




CAREER-READY QUALIFICATIONS

IN HEALTHCARE, EDUCATION
& COMMUNITY SERVICES
OCCUPATIONS

FY23 RESULTS PRESENTATION





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COMPANY OVERVIEW

2 tertiary education providers:

ikon INSTITUTE
OF AUSTRALIA

Higher Education
(HE)



Vocational Education
& Training (VET)

\$21.6m

FY23 Revenue¹

\$3.1m

Cash at 31-Dec-23

94

Permanent
Team Members

2,100

Students at year-end²
Domestic and International

7

Campuses + Online
NSW, VIC, QLD, SA

21

Courses Certificates, Diplomas
& Degrees

COMPELLING INVESTMENT PROPOSITION

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

EDU course offering aligned
to occupations with long-
term skills shortages

Material operating leverage in relatively fixed cost base

As student numbers and revenue
grow, margins improve

HE (Ikon) FY23 net profit after tax
up \$1.2m on \$3.7m additional
revenue

VET (ALG) enrolments rebuilding

4 consecutive terms of growth,
on path to profitability

Organic + M&A growth

Ambitious HE-focused product
development program
underway

Renewed focus on growth
through acquisition

¹ Revenue includes \$0.3m of rental income on sub-leased premises

² Students in the last trimester or term of the year

HEALTHCARE, EDUCATION AND COMMUNITY SERVICES SPECIALIST - QUALIFICATIONS ALIGNED TO LONG-TERM SKILLS SHORTAGES

Large and growing employing industry

Healthcare and Social Assistance is Australia's largest and also 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:

- Early Childhood Teachers
- Childcare Workers
- Aged Care Workers

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

01

FY23 HIGHLIGHTS



OPERATIONAL HIGHLIGHTS

Higher education (Ikon) enrolments¹ up 44%

Earnings leverage in Ikon delivered

FY23 net profit after tax up \$1.2m on \$3.7m additional revenue

Vocational (ALG) enrolments rebuilding

T4'23 enrolments up 9% on PCP
FY23 NSEs up 41% on PCP

Material latent capacity remains

To deliver further operating leverage as student numbers grow

Skills shortages driving shift in program mix

83% of FY23 enrolments in Community Services courses

Strong shift to Online for Ikon domestic students

64% of FY23 domestic NSEs

Continued strength in Early Childhood Education

In both HE and VET

Program development in both businesses

Ikon – 2 new courses submitted to TEQSA
ALG – 2 new courses launched

¹ Enrolments are the sum of all student enrolments in each of the terms and trimesters during each financial period
All comparisons are to the previous corresponding period, unless otherwise indicated

FINANCIAL & STUDENT METRICS

FINANCIALS				STUDENT METRICS					
	FY23	vs	FY22		FY23	vs	FY22		
Revenue ¹	\$21.6m		\$17.7m	↑	Letters of Offer		3,172	2,732	↑
EBITDA ²	\$0.5m		(\$1.5m)	↑	New Student Enrolments (NSEs)		1,462	1,036	↑
Net loss after tax	(\$3.0m)		(\$4.8m)	↑	Enrolments ³		6,807	6,463	↑

¹ Revenue includes \$0.3m of rental income on sub-leased premises

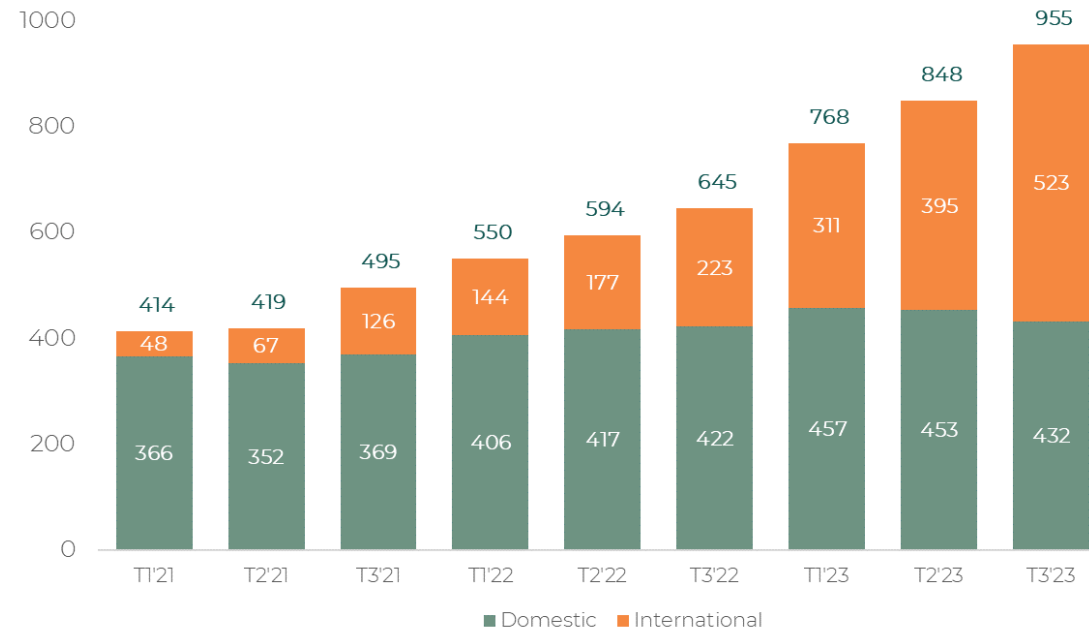
² EBITDA is a financial measure which is not prescribed by Australian Accounting Standards and represents the profit under Australian Accounting Standards, adjusted for specific non-cash and significant items

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



HE (IKON) MOMENTUM CONTINUING

3-year enrolment CAGR of 32%



Ikon now firmly established in international student market - leveraging EDU's substantial agent network

