across the Group

² Represents the weighted average duration of programs across the Group in 2024

³ Sum of all Ikon Online student enrolments during each financial period

Operating leverage

Latent capacity in campus and organisational structure



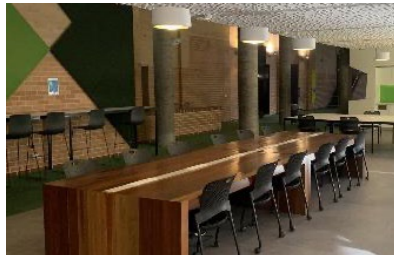
IKON & ALG
Brisbane Campus



IKON & ALG
Melbourne Campus



IKON & ALG
Brisbane Campus



IKON & ALG
Sydney Campus



ALG
Melbourne Campus



IKON & ALG
Sydney Campus



IKON
Melbourne Campus



IKON & ALG
Sydney Campus

NATIONAL CAMPUS FOOTPRINT

7 campuses

54 Classrooms

4 states + Online

2,302 sqm
in Sydney
operating at
80% capacity

2,330 sqm
in Melbourne
operating at
61% capacity

02

FINANCIAL RESULTS



Revenue and earnings improving



Consolidated Profit or Loss Statement

	1H24	1H23	Variance	Variance
	\$'000	\$'000	\$'000	%
Ikon and ALG				
Total revenue and other income	16,851	10,252	6,599	64%
Cost of sales	(7,618)	(4,703)	(2,915)	(62%)
Gross profit	9,233	5,549	3,684	66%
Gross margin (%)*	55%	54%	n/a	1%
Operating expenses	(6,239)	(4,567)	(1,672)	(37%)
Operating EBITDA	2,994	982	2,012	205%
Operating EBITDA margin (%)*	18%	10%	n/a	8%
EDU Holdings				
Corporate costs	(744)	(745)	1	-
EBITDA	2,250	237	2,013	849%
EBITDA margin (%)*	13%	2%	n/a	11%
Depreciation & amortisation				
- Lease related	(986)	(1,249)	263	21%
- Plant & equipment	(325)	(342)	17	5%
- Intangible assets	(235)	(210)	(25)	(12%)
Total depreciation & amortisation	(1,546)	(1,801)	255	14%
Earnings before interest, tax and one-off items	704	(1,564)	2,268	n/a
EBIT margin (%)*	4%	(15%)	n/a	19%
Interest on lease liabilities	(482)	(438)	(44)	(10%)
Interest and borrowing expenses	(60)	(63)	3	5%
Income tax expense / (benefit)	(114)	508	(622)	n/a
Net profit / (loss) before one-off items	48	(1,557)	1,605	n/a
Due diligence and transaction costs	(20)	(15)	(5)	(33%)
Gain from disposal of assets	-	180	(180)	(100%)
Loss from discontinued operations	-	(159)	159	100%
Net profit / (loss) after tax	28	(1,551)	1,579	n/a

