

ASX Market Release

14 May 2025

AGM Address and Presentation

In accordance with Listing Rule 3.13.3, EDU Holdings Limited (**EDU**) provides the following documents to be presented at its Annual General Meeting for the year ended 31 December 2024, to be held at 10.00am (Sydney time) on 15 May 2025:

- Chair's Address
- CEO Presentation and 1Q25 Trading Update

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

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Chair's Address to FY24 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 this morning.

FY24 was a landmark year for the Company, marked by significant achievements across financial, operational, and strategic fronts. Despite an evolving regulatory landscape and significant market uncertainty, the Company delivered record results. Total revenue grew to \$42.3m, nearly doubling the \$21.6m recorded in the PCP, and well above our pre-pandemic peak revenue of \$25.5m. As a result of this growth in revenue, net profit after tax improved by \$5.6m, returning EDU to a profit of \$2.6m, after three years of losses.

Ikon, our tertiary education business, reported another year of strong growth, with total student enrolments reaching a record 2,492 in Trimester 3, 2024. Over the last five years, Ikon's student numbers have grown at an impressive compound annual growth rate of 38%. During the year Ikon secured accreditation for four new courses, including three postgraduate programmes, each for the maximum allowable period of seven years. While it will no doubt take time to gain traction, these courses, designed for both domestic and international students, are expected to provide important diversification and create extended articulation pathways for Ikon.

Turning to ALG, our vocational education business, it was pleasing to see student enrolments continue to recover. Term 4, 2024 marked our seventh consecutive term of growth, with enrolments reaching 1,608, a 40% increase on the PCP.

While the Company's financial and operational performance has continued to improve, the Board recognises the ongoing regulatory uncertainty in the international student market, which accounted for 84% of our FY24 revenue.

Although the ESOS Amendment Bill, designed to improve the integrity of the sector and reduce international student numbers, was not enacted from 1 January 2025 as was anticipated, the Government subsequently introduced Ministerial Direction 111. This utilises the ESOS enrolment caps for the purpose of prioritising offshore visa processing and follows the introduction of several initiatives to 'tighten' student visa settings over the past two years.

While it is important to note that the majority of applications for both Ikon and ALG currently come from international students already in Australia, visa grants – particularly in the vocational sector – have declined significantly over the past year, with the longer-term impact of these regulatory changes remaining unclear. Ikon's domestic student commencements are not affected by these caps. In response, the Board is actively working on strategies to mitigate the potential risk, including increasing focus on the domestic student market.

Following a strong finish to the 2024 financial year, the new year has begun on a positive note. Student numbers in both Ikon and ALG continued to grow, driving a solid performance in the first quarter of 2025. Revenue has increased by 129% compared to the same period last year, and EBITDA for the quarter has grown from \$0.8m to \$5.4m. I do wish to highlight that the profit growth will be tempered for the remainder of the year by necessary cost increases, as we deploy additional resourcing across the group to address the strong influx of students. Unfortunately, with success also comes competitive pressures, with early signs emerging across some of our Ikon courses. Shortly, Adam Davis, our Managing Director and CEO, will provide more insights into current trading conditions and expectations for the year ahead.

Yesterday, the Board announced a proposal to delist the Company from the ASX. Over time, low trading liquidity has made it difficult for investors to enter or exit the stock, which has been exacerbated by increased volatility. The ongoing regulatory uncertainty regarding the international student market, including the recent introduction of enrolment caps, has also become a strong deterrent for new investors. These factors, along with the management time and cost associated with remaining listed, led the Board to consider whether the ASX-listing continues to serve its shareholders.

After due consideration, the Board concluded that operating as an unlisted public entity will better serve and enhance value for shareholders and better position EDU to execute strategic opportunities more effectively.

While we invite shareholders to continue their journey with the Company post-delisting, we also recognise that this path may not suit everyone. A mechanism will be put in place to provide an orderly exit for those shareholders who wish to realise their investment. Adam will also discuss the rationale, exit mechanisms and timing of this proposed delisting in more detail shortly. In closing, I want to acknowledge the dedication and hard work of our entire team, whose commitment drives our success every day. To our students, thank you for choosing EDU as part of your journey – your education is at the heart of everything we do. I also want to recognise the invaluable contribution of our agents and partners, as well as all other stakeholders who have helped shape our progress.