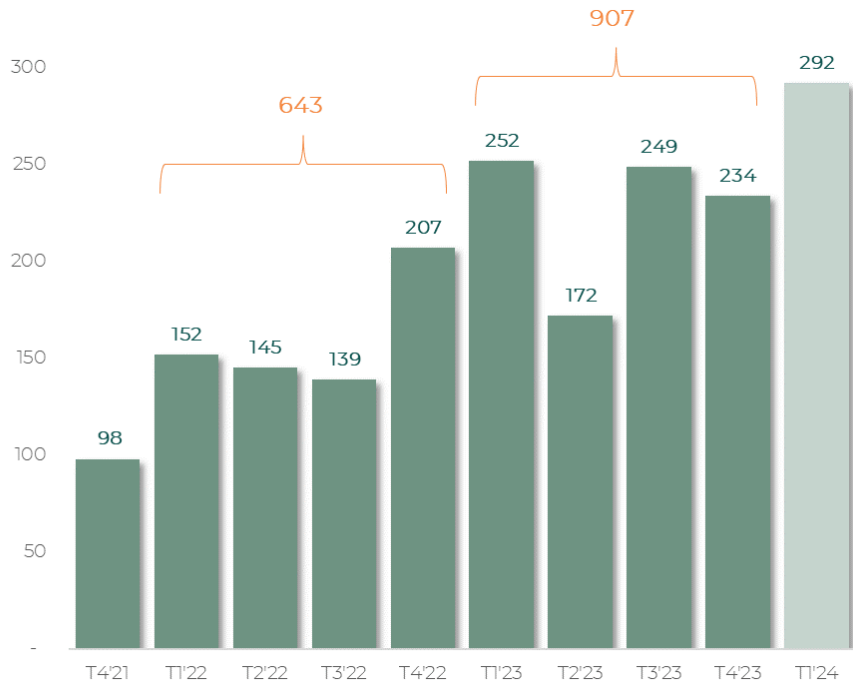
Mark Falvo joins EDU
Former Senior Vice President International, Torrens University, appointed GM, Future Students to lead sales, marketing and admissions

Commenced building offshore sales capability - through appointment of full time in-country sales managers

Growth in online continuing - now the preferred delivery mode for domestic students

POSITIVE TREND IN VET (ALG) NSEs

NSEs up 41% on PCP
(LTM to T4'23)



Leading indicator up 41%

- Bodes well for 2024

4 consecutive terms of enrolment growth

- Smaller cohorts of graduating students being replaced with larger commencing cohorts
- 24-month average study duration means students that commenced in 2023 will still be studying in 2025

ALG well-positioned for tightening of regulations and visa settings

- ALG well-positioned as a low-risk, high-quality provider with courses aligned to skills shortages
- Higher barriers to entry and levelling of playing field positive from competition perspective



PROGRAM STRATEGY DELIVERING



¹ Represents the current weighted average price of programs across the Group
² Represents the weighted average duration of programs across the Group in 2023
³ Sum of all Ikon Online student enrolments during each financial year

LATENT CAPACITY REMAINS

Further operating leverage to emerge



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 campus locations across 4 states + Online

49 Classrooms

2,302 sqm

space in Sydney operating at **58% capacity**

1,918 sqm

space in Melbourne operating at **65% capacity**



02

FINANCIAL RESULTS

REVENUE AND EARNINGS IMPROVING

Consolidated Profit & Loss Statement

	FY23	FY22	Variance	Variance
	\$'000	\$'000	\$'000	%
ALG and Ikon				
Total revenue and other income	21,559	17,667	3,892	22%
Cost of sales	(10,176)	(8,562)	(1,614)	(19%)
Gross profit	11,383	9,105	2,278	25%
<i>Gross margin (%)*</i>	<i>53%</i>	<i>52%</i>	<i>n/a</i>	<i>1%</i>
Operating expenses	(9,297)	(9,001)	(296)	(3%)
Operating EBITDA	2,086	104	1,982	1906%
<i>Operating EBITDA margin (%)*</i>	<i>10%</i>	<i>1%</i>	<i>n/a</i>	<i>9%</i>
EDU Holdings				
Corporate costs	(1,542)	(1,569)	27	2%
EBITDA	544	(1,465)	2,009	n/a
<i>EBITDA margin (%)*</i>	<i>3%</i>	<i>(8%)</i>	<i>n/a</i>	<i>11%</i>
Depreciation & amortisation				
- Lease related	(2,403)	(2,486)	83	3%
- Plant & equipment	(684)	(575)	(109)	(19%)
- Intangible assets	(463)	(390)	(73)	(19%)
Total depreciation & amortisation	(3,550)	(3,451)	(99)	(3%)
Earnings before interest, tax and one-off items	(3,006)	(4,916)	1,910	39%
<i>EBIT margin (%)*</i>	<i>(74%)</i>	<i>(28%)</i>	<i>n/a</i>	<i>14%</i>
Interest on lease liabilities	(988)	(856)	(132)	(15%)
Net interest and borrowing expenses	(122)	(159)	37	23%
Income tax benefit	1,051	1,444	(393)	(27%)
Net loss before one-off items	(3,065)	(4,487)	1,422	32%
Due diligence and transaction costs	68	(51)	119	n/a
Gain on lease modification	-	87	(87)	100%
Gain from disposal of assets	180	138	42	30%
Loss from discontinued operations (net of tax)	(168)	(111)	(57)	(51%)
Impairment of assets	-	(396)	396	100%
Net loss for the period	(2,985)	(4,820)	1,835	38%