* Movement in percentage points

Group revenue **up 64%** -
Ikon **up 88%**, ALG **up 37%**

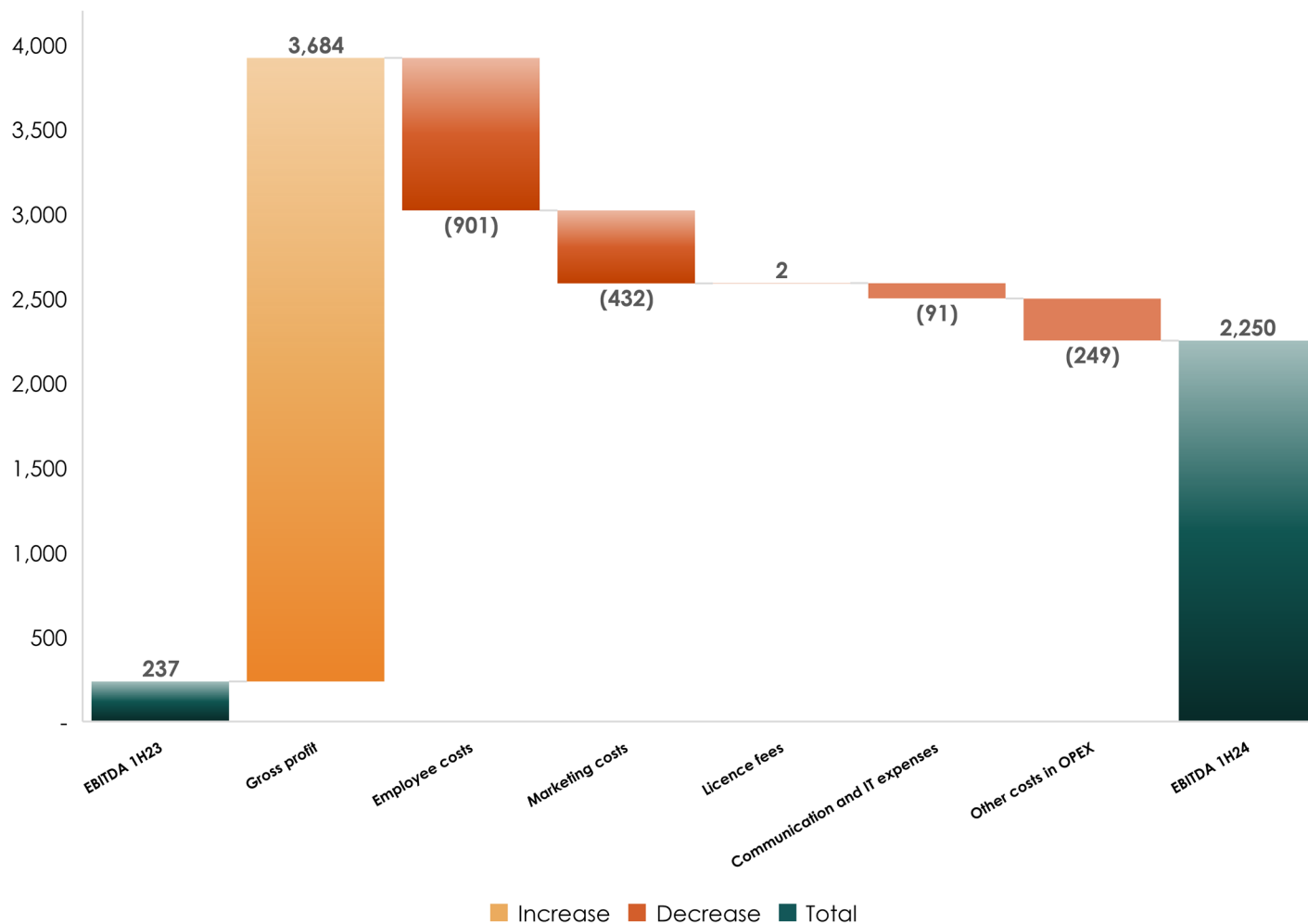
Corporate costs steady

EBITDA of **\$2.3m**, material
improvement on PCP of \$0.2m
EBITDA margin **up 11 ppts** to **13%**

Statutory net profit after tax of \$28k -
improvement of \$1.6m

EBITDA Bridge (\$'000)

Operating leverage emerging



With relatively flat operating costs, **\$3.7m gross profit growth** delivered **\$2.0m improvement in EBITDA**

Strong cash balance delivered by improved operating results



Consolidated Balance Sheet

Balance Sheet	30-Jun-24	31-Dec-23	Variance
	\$'000	\$'000	\$'000
Cash and cash equivalents	8,041	3,121	4,920
Trade and other receivables	2,337	304	2,033
Goodwill	11,918	11,918	-
Intangibles	2,834	2,558	276
Plant & equipment	2,021	2,153	(132)
Right-of-use assets	7,696	9,702	(2,006)
Other assets	3,673	3,544	129
Total assets	38,520	33,300	5,520
Contract liabilities	9,117	1,990	7,127
Trade and other payables	4,161	3,613	548
Borrowings	1,750	2,000	(250)
Lease liabilities	10,331	12,320	(1,989)
Other liabilities	2,570	2,896	(325)
Total liabilities	27,929	22,819	5,111
Net assets	10,591	10,481	109
Net cash	6,291	1,121	5,170

Net cash increased by \$5.2m to \$6.3m due to strong student enrolments in Ikon as well as improved operating results across the Group

