



Half-Year Report

**HALF-YEAR ENDED
30 JUNE 2025**

Delivering career-ready qualifications in
Education and Human Services

Corporate Directory

DIRECTORS

Gary Burg: Non-Executive Chair

Adam Davis: Chief Executive Officer and Managing Director

Peter Mobbs: Non-Executive Director

Jonathan Pager: Non-Executive Director

Greg Shaw: Non-Executive Director

Joshua Bolot: Alternate Director to Greg Shaw

COMPANY SECRETARIES

Lyndon Catzel: Chief Financial Officer and Company Secretary

Andrew Palfreyman: Joint Company Secretary

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Level 3, Building 5B, 1-59 Quay Street
Haymarket, NSW 2000

AUDITOR

RSM Australia Partners
Level 7, 1 Martin Place
Sydney NSW 2000

SHARE REGISTRY

Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney NSW 2000

Investor Enquiries: 1300 288 664

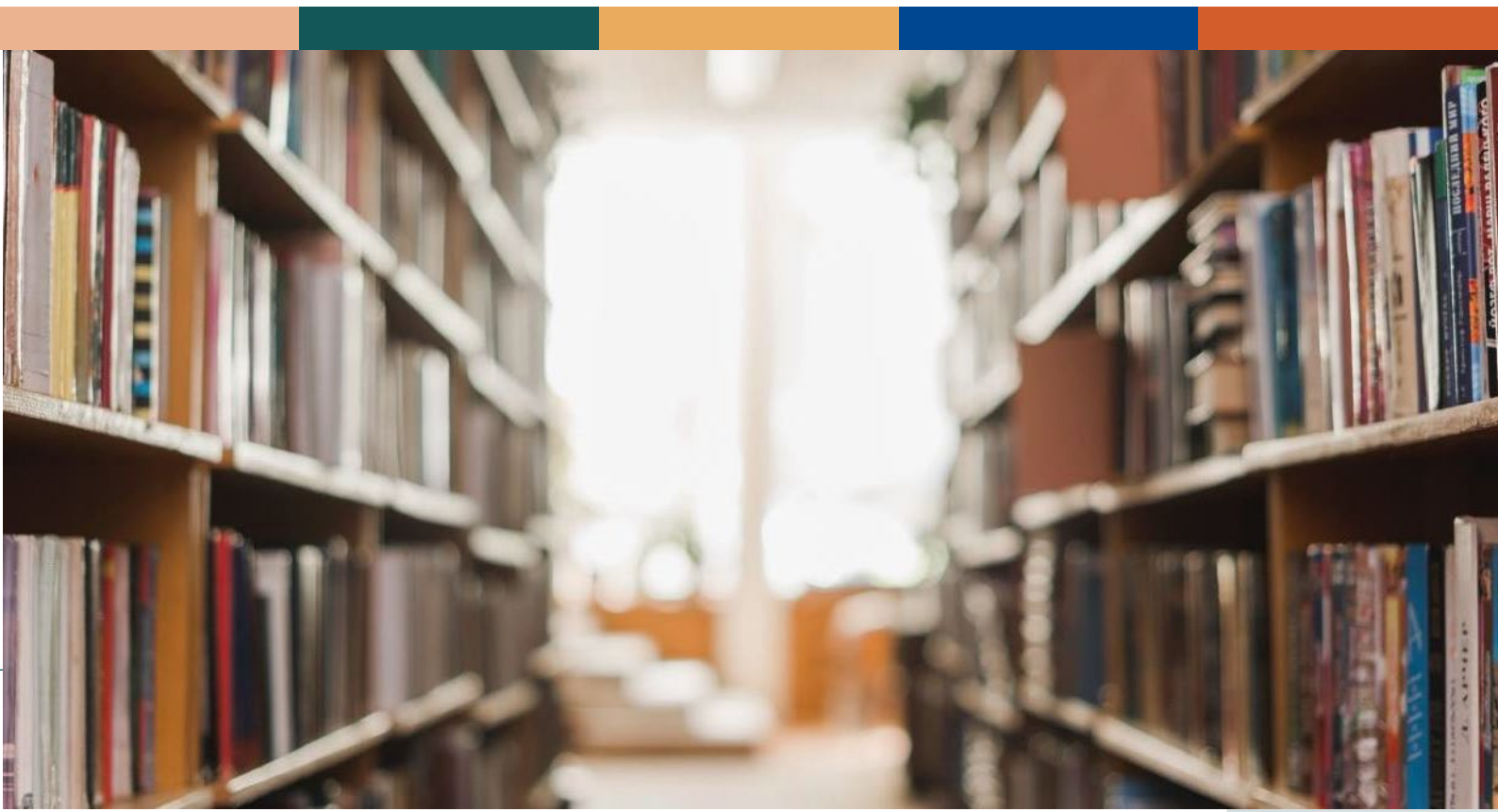
STOCK EXCHANGE LISTING

Australian Securities Exchange (ASX)

ASX Code: EDU

COMPANY WEBSITE

www.eduholdings.com.au



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About this Half-Year Report

This Half-Year Report is a summary of the operations, activities, and financial performance of EDU Holdings Limited (ABN 85 108 962 152) (**EDU, EDU Holdings, or the Company**) and its controlled entities (**Group**) for the six months ended 30 June 2025 (**1H25**).

This Half-Year Report does not include all the notes of the type normally included in an annual financial report. Accordingly, it should be read in conjunction with the most recent Annual Report for the year ended 31 December 2024, and any public announcements made by EDU up to the date of publication of this report, in accordance with its continuous disclosure requirements under the *Corporations Act 2001*.

Any references to 'the period', 'the half' or 'the half-year' refer to the financial period from 1 January 2025 to 30 June 2025, unless otherwise stated. The previous corresponding period (**PCP**) refers to the half-year ended 30 June 2024. All comparisons are to the PCP, unless otherwise stated.



Letter from the Chair & Chief Executive Officer

Dear Shareholders,

On behalf of the Board, we are pleased to present EDU's Half-Year Report for the six months ended 30 June 2025 (1H25).