I would like to extend my sincere thanks to our shareholders for their continued support and confidence in our vision.

And lastly, to my fellow directors, who have always made themselves available for the many meetings required over the year – thank you.

FY24 AGM



1Q25 TRADING UPDATE
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Snapshot



COMPANY OVERVIEW

2 nationally accredited tertiary education providers



Higher Education (HE)



Vocational Education & Training (VET)

FY24 METRICS

\$42.3m

FY24 revenue¹

\$2.6m

FY24 NPAT

\$6.5m

Cash at 31 December 2024

4,100

Students at year-end²

9

Campuses across
NSW, VIC, QLD & SA
+ online delivery

29

Courses, from entry-level
Certificates through to
professional Master Degrees

INVESTMENT PROPOSITION

1

Quality tertiary education group

A leading provider of higher and vocational education, delivering superior student outcomes for domestic and international students

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

Earnings leverage emerged

FY24 net profit after tax up \$5.6m on \$20.7m of additional revenue

Delivered higher margins with student number and revenue growth

4

Strategic Growth: Organic and Acquisitions

Ambitious HE-focused product development program underway. 4 new courses (including 3 post-graduate) recently accredited. Others in development

Renewed focus on growth

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

² Students in the last trimester or term of the year

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

FY24 Highlights



Revenue surged 96%

Momentum accelerated - 2H24 revenue of \$25.4m, up 51% on 1H24 and up 125% on PCP

NPAT turnaround of \$5.6m

FY24 NPAT of \$2.6m, vs \$3.0m loss in PCP
2H24 NPAT of \$2.6m, at 10% NPAT margin

Strong cashflow generated

Net cash up \$4.2m on PCP to \$6.5m, after \$0.9m selective buy-back and \$0.5m debt repayment

Selective buy-back completed

9% of shares purchased at 6c per share and subsequently cancelled

Higher education (Ikon) enrolments¹ up 113%

Trimester 3, 2024 up 161% on PCP

Vocational (ALG) enrolments¹ recovered

FY24 total enrolments up 31% on PCP

Operational efficiency gains

Successfully integrated Ikon and ALG under new org structure, implementing shared services model to streamline operations & enhance scalability

Expanded course offerings

Strategic entry to postgraduate market, with accreditation of 3 Masters courses and 1 Bachelor programme

¹ Enrolments are the sum of all student enrolments in each of the terms and trimesters during each financial period

02

REGULATORY ENVIRONMENT



Tightening regulatory environment



Australia has implemented significant reforms to its international student visa policies aimed at enhancing integrity and managing net migration. Measures include stricter eligibility criteria, increased financial requirements, and adjustments to visa processing.

The Education Services for Overseas Students Amendment (Quality and Integrity) Bill (**ESOS Bill**) was not enacted as anticipated from Jan '25. Ministerial Direction 111 (**MD111**) implemented Dec '25 utilising same provider-level caps to prioritise offshore visa processing.

While most of Ikon and ALG visa applications come from onshore international students, MD111 may impact future new student enrolments (NSEs) and overall enrolment numbers, including by reducing the overall market size.

Stricter eligibility criteria and visa settings

New Genuine Student Test and increased scrutiny of student visa applications

Increase in English language proficiency to IELTS 6.0

Increase in financial capacity (savings) from \$21k to \$30k

Increase in non-refundable student visa application fee – from \$710 to \$2,000 over last 18 months

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 quality of providers

Tougher 'Fit and Proper Person' requirements for operators

Suspension of non-compliant or poorly performing providers

Automatic deregistration of dormant providers

Offshore visas effectively capped through MD111

Indicative 2025 caps under ESOS Bill adopted for MD111 – Ikon 200, ALG 447

Under MD111, processing of visa applications from offshore international students are prioritised up to 80% of a provider's cap. Applications beyond this cap face standard processing times

Onshore international student pool expected to decline in medium to long-term, likely impacting future enrolments

Visa approval rates and visa grants – particularly in the VET sector – materially down over past 12 months