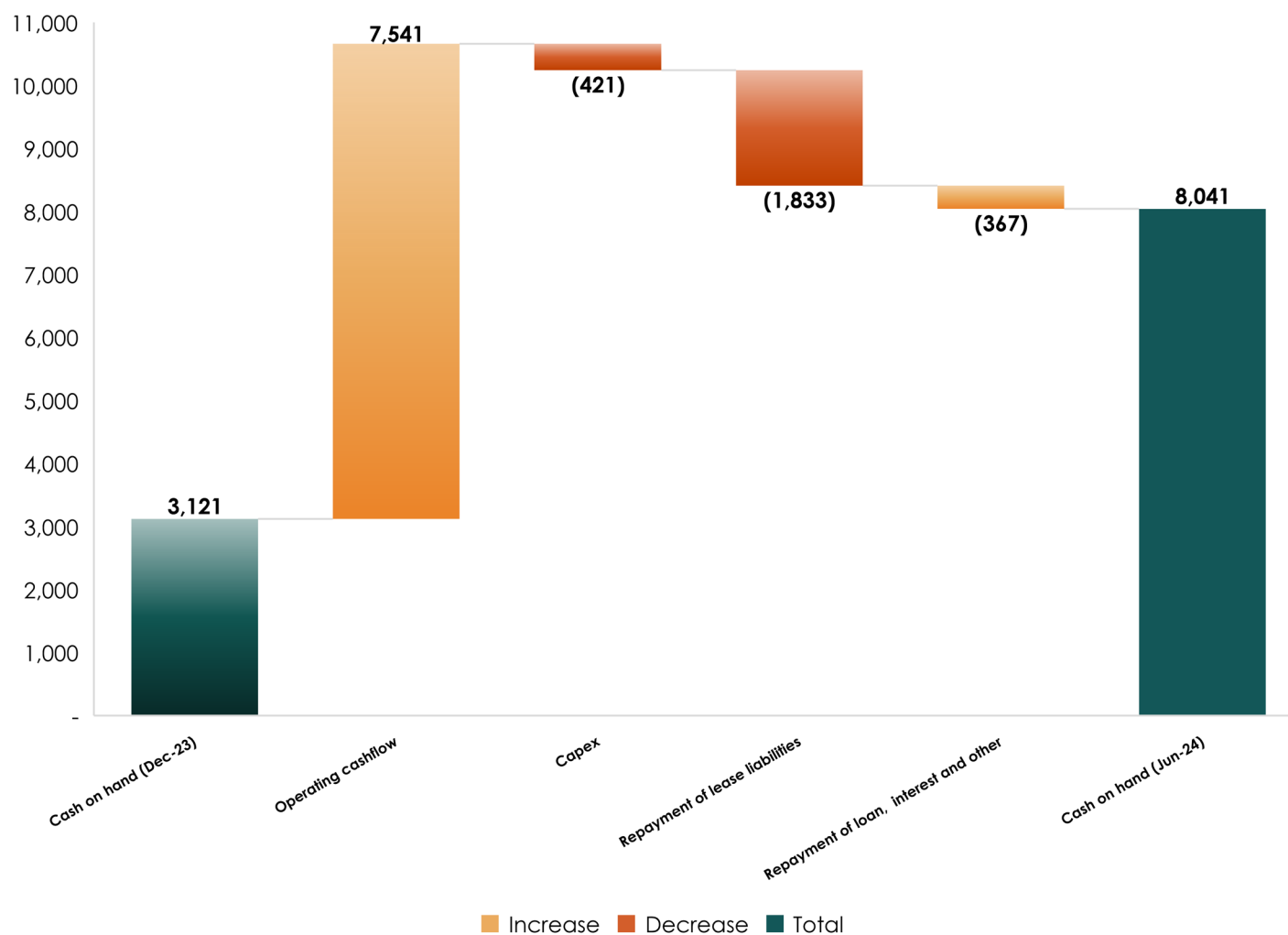
Increase in contract liabilities reflects the strong Ikon enrolments, with tuition fees for Trimester 2 received in advance but not earned until the period after balance date. **~\$8.0m to be recognised as income in 2H24**

Debt now amortising at \$125k per quarter

Cash flow bridge (\$'000)



Strong cash conversion, exacerbated by seasonality



Strong operating cash inflows of \$7.5m, **up \$5.3m** against \$2.2m in PCP

CBA market rate loan principal payment of \$250k in 1H24

\$125k quarterly repayments from August 2024 to November 2027

03

**BUSINESS UNIT
PERFORMANCE**



Business unit performance



	1H24		1H23	1H24		1H23
Revenue ¹	\$10.4m	↑	\$5.5m	\$6.4m	↑	\$4.7m
EBITDA	\$2.9m	↑	\$1.1m	\$122k	↑	(\$149k)
Students at period-end ²	1,709	↑	848	1,281	↑	1,023
NSEs ³	981	↑	354	509	↑	424

All metrics **moving in the right direction**

Strong start to 2024 - growth in Ikon and ALG continuing. 1H momentum set to continue in 2H

¹ Includes other income and excludes interest income and other gains

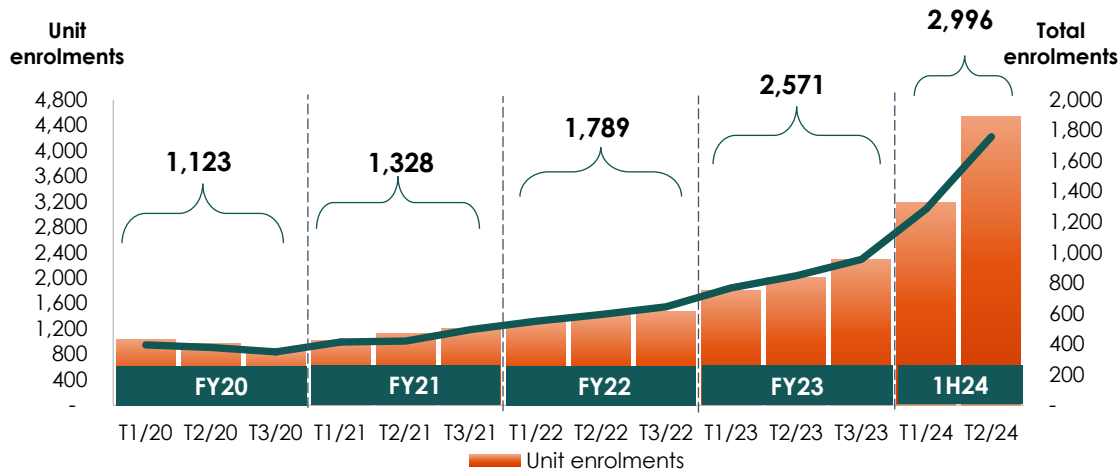
² Number of students enrolled in final study period of the half-year