This was another defining period for EDU, delivering record results across all key financial metrics. Revenue increased to \$36.1m, up 114% on the prior corresponding period (PCP), while EBITDA grew to \$10.9m and net profit after tax rose to \$6.3m - both materially higher than 1H24. This result was underpinned by strong growth in Ikon, our higher education business, and disciplined execution across the Group.

Ikon continued to perform exceptionally well, with student enrolments reaching a record 3,725 in Trimester 2, 2025, up 118% on the PCP. New student enrolments totalled 1,600 for the half, driven by strong demand from international students and the successful introduction of four new programs. Two further courses – both in Social Work – were accredited in June 2025 and are planned for launch in 2026, creating new pathways and expanding our course offering into adjacent sectors.

ALG, our vocational education business, recorded increased revenue and enrolments in 1H25 compared to the PCP, but is facing increasing regulatory headwinds affecting the broader VET sector. While student enrolments have declined in recent terms, ALG remains an important part of our portfolio, contributing to Group diversity and providing articulation opportunities into Ikon.

We are continuing to invest in the business to support future growth. Expanded campuses in Sydney and Melbourne will increase capacity and enhance the student experience, while our shared services operating model is now fully embedded and scaling efficiently. As always, we remain focused on delivering high-quality education with strong student outcomes at the core of our strategy.

Looking ahead, we expect second-half performance to remain strong. While cost growth will be more visible in 2H25, we anticipate this will be largely offset by continued revenue momentum in Ikon. Accordingly, the Board expects revenue growth in 2H25, with EBITDA and NPAT in line with 1H25 and for FY25 to materially exceed FY24 across all major financial metrics.

In light of the strong first-half results, positive trading outlook, and robust balance sheet, the Board has declared a maiden interim fully-franked dividend of \$0.01 per share – a significant milestone in the Company's history. The dividend is payable on 30 September 2025 to shareholders registered at the record date of 3 September 2025.

We thank our students for placing their trust in EDU, our staff and educators for their commitment and energy, and our shareholders for their ongoing support as we continue to grow and deliver on our mission.