03

TRADING UPDATE





Strong start to FY25

PROFIT & LOSS

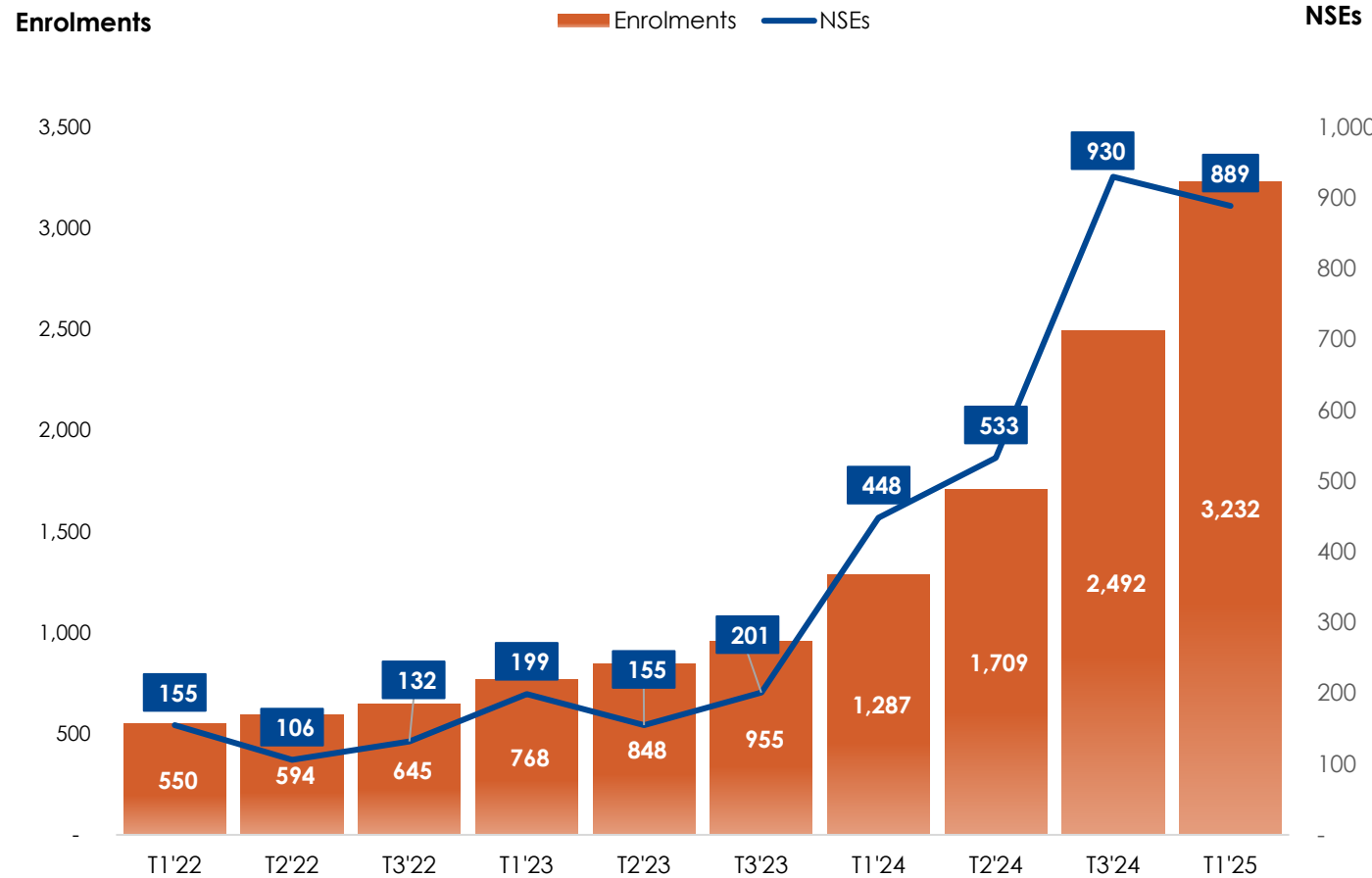
	1Q25 (unaudited)	vs	1Q24 (unaudited)
Revenue	\$18.0m	↑	\$7.8m
EBITDA ¹	\$5.4m	↑	\$0.8m
Net profit / (loss) after tax	\$2.9m	↑	(\$0.3m)

CASH & DEBT

	31 Mar-25 (unaudited)	vs	31 Mar-24 (unaudited)
Cash	\$14.3m	↑	\$4.6m
Debt	\$1.4m	↓	\$1.8m
Contract liabilities	\$8.9m	↑	\$4.4m

¹ 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

HE (Ikon) momentum continuing



T1'25 enrolments up 151%

T1'25 NSEs of 889 vs 448 in the PCP. Total enrolments of 3,232, up 151% on 1,287 in the PCP