³ Sum of new student enrolments in each study period during the half-year

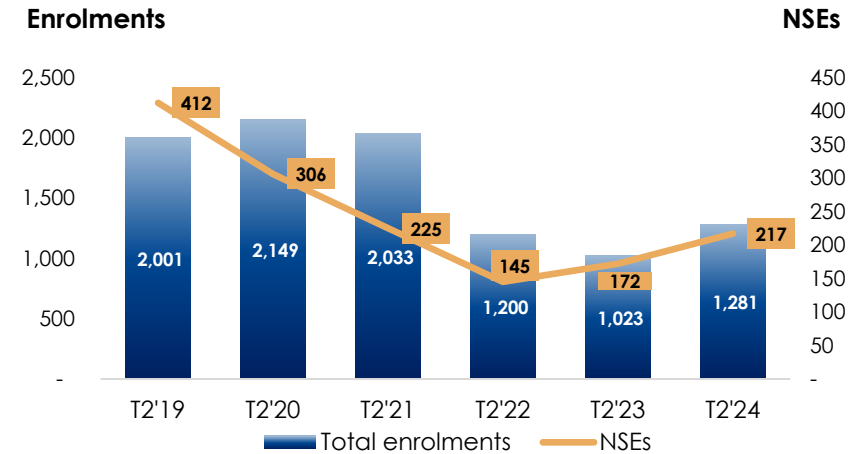
Enrolments



Student and unit enrolments



Enrolments and NSEs



Ikon now firmly established in the international student market - **67% of 1H24 enrolments** compared to just 3% in 2018



Continued **shift to Online** for Ikon domestic enrolments – 68% in Trimester 2, 2024 up from 51% in the PCP



Continued strength in Early Childhood Education – in both Ikon and ALG



ALG NSEs and enrolments trending up – recovery from Covid disruption well underway

Ikon - momentum continuing



Profit or Loss Statement

	1H24	1H23	Variance	Variance
	\$'000	\$'000	\$'000	%
Revenue				
International student revenue	7,020	2,275	4,745	209%
Domestic student and other revenue	3,396	3,273	123	4%
Total revenue	10,416	5,548	4,868	88%
Cost of sales				
Commission	(1,022)	(342)	(680)	(199%)
Teaching	(2,874)	(1,745)	(1,129)	(65%)
Venue and other	(64)	(11)	(53)	(482%)
Total cost of sales	(3,960)	(2,098)	(1,862)	(89%)
Gross profit	6,456	3,450	3,006	87%
<i>Gross margin (%)*</i>	62%	62%	n/a	-
Operating expenses	(3,584)	(2,319)	(1,265)	(55%)
Operating EBITDA	2,872	1,131	1,741	154%
<i>Operating EBITDA margin (%)*</i>	28%	20%	n/a	8%
Depreciation & amortisation				
- Lease related	(492)	(541)	49	9%
- Plant & equipment	(44)	(29)	(15)	(52%)
- Intangible assets	(95)	(65)	(30)	(46%)
Total depreciation & amortisation	(631)	(635)	4	1%
Earnings before interest, tax and one-off items	2,241	496	1,745	352%
<i>EBIT margin (%)*</i>	22%	9%	n/a	13%
Net finance expense - lease related	(210)	(205)	(5)	(2%)
Income tax expense	(611)	(85)	(526)	(619%)
Net profit after tax	1,420	206	1,214	589%
<i>NPAT margin (%)*</i>	14%	4%	n/a	10%

Revenue **up 88%** due to ongoing growth in international and online domestic enrolments

Relatively fixed cost base - leverage emerged with **8 ppt improvement** to EBITDA and NPAT margins **up 10 ppts** to 14%

Product development plan well underway - **2 post-graduate courses accredited by TEQSA** (launching in 1H25) **and further 2 submitted to TEQSA** for approval in 1H24

