

ASX Market Release

23 May 2023

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AGM Address and Presentation

As required by Listing Rule 3.13.3, EDU Holdings Limited provides the following documents which will be presented at its Annual General Meeting for the year ended 31 December 2022, being held at 10.00am (Sydney time) today:

- Chair's Address
- CEO's Presentation

This announcement was authorised for release by the EDU Board of Directors.

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Chair's Address to AGM

Good morning ladies and gentlemen,

My name is Gary Burg and I am the Chair of EDU Holdings Limited. Thank you for joining us today. Market conditions are certainly more favourable for EDU than they have been at our last few AGMs.

As I'm sure you are aware, the past year continued to prove challenging for our vocational business, Australian Learning Group or ALG. Despite borders being reopened at the start of 2022, with backlogs and delays in visa processing, and the availability and pricing of inbound flights, student enrolments in the first half of the year continued to decline. As these issues progressively resolved throughout the year and ALG's new student enrolments finally returned to growth, total enrolments stabilised in the second half of the year. While it was impactful to FY22 profit for ALG to maintain its campuses and teams in place with lower revenue, it has set the business up to participate in the recovery, which now appears to be underway. Shareholders should be aware that it will take some time for the business to reach break-even on a cash basis as the market continues to normalise.

Our higher education business, Ikon Institute of Australia, experienced encouraging growth in student enrolments and revenue throughout 2022. Our Bachelor of Early Childhood Education and Online programs gained momentum, supporting 1,789 total enrolments across the year, up 35% compared to 2021. Following a number of years of investment in building solid foundations, we are starting to reap the rewards. Ikon's EBITDA margin improved in the second half on higher revenue, to 15%. Recognising the positive impact of introducing new programs, the Board has approved an ambitious product development plan through to 2025 to broaden Ikon's target market, meet the evolving needs of students and to support continued growth.

Looking ahead, we are optimistic about the potential for continued growth in Ikon and the re-emergence of growth in ALG after three years of decline.

EDU remains steadfast in its commitment to delivering quality education and student outcomes. This commitment underpins our future success and will enable us to deliver superior returns in the long term.

I would like to extend my gratitude to our shareholders, students, staff, business partners and my fellow Directors for your ongoing support and commitment.

Our CEO, Adam Davis will now provide further insights into the business and elaborate on our exciting prospects.

Thank you.

- ENDS -



CEO PRESENTATION

ANNUAL GENERAL MEETING

Year ended 31 December 2022



CORPORATE SNAPSHOT

Vision: *To be the first-choice in Healthcare, Education and Community Services education*

ikon INSTITUTE
OF AUSTRALIA



AUSTRALIAN
LEARNING
GROUP

\$18.1m

FY22 Revenue

(\$1.5m)

FY22 EBITDA

\$6.2m

Cash at 31-Mar 2023

91

Permanent Staff

22

Courses Offered

6,463

FY22 Enrolments¹

8

Campuses + Online

¹ Enrolments is the sum of all student enrolments in each of the terms and trimesters during the financial year

FY22 OPERATIONAL HIGHLIGHTS

Ikon Enrolments up 35%

Growth continuing into T1'23, up 40% on PCP

ALG enrolments stabilised

T2'23 enrolments up modestly on prior term - 1st increase in 3 years

Opened New Sydney Campus

1,621 sqm purpose-built education space

Nurse Training Australia Acquisition

Completion pending ANMAC accreditation

Growth in Online

49% of Ikon's domestic New Student Enrolments (NSEs)