* Movement in percentage points

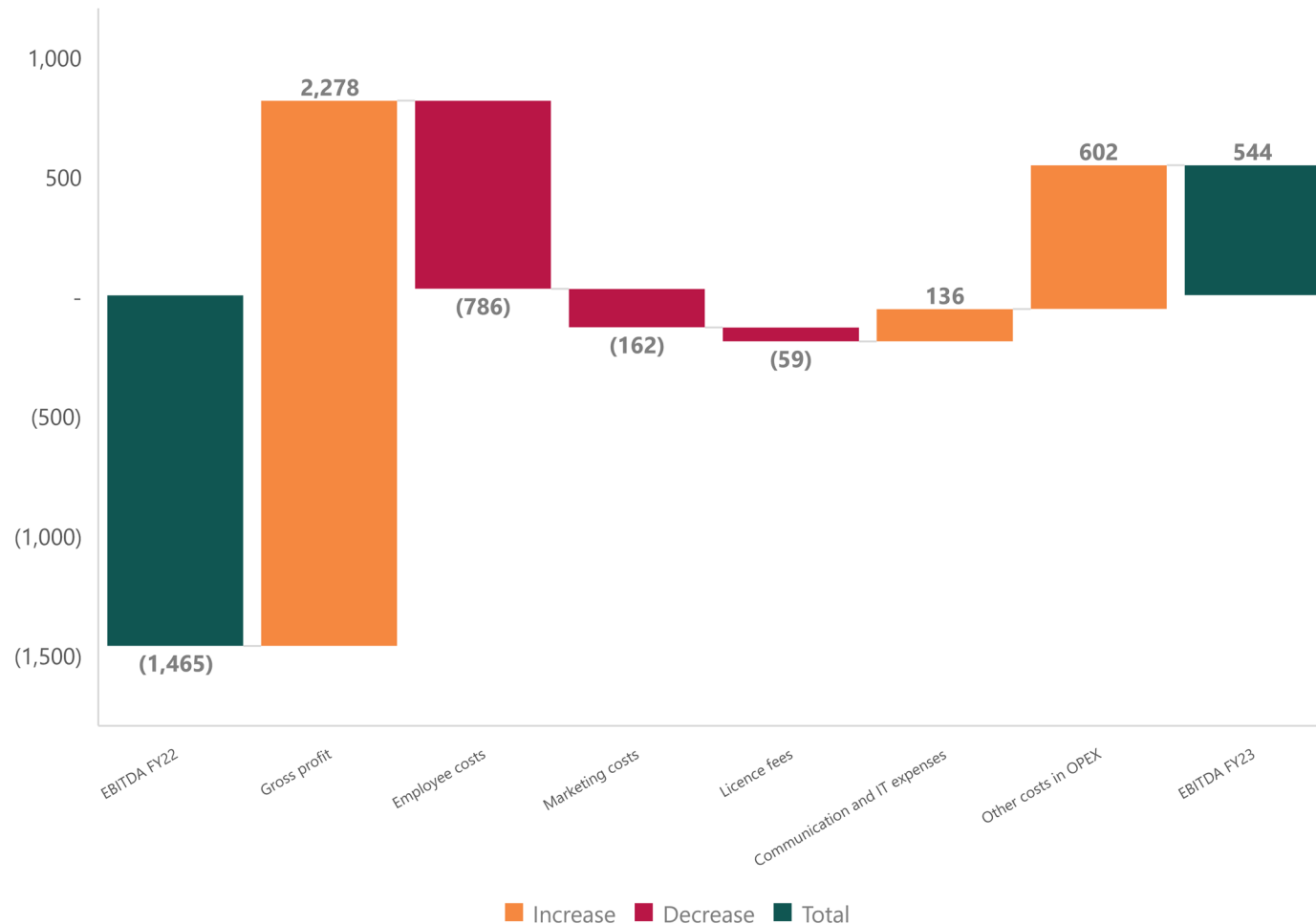
Group revenue up 22% - Ikon up 47%, ALG flat

Positive FY23 EBITDA of \$0.5m, \$2.0m improvement on PCP loss due to leverage benefits delivered in Ikon

Net loss after tax - improvement of \$1.8m

EBITDA BRIDGE (\$'000)

Operating leverage emerging



With relatively flat operating costs, \$2.3m gross profit growth delivered \$2.0m improvement in EBITDA