ALG improving

Profit or Loss Statement



	1H24	1H23	Variance	Variance
	\$'000	\$'000	\$'000	%
Revenue				
International student revenue	6,352	4,515	1,837	41%
Domestic student and other revenue	83	189	(106)	(56%)
Total revenue	6,435	4,704	1,731	37%
Cost of sales				
Commission	(1,573)	(1,037)	(536)	(52%)
Teaching	(1,881)	(1,542)	(339)	(22%)
Venue and other	(204)	(26)	(178)	(685%)
Total cost of sales	(3,658)	(2,605)	(1,053)	(40%)
Gross profit	2,777	2,099	678	32%
Gross margin (%)*	43%	45%	n/a	(2%)
Operating expenses	(2,655)	(2,248)	(407)	(18%)
Operating EBITDA	122	(149)	271	n/a
Operating EBITDA margin (%)*	2%	(3%)	n/a	5%
Depreciation & amortisation				
- Lease related	(494)	(708)	214	30%
- Plant & equipment	(281)	(313)	32	10%
- Intangible assets	(69)	(74)	5	7%
Total depreciation & amortisation	(844)	(1,095)	251	23%
Earnings before interest, tax and one-off items	(722)	(1,244)	522	42%
EBIT margin (%)*	(11%)	(26%)	n/a	15%
Net finance expense - lease related	(268)	(230)	(38)	(17%)
Loss from discontinued operations	-	(159)	159	100%
Income tax benefit	286	395	(109)	(28%)
Net loss after tax	(704)	(1,238)	534	43%
NPAT margin (%)*	(11%)	(26%)	n/a	15%

Revenue **up 37%** on PCP

Gross margin slightly lower due to movements in venue costs, however **expected to improve** as class sizes increase with student volume growth

Positive EBITDA of \$122k, **\$271k improvement** on PCP loss of \$271k

04

**CAPITAL AND
DEBT STRUCTURE**



Cash and debt



Gearing	30 Jun-24	31 Dec-23	Variance
	\$'000	\$'000	%
Acquisition facility	1,750	2,000	(13%)
Total gross debt	1,750	2,000	(13%)
Cash and cash equivalents	8,041	3,121	158%
Net cash / (debt)	6,291	1,121	461%
Gearing ratio	30 Jun-24	31 Dec-23	Variance
Gearing ratio - gross debt ¹	14%	16%	(2%)
Gearing ratio - net cash / debt ²	(146%)	(12%)	(134%)



\$8.0m
Cash at 30 Jun-24



\$1.75m
Loan, \$125k per quarter amortising



Supportive banking relationship, scope to grow

¹ Calculated as debt / (debt + equity)
² Calculated as (debt - cash) / (debt - cash + equity)

Capital structure



Supportive institutional investors alongside meaningful Board and Management holdings

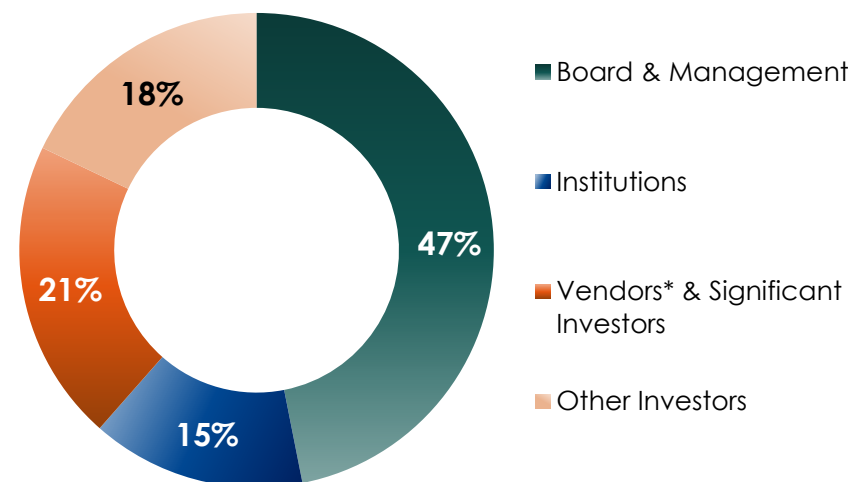
ISSUED CAPITAL & ENTERPRISE VALUE¹

	Number	% Diluted
Ordinary shares	165,214,443	95.2%
Performance rights	8,401,257	4.8%
Fully diluted	173,615,700	100.0%

	\$'000
Market capitalisation (\$0.084 per share)	13,878

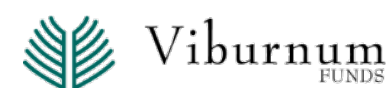
¹ At 14 August 2024

SHAREHOLDERS



* Prior vendors of businesses acquired by EDU

SUBSTANTIAL SHAREHOLDERS



05

**PRIORITIES AND
OUTLOOK**



Current priorities



Prepare for introduction of proposed caps

Develop plans to effectively manage any anticipated longer-term operational and financial implications of proposed caps