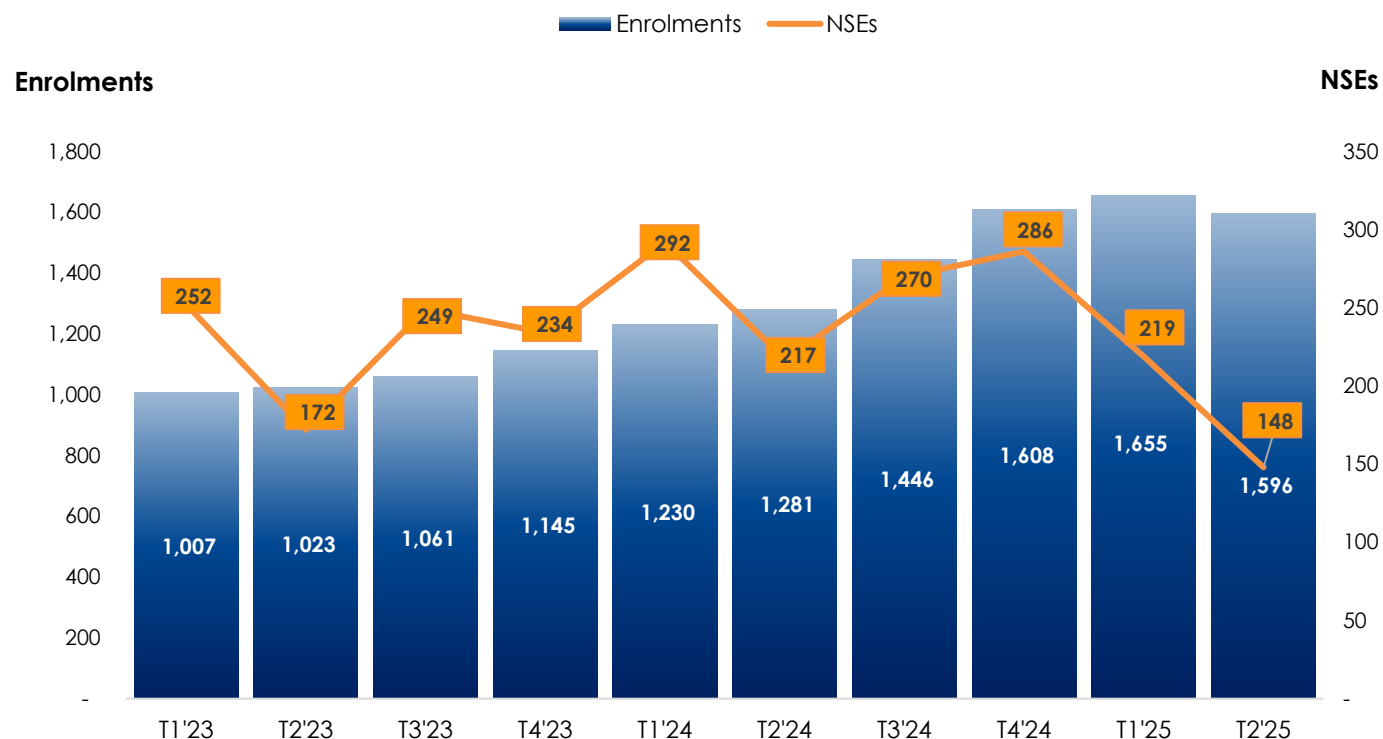
New courses launched

3 new courses launched in T1'25, including 2 Masters, one targeting online domestic students

Increased competition

Notable increase in competition in Ikon's core market: Early Childhood Education

VET (ALG) sector challenging



ALG NSEs down in 1H25¹

1H25 NSEs of 367, down 28% compared to 509 in the PCP

Total enrolments softening but still up on PCP

T2'25 total enrolments down 4% against T1'25, but up 25% on PCP

Visa approval rates and visa grants materially down

VET sector visa approval rate at >10-year low to 57%. Visa grant volume down from 115k to 50k²

¹ Enrolments in 1H25 represent the sum of enrolments in T1'25 and T2'25

² Comparisons are for the period from 2023 to 2025, financial year-to-date from 1 July to 31 March