CASH IMPACTED BY OPERATING LOSS & INVESTMENT

Consolidated Balance Sheet

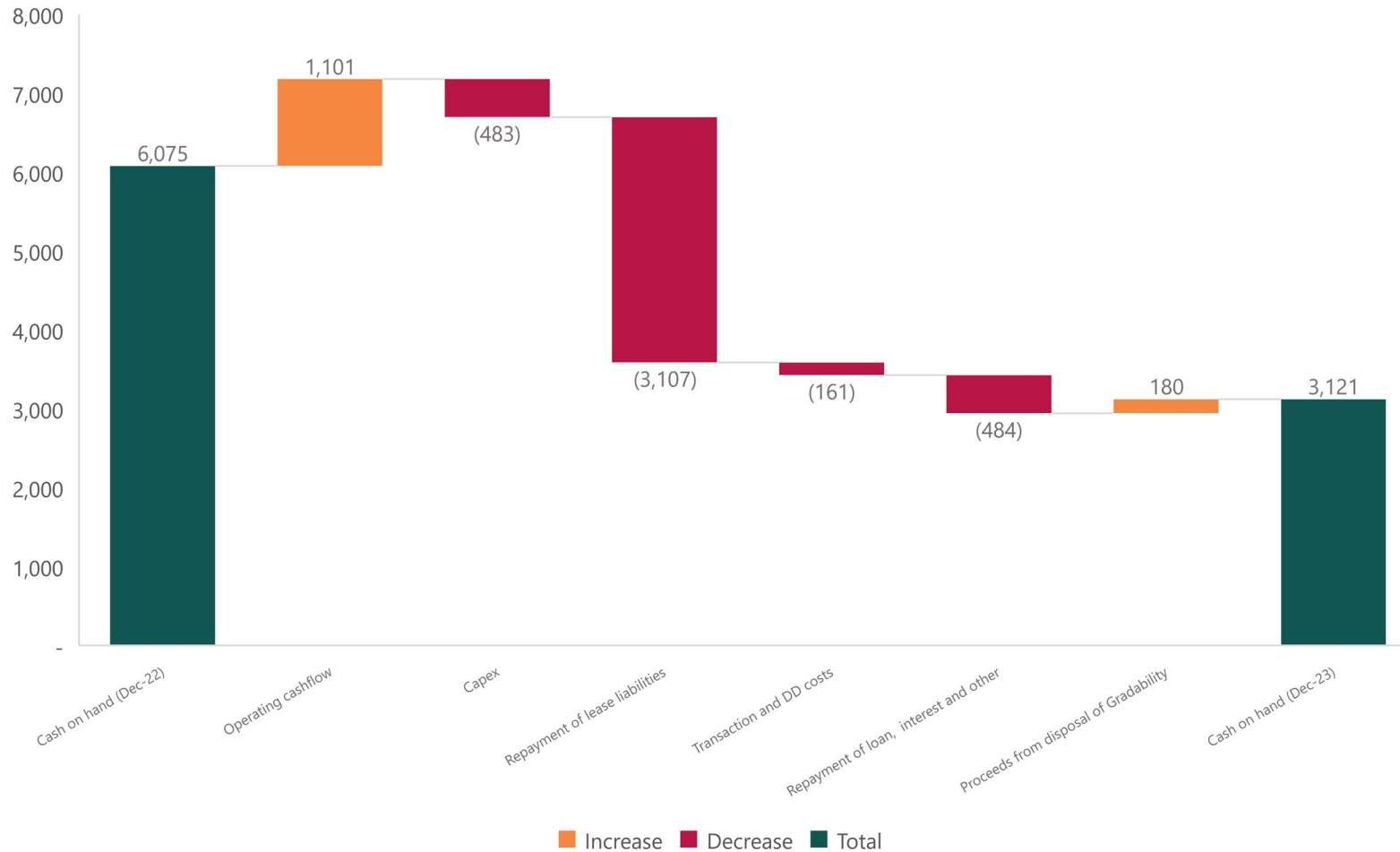
As at	31-Dec-23	31-Dec-22	Variance
	\$'000	\$'000	\$'000
Cash and cash equivalents	3,121	6,075	(2,954)
Trade and other receivables	304	1,229	(925)
Goodwill	11,918	11,918	-
Intangibles	2,558	1,670	888
Plant and equipment	2,153	2,754	(601)
ROU assets	9,702	12,835	(3,133)
Other assets	3,544	2,428	1,116
Total assets	33,300	38,909	(5,609)
Contract liabilities	1,990	1,262	728
Trade and other payables	3,613	3,862	(249)
Borrowings	2,000	2,250	(250)
Lease liabilities	12,320	15,143	(2,823)
Other liabilities	2,896	3,135	(239)
Total liabilities	22,819	25,652	(2,833)
Net assets	10,481	13,257	(2,776)
Net cash	1,121	3,825	(2,704)

Cash draw due to operating loss and investment in product development (intangibles)

Cash balance of \$5.3m at 31 January 2024 - 1H seasonal benefit

Other liabilities include a \$1.6m FEE-HELP advance, repayable over next 6 years

CASH FLOW BRIDGE (\$'000)



Operating cash inflows of \$1.1m, up \$3.0m against outflows of \$1.9m in PCP

CBA market rate loan principal payments recommenced in November 2023 at \$250k per quarter

Cash balance of \$5.3m at 31 January 2024

03

BUSINESS UNIT PERFORMANCE



BUSINESS UNIT PERFORMANCE



	Ikon		ALG	
	FY23	FY22	FY23	FY22
Revenue ¹	\$11.6m	\$7.9m	\$10.0m	\$9.8m
EBITDA	\$2.1m	\$0.5m	(\$44k)	(\$419k)
Students at year-end ²	955	645	1,145	1,051
NSEs ³	555	393	907	643

¹ Includes other income

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

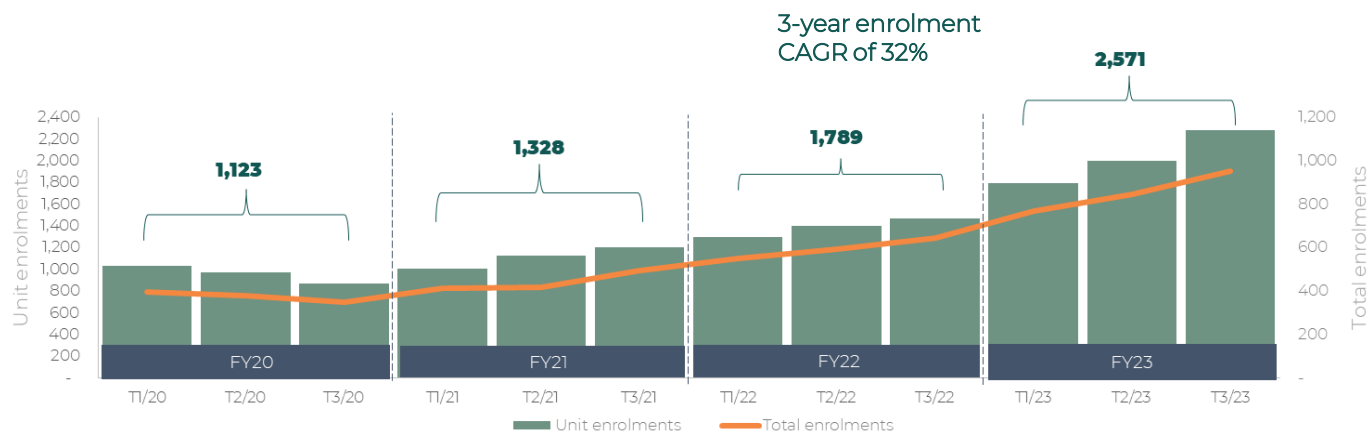
³ Sum of new student enrolments in each study period during the year