Student volume growth

Building recruitment capability in Australia and offshore
Continued dual-market focus on domestic and international students

Product development

Ambitious program underway to materially expand EDU's course offering. First of new courses to launch in 1H25

Operational efficiency

Full implementation of shared services model to drive productivity, cultural alignment and efficiency
Optimisation of timetable and class sizes

2H24 Outlook and Guidance



Revenue and earnings up on 1H24 – record revenue for FY24

Further operating leverage to emerge

Increased uncertainty post FY24, with proposed introduction of capping regime on new overseas student commencements from 2025



Strong NSE and enrolment growth to continue

Commensurate revenue and earnings growth

Continued investment in product development with dual market focus of domestic and international students – positive revenue impact from 1H25



NSE and enrolment growth to continue at modest pace

NSEs to exceed lower number of graduating students

Positive and growing EBITDA

06

APPENDICES



Deep education sector and corporate experience aligned through significant equity interest



EXECUTIVE MANAGEMENT



Adam Davis
Chief Executive Officer
& Managing Director

Adam has extensive experience in the education sector as founder, CEO & MD of formerly ASX-listed Tribeca Learning Limited. Under Adam's leadership, Tribeca acquired & integrated numerous education businesses. The company was acquired by Kaplan in 2006.



Lyndon Catzel
Chief Financial Officer
& Company Secretary

Lyndon has 25 years' financial, operational and strategic experience as CEO, CFO & COO across businesses in funds administration, financial services, healthcare, software & wholesale distribution. Lyndon is a chartered accountant.



Ryan Lawson
General Manager,
Operations

Ryan has over 20 years' experience in education, spanning a breadth of strategic and operational roles across schools, VET and Higher Education providers. Previously Ryan worked for some of Australia's largest for-profit education providers, (Think Education, Torrens University and Scentia).



Mark Falvo
General Manager,
Future Students

Mark has 25 years of experience in the international education sector across a range of discipline areas, including operations, academic delivery, consulting and most recently in global recruitment. Mark has an extensive background in facilitating scalable growth in a number of institutions, including Kaplan Business School and Torrens University Australia, where in his latest role he was the Senior Vice President – International.



Gerald Ng
General Manager,
Academic and Governance

Gerald is a seasoned executive with extensive experience in academic operations, governance and quality assurance. He has held senior leadership roles, including Vice President Quality and Risk at EduCo International and inaugural Dean at Kaplan Australia. Gerald has a strong track record of leading initiatives that enhance regulatory compliance, improve educational outcomes and drive institutional growth.

NON-EXECUTIVE DIRECTORS



Gary Burg
Non-Executive Director

Gary has been involved with Global Capital Group since 1995 and in Australia since 2001. In Australia Gary has been involved with businesses across life insurance, financial services & education. Gary is a director of ASX listed Clearview Ltd.



Peter Mobbs
Non-Executive Director

Peter is Managing Partner at Five Sigma, an EdTech focused, global growth fund and Managing Director of Greyrock, a private investment company focused on education and technology.



Jonathan Pager
Non-Executive Director

Jonathan has 25 years experience as a management consultant and qualified as a chartered accountant with Deloitte. Jonathan has restructured, listed and acted as a director for a range of public companies in the resources & industrial sectors.