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FY25 OUTLOOK AND GUIDANCE



FY25 outlook and guidance



Revenue, EBITDA and NPAT expected to be materially up on FY24

Costs to increase throughout the year to support higher student volume, including headcount and campus expansion

Growth likely to slow given policy changes to international student market

Ongoing regulatory uncertainty, incl. potential reintroduction of ESOS Bill



Revenue and earnings expected to be materially up on FY24

Total enrolments continuing to build with strong commencements and 'stacking' of NSEs (student commencements) from FY23 and FY24 – with relatively low level of graduations (completions)

Increasing competition in Early Childhood Education courses likely to impact rate of growth. Several new courses have been launched, however will take time to build meaningful scale



Revenue and earnings expected to be up on FY24

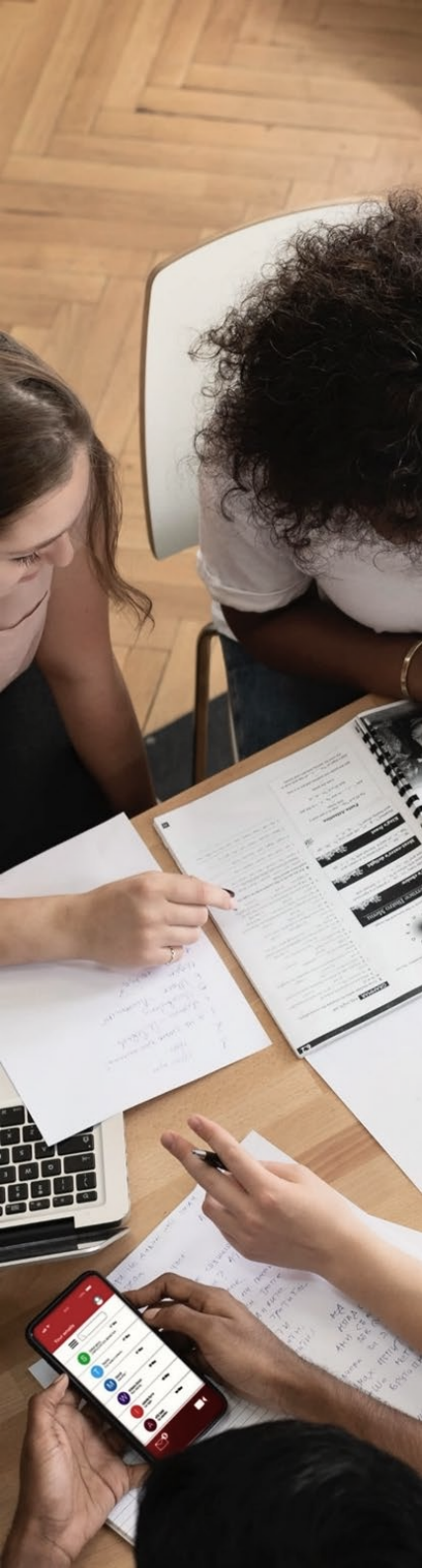
NSEs declining year-on-year, in line with broader VET sector trends and contracting market size

Total enrolments expected to be up on PCP, however declining term-on-term

05

DELISTING PROPOSAL





Proposal to voluntarily delist



Subject to ASX and shareholder approval

Formal application to delist lodged with ASX on 14 May

In-principle advice already provided

General meeting of shareholders scheduled for 23 June

To consider delisting and equal access buy-back resolutions

Equal access buy-back of up to 75m shares at \$0.165 per share

Provides opportunity for shareholders to exit at 23.6% premium to the 20-day VWAP

Funded by debt and cash reserves

Maximum buy-back consideration of \$12.4m. Funded via increase in CBA debt facility (first \$7.6m); and existing cash reserves (up to \$4.8m)

Limited trading opportunities post delisting

While EDU will remain a public company, shares will only be capable of sale by private transaction

On market trading to continue for one month after GM

If the delisting is approved, EDU shares will continue to trade on ASX for at least one month post the GM

Unanimous Board support

Board unanimously recommends that shareholders approve the delisting and the equal access buy-back

Board and related parties' intent to retain their shares

Certain Board and related parties have provided statements of intention to not participate in equal access buy-back. Refer slide 18 for details

Rationale for delisting



Benefits of delisting outweigh benefits of remaining listed

Illiquidity

Sustained low levels of trading; limited opportunities for shareholders to exit or enter
Low volume can **impact price** leading to **increased volatility**
Limited spread of shareholders, < 300 marketable parcels