Gary Burg
Chair



Adam Davis
Chief Executive Officer



01

Corporate Overview



Snapshot

COMPANY OVERVIEW

2 accredited tertiary education providers

ikon INSTITUTE
OF AUSTRALIA

Higher Education (HE)

A AUSTRALIAN
LEARNING GROUP

Vocational Education & Training (VET)

\$36.1m

1H25 Revenue

\$10.9m

1H25 EBITDA

\$6.3m

1H25 Net Profit

148

Permanent
team members

31*

Courses offered
across HE and VET

5,321

Students enrolled
at period-end

4 States of operations NSW, VIC, QLD, SA - plus Online

* Includes nested qualifications

STOCK OVERVIEW

ASX ticker
code

EDU

Market
Capitalisation

\$66.2m

14 August 2025

Share
Price

44.0c

14 August 2025



INVESTMENT PROPOSITION

1

Quality-focused education group

With scale, national reach, and a proven track record of student success, led by seasoned professionals with deep sector expertise

2

In-demand course mix, aligned with long-term skills needs

Offering employment-focused courses in high-growth sectors with persistent skills shortages and strong alignment to skilled migration priorities

3

Strong financial performance and balance sheet

Consistent revenue growth and margin leverage, underpinned by robust balance sheet, net cash position, and scalable cost base to support future growth. Cash flows support commencement of dividends

4

Strategic growth levers

Ambitious higher education course development program underway, alongside renewed focus on both organic and acquisition-led growth



Highlights¹

Revenue surged 114%

1H25 revenue of \$36.1m, with momentum continuing into 2H

HE enrolments² up 132%

Ikon continues to drive Group performance

VET enrolments up 30%

ALG enrolments increased on PCP, despite recent softness

Material step-up in NPAT

1H25 net profit after tax of \$6.3m vs \$28k in PCP

Expanded course portfolio – HE focus

4 new programs launched in 1H25; 2 newly accredited programs to launch in 2026

Shift towards high-demand sectors

95% of 1H25 enrolments now in core fields of Education and Human Services

Margin leverage delivered

\$6.2m increase in NPAT from \$19.3m additional revenue, highlighting scale efficiency

Robust cashflow performance

Net cash increased by \$16.2m to \$21.2m

¹ All comparisons are to the previous corresponding period, unless otherwise indicated

² Enrolments are the sum of all student enrolments in each of the terms and trimesters during each financial period



Performance Highlights

Financials

In 1H25, EDU delivered EBITDA of \$10.9m, a significant \$8.6m uplift compared to the PCP, and net profit after tax of \$6.3m, a substantial increase from the \$28k profit reported in 1H24. This strong financial performance reflects the realisation of scale benefits, supported by robust revenue growth and disciplined cost management. Ikon enrolments increased 118% on the PCP, driven in part by a 63% increase in NSEs. ALG enrolments grew 30% in 1H25, although NSEs declined 28%, reflecting increased regulatory pressure on the VET sector.

Cash at 30 June 2025 increased to \$22.5m, compared to \$6.5m at 31 December 2024 and \$7.7m at 30 June 2024. This improvement was driven by the transition to Group profitability and the seasonality of tuition fee inflows, with cash generation typically stronger in the first half.

	1H25	vs	1H24
Revenue and other income	\$36.1m	↑	\$16.9m
EBITDA	\$10.9m	↑	\$2.3m
Net profit after tax	\$6.3m	↑	\$28k
	JUN-25	vs	DEC-24
Cash & cash equivalents	\$22.5m	↑	\$6.5m

Student performance indicators

	1H25	vs	1H24
Letters of Offer	3,606	↑	2,829
NSEs	1,967 ¹	↑	1,490
Students at half-year end ²	5,321	↑	2,990
Total enrolments ³	10,208	↑	5,507

¹ Includes 286 students who commenced in 2024 but after the release of the Trimester 3, 2024 student numbers to ASX

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

³ Enrolments reflect the sum of students enrolled across all trimesters and terms during the half-year

Delivering to Plan

The Group's expansion into higher education, following the acquisition of Ikon in 2018, has significantly reshaped its profile and accelerated its growth trajectory. With an increasing proportion of students enrolling in Ikon's undergraduate and, more recently, postgraduate programs, the business model continues to strengthen – delivering higher revenue, improved margins, and longer average study durations.