All metrics moving in right direction

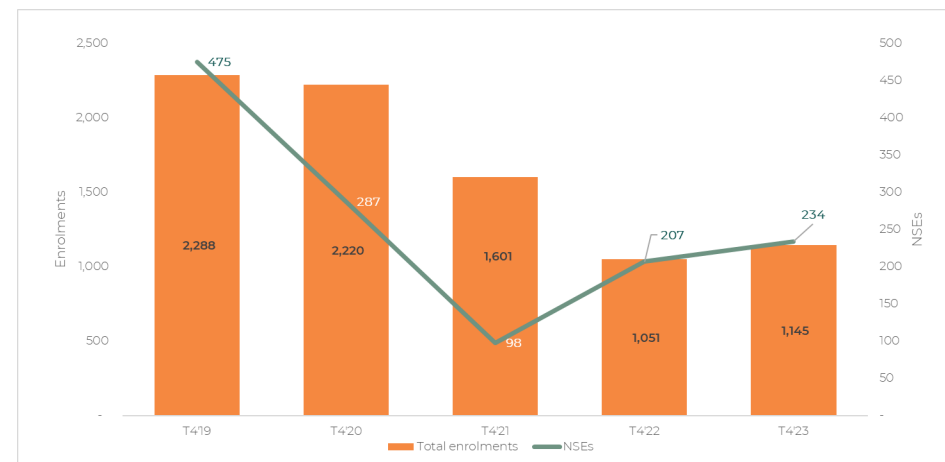
Strong start to 2024 - growth in Ikon and ALG continuing

ENROLMENTS

Student and unit enrolments



Enrolments and NSEs



Ikon now firmly established in the international student market - **55%** of FY23 enrolments compared to just 3% in 2018



Continued **shift to Online** for Ikon domestic enrolments – 56% in Trimester 3, 2023 up from 41% in the PCP



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



ALG NSEs and enrolments trending up - on path to recovery

MOMENTUM IN IKON

Ikon Profit & Loss Statement

	FY23	FY22	Variance	Variance
	\$'000	\$'000	\$'000	%
Revenue				
International student revenue	5,491	2,259	3,232	143%
Domestic student and other income	6,105	5,626	479	9%
Total revenue and other income	11,596	7,885	3,711	47%
Cost of sales				
Commission	(780)	(332)	(448)	(135%)
Teaching	(3,784)	(2,709)	(1,075)	(40%)
Venue and other	(32)	(96)	64	67%
Total cost of sales	(4,596)	(3,137)	(1,459)	(47%)
Gross profit	7,000	4,748	2,252	47%
<i>Gross margin (%)*</i>	<i>60.0%</i>	<i>60.0%</i>	<i>n/a</i>	<i>-</i>
Operating expenses	(4,870)	(4,225)	(645)	(15%)
Operating EBITDA	2,130	523	1,607	307%
<i>Operating EBITDA margin (%)*</i>	<i>18%</i>	<i>7%</i>	<i>n/a</i>	<i>11%</i>
Depreciation & amortisation				
- Lease related	(1,043)	(1,006)	(37)	(4%)
- Plant & equipment	(65)	(46)	(19)	(41%)
- Intangible assets	(154)	(122)	(32)	(26%)
Total depreciation & amortisation	(1,262)	(1,174)	(88)	(7%)
Earnings before interest, tax and one-off items	868	(651)	1,519	n/a
<i>EBIT margin (%)*</i>	<i>7%</i>	<i>(8%)</i>	<i>n/a</i>	<i>15%</i>
Net finance expense - lease related	(463)	(380)	(83)	(22%)
Income tax (expense) / benefit	(20)	171	(191)	n/a
Net profit / (loss) for the period	385	(860)	1,245	n/a

* Movement in percentage points

Revenue up 47% due to ongoing growth in international and online domestic enrolments

Relatively fixed cost base - leverage emerged with 11 ppt improvement to EBITDA

Product development plan underway - 2 new courses submitted to TEQSA for approval

ALG IMPROVING

ALG Profit & Loss Statement

	FY23	FY22	Variance	Variance
	\$'000	\$'000	\$'000	%
Revenue				
International student revenue	9,587	9,732	(145)	(1%)
Domestic student and other income	376	50	326	652%
Total revenue and other income	9,963	9,782	181	2%
Cost of sales				
Commission	(2,200)	(2,271)	71	3%
Teaching	(3,269)	(2,937)	(332)	(11%)
Venue and other	(111)	(217)	106	49%
Total cost of sales	(5,580)	(5,425)	(155)	(3%)
Gross profit	4,383	4,357	26	1%
<i>Gross margin (%)*</i>	<i>44%</i>	<i>45%</i>	<i>n/a</i>	<i>(1%)</i>
Operating expenses	(4,427)	(4,776)	349	7%
Operating EBITDA	(44)	(419)	375	89%
<i>Operating EBITDA margin (%)*</i>	<i>-</i>	<i>(4%)</i>	<i>n/a</i>	<i>4%</i>
Depreciation & amortisation				
- Lease related	(1,360)	(1,393)	33	2%
- Plant & equipment	(619)	(529)	(90)	(17%)
- Intangible assets	(165)	(124)	(41)	(33%)
Total depreciation & amortisation	(2,144)	(2,046)	(98)	(5%)
Earnings before interest, tax and one-off items	(2,188)	(2,465)	277	11%
<i>EBIT margin (%)*</i>	<i>(22%)</i>	<i>(25%)</i>	<i>n/a</i>	<i>3%</i>
Net finance expense - lease related	(513)	(479)	(34)	(7%)
Loss from discontinued operations (net of tax)	(168)	(111)	(57)	(51%)
Impairment of assets	-	(396)	396	100%
Income tax benefit	659	880	(221)	(25%)
Net loss for the period	(2,210)	(2,571)	361	14%