Greg Shaw
Non-Executive Director

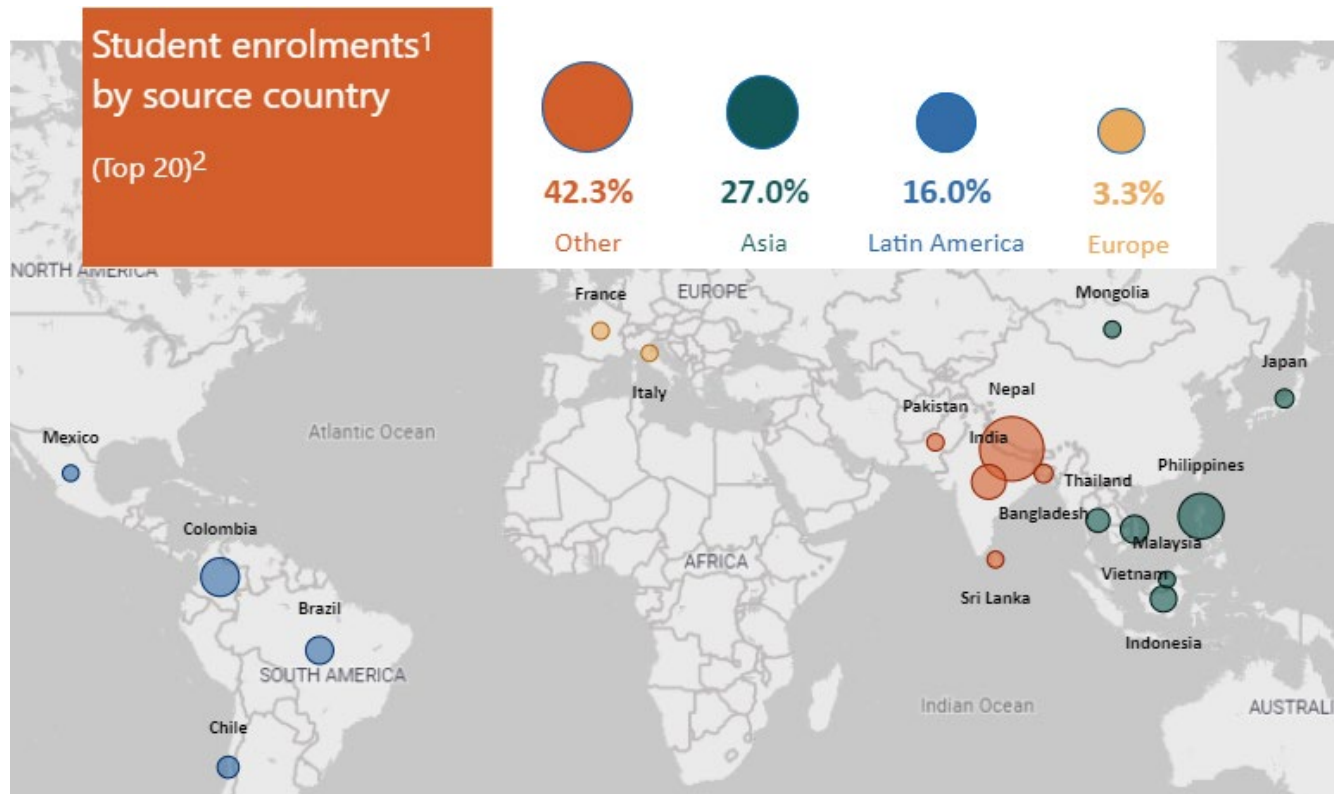
Greg is the Chief Executive Officer of Mulpha International. He has over 25 years' experience as CEO of listed businesses in Australia, including as CEO of Ardent Leisure, one of Australia's largest leisure and hospitality owners. Greg has extensive management experience across a range of industry sectors, including education, leisure, entertainment, property, and finance sectors. Greg qualified as a Chartered Accountant.



Joshua Bolot
Alternate to Greg Shaw

Joshua has nearly 25 years of experience across investment banking, corporate advisory and private equity. He is currently Head of Principal Investments & Corporate Development at Mulpha Australia. Prior to this, he has been with Monash Private Capital, Investec Bank and Deutsche Bank, where he was involved in a wide variety of M&A, capital raisings and strategic reviews for ASX listed and privately held companies.

Global recruitment network



Diverse student & agent mix

280 active education agents

80 source markets

2 business units

7 campuses

4 states + Online

Group

Half on Half Analysis



Group	1H24	1H23	Variance	2H23	2H22	Variance
	\$'000	\$'000	%	\$'000	\$'000	%
Ikon and ALG						
Total revenue and other income	16,851	10,252	64%	11,306	8,786	29%
Cost of sales	(7,618)	(4,703)	(62%)	(5,473)	(4,000)	(37%)
Gross profit	9,233	5,549	66%	5,833	4,786	22%
Gross margin (%)*	55%	54%	1%	52%	54%	(2%)
Operating expenses	(6,239)	(4,567)	(37%)	(4,729)	(4,475)	(6%)
Operating EBITDA	2,994	982	205%	1,104	311	255%
Operating EBITDA margin (%)*	18%	10%	8%	10%	4%	6%
EDU Holdings						
Corporate costs	(744)	(745)	-	(798)	(880)	9%
EBITDA	2,250	237	849%	306	(569)	n/a
EBITDA margin (%)*	13%	2%	11%	3%	(6%)	9%
Depreciation & amortisation						
- Lease related	(986)	(1,249)	21%	(1,154)	(1,495)	23%
- Plant & equipment	(325)	(342)	5%	(342)	(334)	(2%)
- Intangible assets	(235)	(210)	(12%)	(252)	(192)	(31%)
Total depreciation & amortisation	(1,546)	(1,801)	14%	(1,748)	(2,021)	14%
Earnings before interest, tax and one-off items	704	(1,564)	n/a	(1,442)	(2,590)	44%
EBIT margin (%)*	4%	(15%)	19%	(13%)	(29%)	16%
Interest on lease liabilities	(482)	(438)	(10%)	(550)	(509)	(8%)
Interest and borrowing expenses	(60)	(63)	5%	(59)	(87)	32%
Income tax (expense) / benefit	(114)	508	n/a	543	849	(36%)
Net profit / (loss) before one-off items	48	(1,557)	n/a	(1,508)	(2,337)	35%
Due diligence and transaction costs	(20)	(15)	(33%)	83	(43)	n/a
Gain on lease modification	-	-	n/a	-	87	100%
Gain from disposal of assets	-	180	(100%)	-	131	(100%)
Loss from discontinued operations	-	(159)	100%	(9)	(67)	87%
Impairment of assets	-	-	n/a	-	(396)	100%
Net profit / (loss) after tax	28	(1,551)	n/a	(1,434)	(2,625)	45%