Focusing on higher-value courses, now including post-graduate

Revenue mix:

76% of Group revenue was HE
vs **40%** in 1H22



Expanding course portfolio

Programs offered:

31 in 1H25 vs **22** in 1H22



Strengthening pathways into HE to extend study lifecycle

34 months in 1H25
vs **26** months in 1H22



Scaling online delivery

Domestic students undertaking online study:

72% in 1H25 vs **37%** in 1H22



Operating Leverage

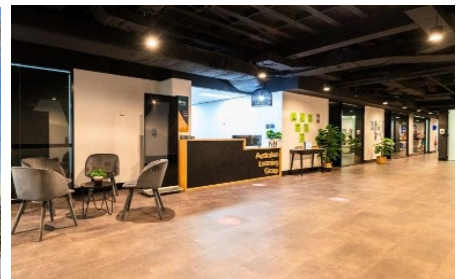
In 1H25, EDU capitalised on underutilised classroom space and delivered operating leverage through its organisational structure as student numbers grew. To support continued growth, EDU has expanded its campus footprint by over 2,500 sqm, with rent for the new space commencing in 2H25.



Brisbane Campus



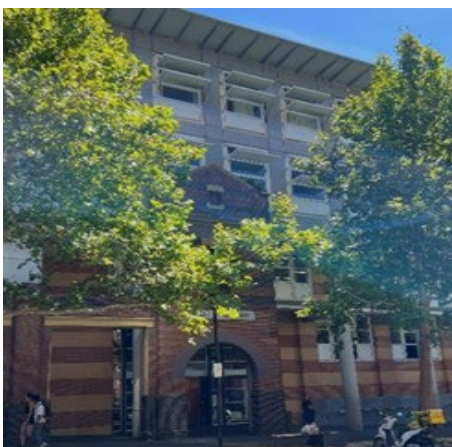
Melbourne Campus



Brisbane Campus



Melbourne Campus



Sydney Campus



Adelaide Campus



Sydney Campus

NATIONAL CAMPUS FOOTPRINT

74 (+20)

Classrooms

4

State operations NSW, VIC, QLD, SA
+ Online

CAPACITY

5,210 sqm¹ (+2,908)

in Sydney
operating at 71% capacity

3,971 sqm² (+1,641)

in Melbourne
operating at 67% capacity

¹ Includes new leases at 187 Thomas St, Haymarket (Sydney) with rent commencing in July 2025
² Includes new leases at 601 Bourke St, Melbourne, executed in June 2025, with rent commencing in October 2025

COURSES & CLASSROOMS

	1H25	1H24
Courses ¹	31	22
Classrooms	74	54

¹ Includes nested qualifications

Campus capacity has been increased in both Sydney and Melbourne to facilitate growth, including from the launch of new courses.



Directors Report

Your Directors presents their Half-Year Report on the consolidated entity consisting of EDU Holdings Limited (ABN 85 108 962 152) (**EDU, EDU Holdings, or the Company**) and its controlled entities (**Group**) for the half-year ended 30 June 2025.

Directors

The names of the Directors in office during the half-year and up to the date of this report are:

Gary Burg:

Non-Executive Chair (independent) - appointed 24 March 2016

Jonathan Pager:

Non-Executive Director (independent) - appointed 16 February 2015)

Adam Davis:

Chief Executive Officer and Managing Director (non-independent) - appointed 16 February 2015

Greg Shaw:

Non-Executive Director (non-independent) - appointed 18 July 2022

Peter Mobbs:

Non-Executive Director (independent) - appointed 16 February 2015

Joshua Bolot:

Alternate Director (non-independent) to Greg Shaw - appointed 3 July 2023



PRINCIPAL ACTIVITY

The principal activity of the Group during the period was the provision of tertiary education services to students in Australia. EDU operates through two subsidiaries: Ikon and ALG.