Bachelor of Early Childhood Education Gaining Traction

Leveraging EDU agent network - now Ikon's largest course

Skills Shortages Driving Shift in Program Mix

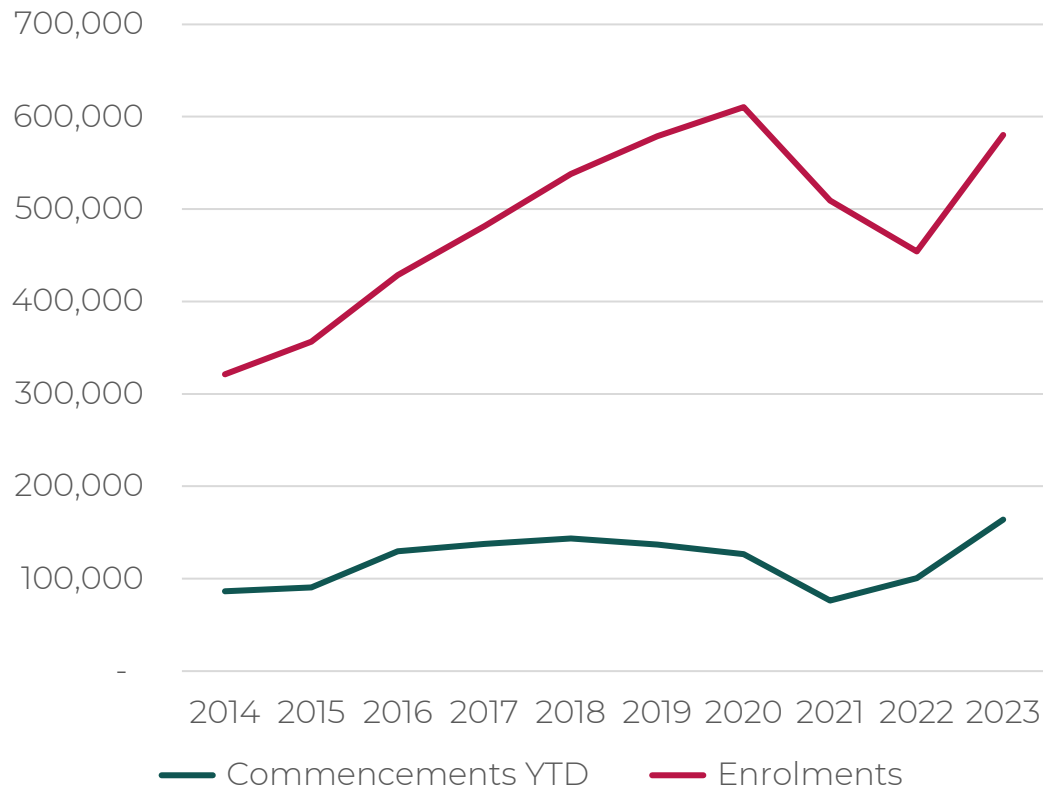
73% of enrolments in Community Services courses

Capacity Maintained

Significant latent capacity to deliver operating leverage as student numbers grow

INTERNATIONAL EDUCATION SECTOR BOUNCING BACK

International Student Commencements and Total Enrolments in Australia – YTD Feb



Post-pandemic recovery well underway

Favourable visa settings to encourage return of international students

Visa processing bottlenecks from 2022 resolved

English language (ELICOS) sector enrolments above pre-pandemic levels – feeder into HE and VET sectors

Australia remains a Top 5 destination for international students

¹ Source: Austrade International Education Data - Year to Date February

WELL-POSITIONED TO BENEFIT FROM STRUCTURAL TAILWINDS

CRITICAL SKILLS SHORTAGES

EDU (incl. NTA) qualifies students towards 4 of the top 10 occupations identified as having critical skills shortages:

- Early Childhood Teachers
- Childcare Workers
- Aged and Disability Carers
- Registered Nurses

Significant job growth forecast in Healthcare and Social Assistance, Australia's largest employing sector

FAVOURABLE VISA & IMMIGRATION SETTINGS

Settings designed to support the return of international students - increased working hours and extended post-study work rights

Increase in Skilled Migration Quota and 'fast track' initiatives in healthcare sector

Support for education sector in Federal Budget incl. funding skills development in early childhood education and 300,000 fee-free VET places for TAFE and private providers