Regulatory uncertainty

Ongoing **tightening** of international student policy settings
Government actively working towards **decreasing market size** while improving integrity
Uncertainty presents an **impediment** to new investor interest

Management focus

Substantial portion of **management time** being dedicated to **obligations as listed entity**
Can be **redirected to operational and strategic focus** to more directly **benefit shareholders**
Particularly relevant during this period of **heightened regulatory uncertainty**

Listing costs

Costs of **~\$250k per annum** associated with being listed
Arguably **no longer justified** and therefore **no longer in shareholders' interests**

Strategy post delisting



Focus on growth and maximising shareholder value

Organic growth

- Expand course offering within existing verticals (with increased focus on domestic student market)
- Explore new verticals that complement our existing portfolio and/or where we can leverage our capabilities
- Extend campus footprint and geographic reach
- Increase sales capacity, onshore and offshore in source markets

M&A opportunities

- Immediately or imminently earnings accretive
- Provide strategic benefit to the Group
- Funded through a mix of existing cash reserves, debt and/or equity

Exit strategy

- Highly aligned Board and management team, committed to exploring options to maximise shareholder value
- Options include a trade sale, merger or relisting on ASX
- Maintain flexible approach to timing, monitoring market conditions and strategic opportunities



Equal access buy-back



Exit opportunity for shareholders at premium to market price

Buy-back of up to 75m shares

Representing 50% of issued capital, to be cancelled

Buy-back price of \$0.165 per share

Representing a 26.9% premium to the closing price on 14 May 2025 and 23.6% premium to the 20-day VWAP

Funded through extension of CBA debt facility and surplus cash

Maximum buy-back consideration of \$12.4m, funded via debt (first \$7.6m) and existing cash reserves (up to \$4.8m)

Scale-back unlikely

Board anticipates that all shareholders seeking to exit will be able to fully do so
However, If shares tendered exceed 75,000,000, the buy-back will be allocated on a proportionate basis

Concurrent buy-back of unmarketable parcels

Separate buy-back of unmarketable parcels to be conducted at same price

Continuation of on-market trading for one month post GM

If the delisting is approved, EDU shares will continue to trade on ASX for at least one month following the GM

Capital structure and funding



Delisting supported by Board - 46.2% of issued capital

ISSUED CAPITAL PRE AND POST BUY-BACK

	Number
Ordinary issued shares pre buy-back and delisting	150,553,408
Maximum number of shares to be bought back	75,000,000
Ordinary issued shares post buy-back and cancellation (at maximum take-up)	75,553,408

FUNDING OF EQUAL ACCESS BUY-BACK

	Amount
Maximum buy-back consideration	\$12.4m
<u>To be funded in the following priority:</u>	
Extension of CBA debt facility (up to)	\$7.6m
Existing cash reserves (up to)	\$4.8m

RELEVANT INTERESTS OF DIRECTORS

Director	Total shares	Intention to retain ¹
Gary Burg ²	28,820,473	3,585,291
Greg Shaw (incl. Josh Bolot) ³	23,096,923	23,096,923
Peter Mobbs	4,526,671	4,526,671
Jonathan Pager	3,137,476	3,137,476
Adam Davis	10,000,000	10,000,000
Total	69,581,543	44,346,361
% of issued capital	46.2%	29.4%

¹ The Directors have provided the Company with statements of intention to not participate in the buy-back for the above number of shares

² Mr Burg's relevant interests are held indirectly through a number of trust structures. His statement of intention relates only to the shares in which he has a beneficial interest

³ 23,076,923 of these Shares are beneficially held by Mulpha Education Investments Pty Ltd

Indicative Timetable

All dates subject to change by the Company or ASX

KEY DATES

Event	Indicative date
Despatch of Notice of General Meeting	Friday, 23 May 2025
General Meeting to consider Delisting and Buy-back	Monday, 23 June 2025
Ex date for Buy-back	Thursday, 26 June 2025
Record date for Buy-back	Friday, 27 June 2025
Opening date for Buy-back	Friday, 27 June 2025
Closing date for Buy-back	Friday, 18 July 2025
Announcement of Buy-back results	Monday, 21 July 2025
Shares cancelled and register of members updated	Monday, 21 July 2025
Delisting date	Wednesday, 6 August 2025

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