DIVIDENDS

No dividends were declared or paid during the six months ended 30 June 2025 (June 2024: \$nil).

Post half-year end an interim fully-franked dividend of \$0.01 per share was declared – significant milestone



ENVIRONMENTAL REGULATION & PERFORMANCE

The Group's operations are not subject to any significant environmental regulation under a law of the Commonwealth or of a State or Territory in Australia.

Directors Report

Operating and Financial Review

EDU Holdings Limited (**EDU**) owns and operates tertiary education businesses, with a strategic focus on fields experiencing sustained demand – namely, Education and Human Services. The Company's strategy centres on organic growth through course expansion, campus development, and flexible delivery-modes, while concurrently pursuing complementary acquisitions.

The Board comprises directors with deep experience in for-profit education and corporate development.

The Group's operating businesses include:

- Proteus Technologies Pty Ltd, trading as Ikon Institute of Australia (**Ikon**) – a higher education (**HE**) provider catering to both domestic and international students across campuses in Sydney, Melbourne, Brisbane, Adelaide and Online; and
- Australian Learning Group Pty Limited (**ALG**) – a vocational education and training (**VET**) provider, primarily focussed on the international student market. The business operates from campuses in Sydney, Melbourne, Brisbane and Adelaide.

These are serviced by two shared service entities:

- EDU Corporate Services Pty Ltd (**EDU CS**); and
- EDU Corporate Services (Philippines) Inc (**EDU CS PH**)

These entities support Ikon and ALG under a centralised, integrated operating model that was implemented in 2024 and is now fully operational. This structure enables the Group to scale efficiently and execute its strategic priorities.

The results presented in this report include contributions from all operating and corporate entities of the Group for the half-year ended 30 June 2025 and the prior corresponding period.

Results Summary

The table below reconciles the underlying EBITDA of Ikon and ALG - EDU's wholly owned operating businesses - for the half-year ended 30 June 2025, to the Group's consolidated profit reported. Costs from shared service entities have been fully allocated to Ikon, ALG or EDU Holdings.

Group	1H25	1H24	Variance	Variance
	\$'000	\$'000	\$'000	%
Ikon and ALG				
Total revenue and other income	36,124	16,851	19,273	114%
Cost of sales	(14,186)	(7,618)	(6,568)	(86%)
Gross profit	21,938	9,233	12,705	138%
Gross margin (%)*	61%	55%	n/a	6%
Operating expenses	(9,687)	(6,239)	(3,448)	(55%)
Operating EBITDA	12,251	2,994	9,257	309%
Operating EBITDA margin (%)*	34%	18%	n/a	16%
EDU Holdings				
Corporate costs	(1,368)	(744)	(624)	(84%)
EBITDA	10,883	2,250	8,633	384%
EBITDA margin (%)*	30%	13%	n/a	17%
Depreciation & amortisation				
- Lease related	(1,449)	(986)	(463)	(47%)
- Plant & equipment	(498)	(325)	(173)	(53%)
- Intangible assets	(355)	(235)	(120)	(51%)
Total depreciation & amortisation	(2,302)	(1,546)	(756)	(49%)
Earnings before interest, tax and one-off items	8,581	704	7,877	nm
EBIT margin (%)*	24%	4%	n/a	20%
Interest on lease liabilities	(362)	(482)	120	25%
Net interest income / (expense)	79	(60)	139	n/a
Income tax expense	(2,002)	(114)	(1,888)	nm
Net profit before one-off items	6,296	48	6,248	nm
Due diligence and transaction costs	(25)	(20)	(5)	(25%)
Net profit after tax	6,271	28	6,243	223
NPAT margin (%)	17%	-	n/a	17%

* Movement in percentage points

nm Not meaningful due to low base in the PCP

→ EBIT

EBIT is a non-statutory financial measure not prescribed by the current Australian Accounting Standards. It represents profit under Australian Accounting Standards, adjusted for specific non-cash and significant items. The table above reconciles statutory net profit after tax attributable to EDU shareholders to EBIT. EBIT includes EDU Holdings corporate costs but excludes one-off items such as due diligence and transaction costs related to acquisition activities.