Half on Half Analysis

Ikon	1H24	1H23	Variance	2H23	2H22	Variance
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue						
International student revenue	7,020	2,275	209%	3,216	1,332	141%
Domestic student revenue	3,396	3,273	4%	2,831	2,969	(5%)
Total revenue	10,416	5,548	88%	6,047	4,301	41%
Cost of sales						
Commission	(1,022)	(342)	(199%)	(438)	(185)	(137%)
Teaching	(2,874)	(1,745)	(65%)	(2,039)	(1,285)	(59%)
Venue and other	(64)	(11)	(482%)	(21)	(22)	5%
Total cost of sales	(3,960)	(2,098)	(89%)	(2,498)	(1,492)	(67%)
Gross profit	6,456	3,450	87%	3,549	2,809	26%
<i>Gross margin (%)*</i>	62%	62%	-	59%	65%	(6%)
Operating expenses	(3,584)	(2,319)	(55%)	(2,550)	(2,163)	(18%)
Operating EBITDA	2,872	1,131	154%	999	646	55%
<i>Operating EBITDA margin (%)*</i>	28%	20%	8%	17%	15%	2%
Depreciation & amortisation						
- Lease related	(492)	(541)	9%	(502)	(551)	9%
- Plant & equipment	(44)	(29)	(52%)	(36)	(24)	(50%)
- Intangible assets	(95)	(65)	(46%)	(89)	(52)	(71%)
Total depreciation & amortisation	(631)	(635)	1%	(627)	(627)	-
Earnings before interest, tax and one-off items	2,241	496	352%	372	19	1858%
<i>EBIT margin (%)*</i>	22%	9%	13%	6%	-	6%
Net finance expense - lease related	(210)	(205)	(2%)	(258)	(222)	(16%)
Income tax (expense) / benefit	(611)	(85)	(619%)	65	32	103%
Net profit / (loss) after tax	1,420	206	589%	179	(171)	n/a
<i>NPAT margin (%)*</i>	14%	4%	10%	3%	(4%)	7%

Half on Half Analysis

ALG	1H24	1H23	Variance	2H23	2H22	Variance
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue						
International student revenue	6,352	4,515	41%	5,072	4,431	14%
Domestic student and other revenue	83	189	(56%)	187	54	246%
Total revenue	6,435	4,704	37%	5,259	4,485	17%
Cost of sales						
Commission	(1,573)	(1,037)	(52%)	(1,163)	(1,032)	(13%)
Teaching	(1,881)	(1,542)	(22%)	(1,727)	(1,504)	(15%)
Venue and other	(204)	(26)	(685%)	(85)	28	n/a
Total cost of sales	(3,658)	(2,605)	(40%)	(2,975)	(2,508)	(19%)
Gross profit	2,777	2,099	32%	2,284	1,977	16%
<i>Gross margin (%)*</i>	43%	45%	(2%)	43%	44%	(1%)
Operating expenses	(2,655)	(2,248)	(18%)	(2,179)	(2,312)	6%
Operating EBITDA	122	(149)	n/a	105	(335)	n/a
<i>Operating EBITDA margin (%)*</i>	2%	(3%)	5%	2%	(7%)	9%
Depreciation & amortisation						
- Lease related	(494)	(708)	30%	(652)	(857)	24%
- Plant & equipment	(281)	(313)	10%	(306)	(310)	1%
- Intangible assets	(69)	(74)	7%	(91)	(67)	(36%)
Total depreciation & amortisation	(844)	(1,095)	23%	(1,049)	(1,234)	15%
Earnings before interest, tax and one-off items	(722)	(1,244)	42%	(944)	(1,569)	40%
<i>EBIT margin (%)*</i>	(11%)	(26%)	15%	(18%)	(35%)	17%
Net finance expense - lease related	(268)	(230)	(17%)	(283)	(290)	2%
Loss from discontinued operations	-	(159)	100%	(9)	(67)	87%
Impairment of assets	-	-	n/a	-	(396)	100%
Income tax benefit	286	395	(28%)	264	579	(54%)
Net loss after tax	(704)	(1,238)	43%	(972)	(1,743)	44%
<i>NPAT margin (%)*</i>	(11%)	(26%)	15%	(18%)	(39%)	21%

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