PROGRAM STRATEGY UNFOLDING



Higher Value Courses

100% of Ikon FY22 revenue from HE **vs 64%** in FY18

52% of ALG students in Diploma courses **vs 32%** in FY18

Longer Average Study Duration

26 months in FY22 **vs 22** months in FY18

Alignment to Skills Shortages

73% of FY22 enrolments in Community Services courses **vs 37%** in FY18

Expansion of Course Portfolio

22 courses in FY22 **vs 14** in FY17

Leverage Online Delivery

Launched in 2021, now **49%** of Ikon's domestic NSEs

PROGRAM DEVELOPMENT UNDERWAY: CERTIFICATES, DIPLOMAS, BACHELORS, MASTERS

1Q23

TRADING UPDATE



POSITIVE START TO FY23



1Q23 Group
revenue
up 6%



Ikon T1'23
enrolments
up 40%



EBITDA
positive in 1Q23



ALG T2'23
enrolments
modestly up

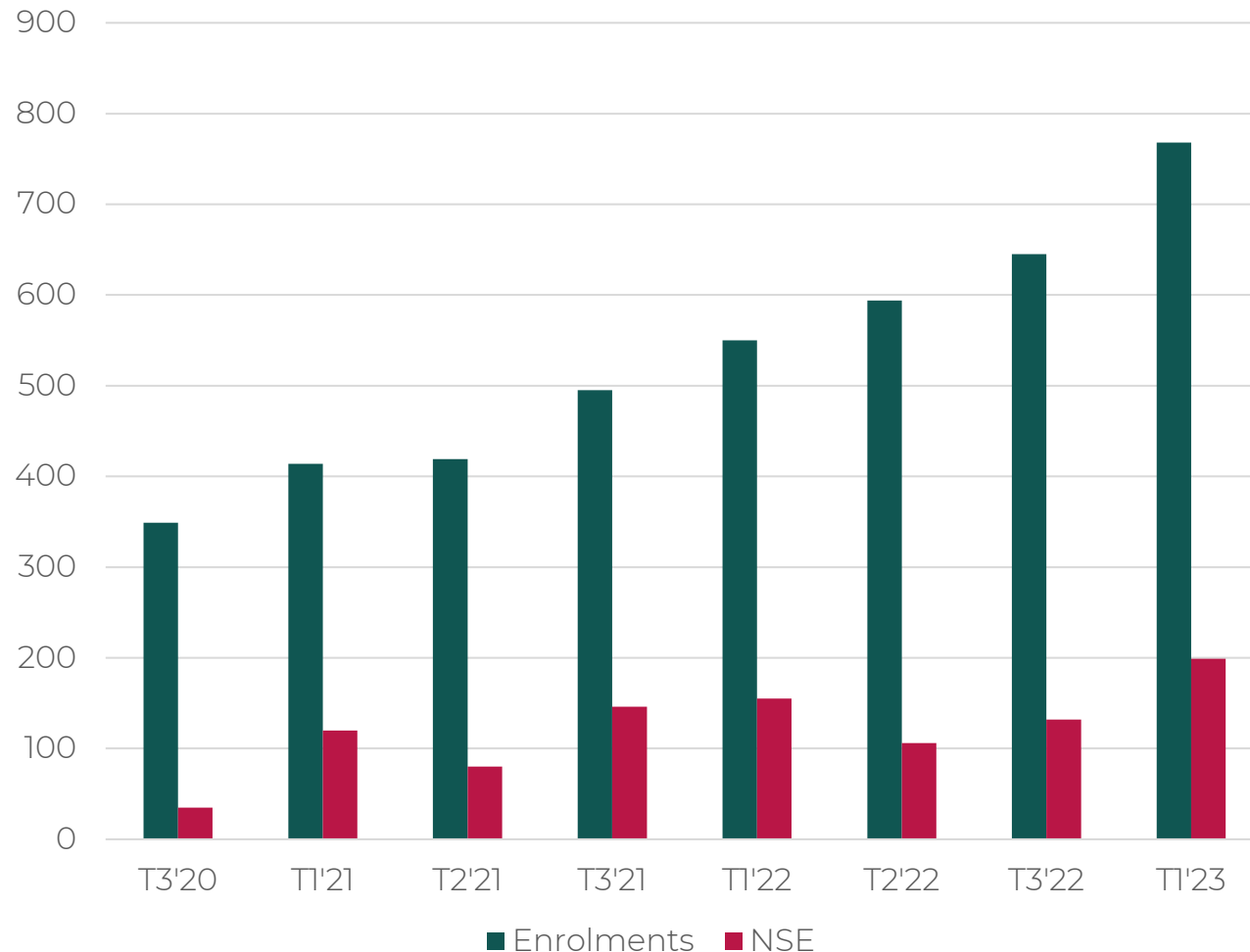
First quarter revenue run-rate (annualised) up 13% on 2H22

Ikon continuing to deliver strong revenue growth

ALG recovery 'bumpy' - T1'23 subdued with lower-than-expected NSEs, offset by lower exit rate