* Movement in percentage points

Revenue flat with slight decline in enrolments offset by annual price increase

GM stable - expected to improve as class sizes increase with student volume growth

Reduction in OPEX delivered \$0.4m improvement to EBITDA

04

CAPITAL & DEBT STRUCTURE



CAPITAL STRUCTURE

Supportive institutional investors alongside meaningful Board and Management holdings

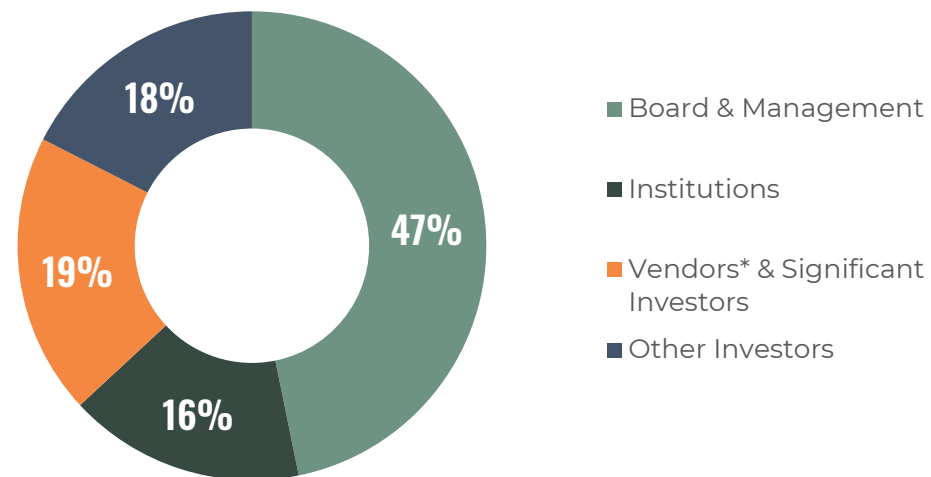
ISSUED CAPITAL & ENTERPRISE VALUE¹

	Number	% Diluted
Ordinary shares	165,214,443	97.6%
Performance rights	4,066,197	2.4%
Fully diluted	169,280,460	100.0%

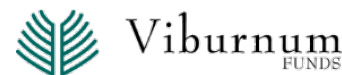
	\$'000
Market capitalisation (\$0.13 per share)	21,478
Cash (as at 31 January 2024 – unaudited)	(5,309)
Debt	2,000
Enterprise value	18,169

¹ At 7 February 2024

SHAREHOLDERS¹



* Prior vendors of businesses acquired by EDU



CASH AND DEBT



\$5.3m

Cash at 31 Jan 24



\$2.0m

Market rate loan



Supportive
banking relationship,
scope to grow

Gearing	31-Dec-23	31 Dec-22	Variance
	\$'000	\$'000	%
Cash and cash equivalents	3,121	6,075	(49%)
Market rate loan	(2,000)	(2,250)	(11%)
Net cash	1,121	3,825	(71%)

Gearing ratio	31-Dec-23	31 Dec-22	Variance
Gearing ratio – debt ¹	16%	15%	1%
Gearing ratio - net cash / debt ²	(12%)	(41%)	29%

¹ Calculated as debt / (debt + equity)

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

05

PRIORITIES & OUTLOOK



CURRENT PRIORITIES



Student volume growth

Boost sales and admissions capability

Several strong new hires, more to follow.

Building capacity in Australia and offshore

Product development

Program underway to materially expand EDU's course offering

Integration of HE and VET operations

To drive productivity, cultural and efficiency gains

FY24 OUTLOOK AND GUIDANCE



Enrolments and revenue up sharply

Further operating leverage to emerge

'Watch and see' approach to changing visa and migration settings

NSE and enrolment growth to continue

Commensurate revenue and earnings growth

Continued investment in product development – revenue impact from FY25

NSE and enrolment growth to continue at modest pace

Positive and growing EBITDA

06

APPENDICES



DEEP EDUCATION SECTOR & 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,
ALG

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).



**DR EHSAN
AHMED**

Executive Dean,
Ikon

Dr Ehsan Ahmed has 25 years of academic governance experience, including online education and developing blended learning courses, including at Australian Polytechnic Institute, AIM Business School, Kent Institute, Think Education and UNSW.



**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.

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.