→ EBITDA

EBITDA is also a non-statutory financial measure, reflecting profit under Australian Accounting Standards, adjusted for specific non-cash and significant items. In accordance with AASB 16, EBITDA excludes rental payments for leased campuses. It includes EDU Holdings corporate costs but excludes one-off items such as due diligence and transaction costs related to acquisitions.

→ Operating EBITDA

Operating EBITDA represents the EBITDA of the EDU's operating businesses – Ikon and ALG – including allocated costs from shared service entities.

→ Corporate costs

Costs related to the EDU Holdings corporate function and the operation of the listed entity. These include but are not limited to: ASX listing fees, legal and share registry fees, Group audit fees, and the remuneration of the Board and EDU Holdings key management personnel.

→ Due diligence and transaction costs

External costs incurred in connection with acquisition-related due diligence and transaction activities.

→ Net interest income / (expenses)

Net interest income comprises interest received on cash balances and short-term deposits. Interest expense primarily relates to borrowing facilities held by the Company.

→ Interest on lease liabilities

Represents interest expense recognised on lease liabilities in accordance with AASB 16.

→ Depreciation and amortisation

Depreciation relates to right-of-use assets, plant and equipment, and leasehold improvements. Amortisation relates to capitalised course development costs, licences, and software.

Overview

Ikon is a FEE-HELP approved Institute of Higher Education (Provider ID: PRV14055) and a registered Commonwealth Register of Institutions and Courses for Overseas Students (**CRICOS**) provider (CRICOS code: 03581E). It operates nationally with physical campuses in Sydney, Melbourne, Brisbane and Adelaide as well as an online campus with national reach. Ikon delivers three main study periods (trimesters) per calendar year, each offering an intake for new students (new student enrolments or NSEs). In its Trimester 2, 2025 Ikon recorded a new high of 3,725 student enrolments, up 118% on the PCP.

Ikon currently offers four undergraduate and three post-graduate programs, all of which are in Education and Human Services related fields of study:

- Bachelor of Counselling and Psychotherapy (**BCP**)
- Bachelor of Arts Therapy (**BAT**)
- Bachelor of Early Childhood Education (**BECE**)
- Bachelor of Community Services (**BCS**)
- Master of Education (Early Childhood) (**MoE**)
- Master of Teaching (Early Childhood) (**MoT**)
- Master of Counselling and Psychotherapy (**MCP**)

During 1H25, Ikon further strengthened its position in the international student market, with international enrolments reaching 3,166 in Trimester 2, 2025, up 159% on the PCP. International enrolments represented 85% of Ikon's enrolments in Trimester 2, 2025, up from 72% in the PCP.

In response to ongoing regulatory uncertainty in the international student market, and supported by the above course expansion, Ikon is beginning to increase its focus on the domestic student market to further diversify its revenue base over the medium to long-term.

Alongside increased digital lead generation spend, Ikon is deploying field sales advisors to build business-to-business connections in the domestic market, host and participate in onsite and offsite recruitment events.

In contrast, international students are recruited through the Group's network of over 280 education agents, located both in Australia and offshore, supported by articulation pathways from ALG. Ikon currently enrolls students from more than 65 source countries.