Operating leverage to continue to emerge as volumes build

IKON DELIVERING GROWTH & LEVERAGE



T1'23 enrolments up 40% on PCP to 768

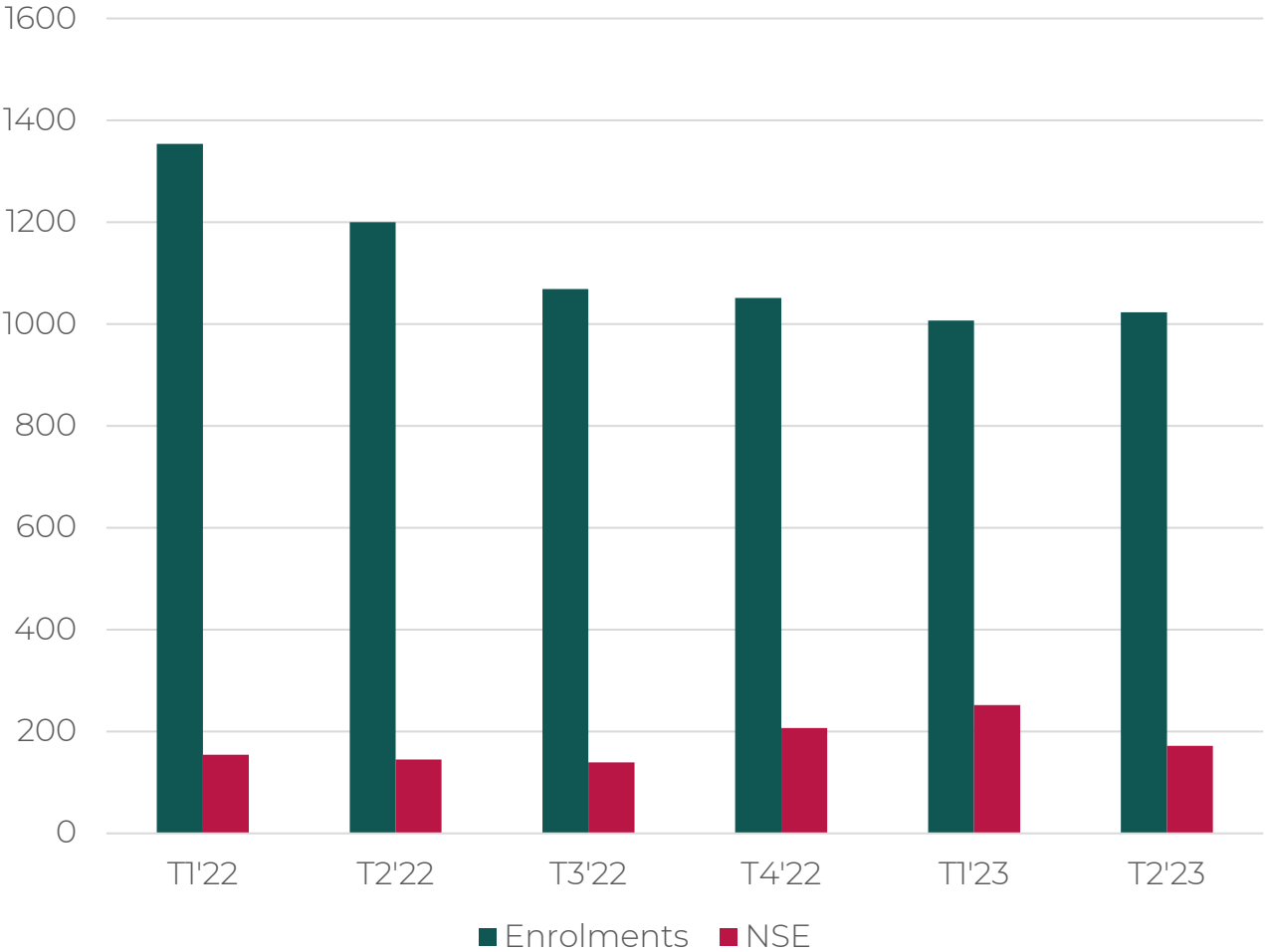
1Q23 revenue up 46% on PCP, EBITDA margin ~20% (FY22: 7%, 2H22: 15%)

7th consecutive trimester of student growth with strong pipeline

Encouraging T2'23 intake – census date 7 June

Bachelor of Early Childhood Education (launched 2021) now Ikon's largest course

ALG ENROLMENTS STABILISING



T2'23 enrolments modestly up on T1'23; 1,023 v. 1,007

Lower than expected T2 NSEs more than offset by lower exit rate

1Q23 revenue down 19% on PCP. EBITDA neutral but still cashflow negative

Onshore pipelines rapidly rebuilding – ELICOS a feeder for VET (and HE)

T3'23 offer letters up 55% on PCP

NTA ACQUISITION UPDATE

Diploma of Nursing accreditation pending decision at June ANMAC meeting

Completion remains subject to successful accreditation outcome (and other conditions precedent)

FY23 revenue and EBITDA remains in line with acquisition business case

Lower Nursing enrolments offset by enrolment growth in other vocational courses



FY23 PRIORITIES

REBUILD OF ALG STUDENT VOLUME

Activation of global agent network

UTILISATION IMPROVEMENT

Leverage latent capacity

COMPLETION OF NTA ACQUISITION

ANMAC accreditation pending



PRODUCT DEVELOPMENT

Certificates, Diplomas, Bachelors & Masters in aligned fields of study

FY23 OUTLOOK



Enrolment and revenue growth to continue

Operating margins to continue to improve with increasing student numbers

Onshore pipelines rebuilding - supporting growth in NSEs and total enrolments

Recovery likely to be 'bumpy' ahead of market normalising

Operating leverage to continue to emerge as revenue builds in both businesses

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