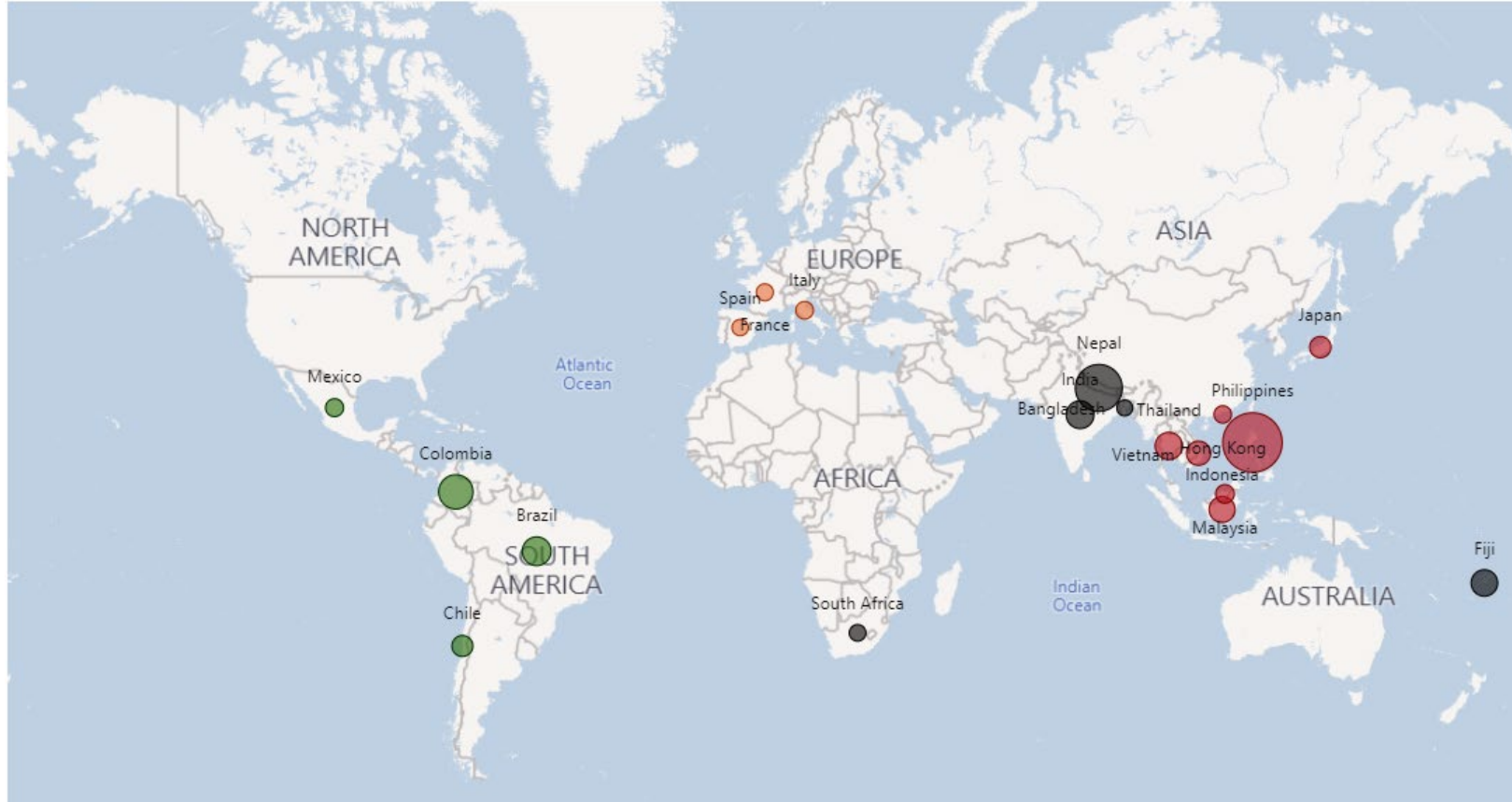
**JOSHUA
BOLOT**

Alternate to Greg
Shaw

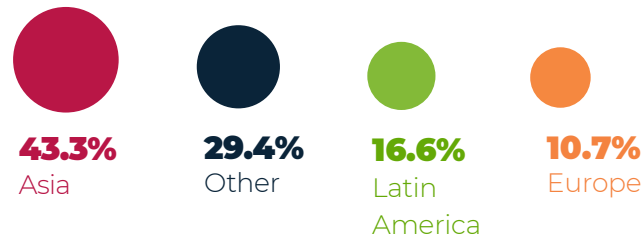
Joshua has nearly 25 years of experience across investment banking, corporate advisory and private equity. He is currently Head of Principal Investments & Corporate Development at Mulpha Australia. Prior to this, he has been with Monash Private Capital, Investec Bank and Deutsche Bank, where he was involved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

GLOBAL RECRUITMENT NETWORK

● ASIA ● EUROPE ● LATAM ● OTHER



Student enrolments¹ by source country (Top 20)²



¹ Ikon and ALG international student enrolments

² At 15 Jan 2024

Diverse student & agent mix

280 active education agents

80 source markets

2 business units

7 campus locations across

4 states + Online

GROUP

Half on Half Analysis

Group	2H23	1H23	Variance	2H22	1H22	Variance
	\$'000	\$'000	%	\$'000	\$'000	%
ALG and Ikon						
Total revenue and other income	11,307	10,252	10%	8,786	8,881	(1%)
Cost of sales	(5,473)	(4,703)	(16%)	(4,000)	(4,562)	12%
Gross profit	5,834	5,549	5%	4,786	4,319	11%
<i>Gross margin (%)*</i>	<i>52%</i>	<i>54%</i>	<i>(2%)</i>	<i>54%</i>	<i>49%</i>	<i>5%</i>
Operating expenses	(4,730)	(4,567)	(4%)	(4,475)	(4,526)	1%
Operating EBITDA	1,104	982	12%	311	(207)	n/a
<i>Operating EBITDA margin (%)*</i>	<i>10%</i>	<i>10%</i>	<i>-</i>	<i>4%</i>	<i>(2%)</i>	<i>6%</i>
EDU Holdings						
Corporate costs	(797)	(745)	(7%)	(880)	(689)	(28%)
EBITDA	307	237	30%	(569)	(896)	36%
<i>EBITDA margin (%)*</i>	<i>3%</i>	<i>2%</i>	<i>1%</i>	<i>(6%)</i>	<i>(10%)</i>	<i>4%</i>
Depreciation & amortisation						
- Lease related	(1,154)	(1,249)	8%	(1,495)	(991)	(51%)
- Plant & equipment	(342)	(342)	-	(334)	(241)	(39%)
- Intangible assets	(253)	(210)	(20%)	(192)	(198)	3%
Total depreciation & amortisation	(1,749)	(1,801)	3%	(2,021)	(1,430)	(41%)
Earnings before interest, tax and one-off items	(1,442)	(1,564)	8%	(2,590)	(2,326)	(11%)
<i>EBIT margin (%)*</i>	<i>(13%)</i>	<i>(15%)</i>	<i>2%</i>	<i>(29%)</i>	<i>(26%)</i>	<i>(3%)</i>
Interest on lease liabilities	(550)	(438)	(26%)	(509)	(347)	(47%)
Interest and borrowing expenses	(59)	(63)	6%	(87)	(72)	(21%)
Income tax benefit	543	508	7%	849	595	43%
Net loss before one-off items	(1,508)	(1,557)	3%	(2,337)	(2,150)	(9%)
Due diligence and transaction costs	83	(15)	n/a	(43)	(8)	(438%)
Gain on lease modification	-	-	n/a	87	-	n/a
Gain from disposal of assets	-	180	100%	131	7	1771%
Loss from discontinued operations	(9)	(159)	94%	(67)	(44)	(52%)
Impairment of assets	-	-	n/a	(396)	-	n/a
Net (loss) / profit for the period	(1,434)	(1,551)	8%	(2,625)	(2,195)	(20%)

* Movement in percentage points

IKON

Half on Half Analysis

Ikon	2H23	1H23	Variance	2H22	1H22	Variance
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue						
International student revenue	3,216	2,275	41%	1,332	927	44%
Domestic student and other revenue	2,832	3,273	(13%)	2,969	2,657	12%
Total revenue and other income	6,048	5,548	9%	4,301	3,584	20%
Cost of sales						
Commission	(438)	(342)	(28%)	(185)	(147)	(26%)
Teaching	(2,039)	(1,745)	(17%)	(1,285)	(1,424)	10%
Venue and other	(21)	(11)	(91%)	(22)	(74)	70%
Total cost of sales	(2,498)	(2,098)	(19%)	(1,492)	(1,645)	9%
Gross profit	3,550	3,450	3%	2,809	1,939	45%
<i>Gross margin (%)*</i>	<i>59%</i>	<i>62%</i>	<i>(3%)</i>	<i>65%</i>	<i>54%</i>	<i>11%</i>
Operating expenses	(2,551)	(2,319)	(10%)	(2,163)	(2,062)	(5%)
Operating EBITDA	999	1,131	(12%)	646	(123)	n/a
<i>Operating EBITDA margin (%)*</i>	<i>17%</i>	<i>20%</i>	<i>(3%)</i>	<i>15%</i>	<i>(3%)</i>	<i>18%</i>
Depreciation & amortisation						
- Lease related	(502)	(541)	7%	(551)	(455)	(21%)
- Plant & equipment	(36)	(29)	(24%)	(24)	(22)	(9%)
- Intangible assets	(89)	(65)	(37%)	(52)	(70)	26%
Total depreciation & amortisation	(627)	(635)	1%	(627)	(547)	(15%)
Earnings before interest, tax and one-off items	372	496	(25%)	19	(670)	n/a
<i>EBIT margin (%)*</i>	<i>6%</i>	<i>9%</i>	<i>(3%)</i>	<i>-</i>	<i>(19%)</i>	<i>19%</i>
Net finance expense - lease related	(258)	(205)	(26%)	(222)	(158)	(41%)
Income tax benefit / (expense)	65	(85)	n/a	32	139	(77%)
Net profit / (loss) for the period	179	206	(13%)	(171)	(689)	75%

* Movement in percentage points

ALG

Half on Half Analysis

ALG	2H23	1H23	Variance	2H22	1H22	Variance
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue						
International student revenue	5,072	4,515	12%	4,431	5,301	(16%)
Domestic student and other revenue	187	189	(1%)	54	(4)	n/a
Total revenue and other income	5,259	4,704	12%	4,485	5,297	(15%)
Cost of sales						
Commission	(1,163)	(1,037)	(12%)	(1,032)	(1,239)	17%
Teaching	(1,727)	(1,542)	(12%)	(1,504)	(1,433)	(5%)
Venue and other	(85)	(26)	(227%)	28	(245)	n/a
Total cost of sales	(2,975)	(2,605)	(14%)	(2,508)	(2,917)	14%
Gross profit	2,284	2,099	9%	1,977	2,380	(17%)
<i>Gross margin (%)*</i>	<i>43%</i>	<i>45%</i>	<i>(2%)</i>	<i>44%</i>	<i>45%</i>	<i>(1%)</i>
Operating expenses	(2,179)	(2,248)	3%	(2,312)	(2,464)	6%
Operating EBITDA	105	(149)	n/a	(335)	(84)	(299%)
<i>Operating EBITDA margin (%)*</i>	<i>2%</i>	<i>(3%)</i>	<i>5%</i>	<i>(7%)</i>	<i>(2%)</i>	<i>(5%)</i>
Depreciation & amortisation						
- Lease related	(652)	(708)	8%	(857)	(536)	(60%)
- Plant & equipment	(306)	(313)	2%	(310)	(219)	(42%)
- Intangible assets	(91)	(74)	(23%)	(67)	(57)	(18%)
Total depreciation & amortisation	(1,049)	(1,095)	4%	(1,234)	(812)	(52%)
Earnings before interest, tax and one-off items	(944)	(1,244)	24%	(1,569)	(896)	(75%)
<i>EBIT margin (%)*</i>	<i>(18%)</i>	<i>(26%)</i>	<i>8%</i>	<i>(35%)</i>	<i>(17%)</i>	<i>(18%)</i>
Net finance expense - lease related	(283)	(230)	(23%)	(290)	(189)	(53%)
Loss from discontinued operations	(9)	(159)	94%	(67)	(44)	(52%)
Impairment of assets	-	-	n/a	(396)	-	n/a
Income tax benefit / (expense)	264	395	(33%)	579	301	92%
Net (loss) / profit for the period	(972)	(1,238)	21%	(1,743)	(828)	(111%)

* Movement in percentage points

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