Enrolments

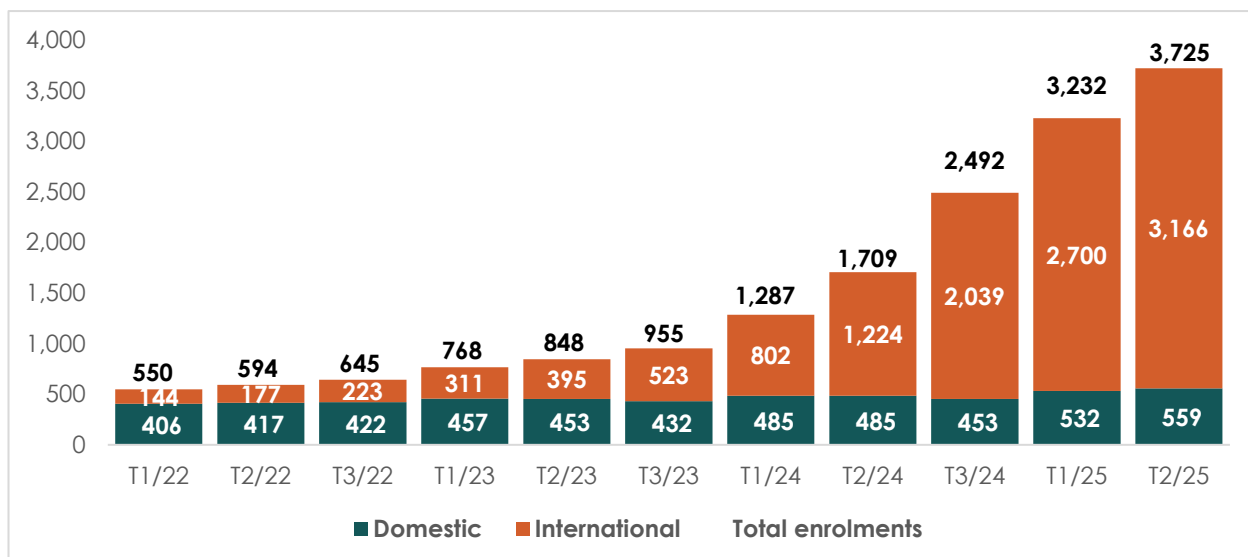
Ikon had 3,725 students in Trimester 2, 2025, an increase of 118% compared to the PCP and 15% above Trimester 1, 2025. This comprised 559 domestic and 3,166 international students (up 159% from 1,224 international students in the PCP).

Whilst it is common in higher education – particularly for domestic students – for the Trimester 1 intake in February to be the largest, being the commencement of the academic and calendar year, Ikon's growing international student base means that new student enrolments are now likely to be more evenly distributed across the year.

In total, 1,600¹ new students commenced at Ikon during 1H25, compared to 981 in the PCP - an increase of 63%.

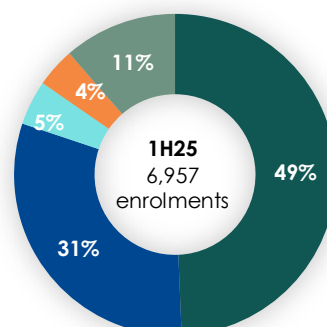
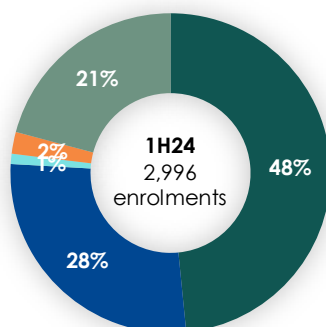
Domestic student enrolments in 1H25 increased 13% over the PCP, with more students are opting to study online. In Trimester 2, 2025, 75% of Ikon's domestic students were enrolled online, compared to 66% in the PCP. The Board expects this trend to continue in Trimester 3, 2025, particularly as post-graduate enrolments increase.

Student profile



Students by campus location

- Sydney
- Melbourne
- Brisbane
- Adelaide
- Online



¹ Includes 286 students who commenced in 2024 but after the release of the Trimester 3, 2024 student numbers to ASX

Results for the half-year ended 30 June 2025

	1H25	1H24	Variance	Variance
	\$'000	\$'000	\$'000	%
Revenue				
International student revenue	23,638	7,020	16,618	237%
Domestic student and other revenue	3,743	3,396	347	10%
Total revenue	27,381	10,416	16,965	163%
Cost of sales				
Commission	(3,947)	(1,022)	(2,925)	(286%)
Teaching	(5,741)	(2,874)	(2,867)	(100%)
Venue and other	(272)	(64)	(208)	(325%)
Total cost of sales	(9,960)	(3,960)	(6,000)	(152%)
Gross profit	17,421	6,456	10,965	170%
Gross margin (%)*	64%	62%	n/a	2%
Operating expenses	(7,092)	(3,584)	(3,508)	(98%)
Operating EBITDA	10,329	2,872	7,457	260%
Operating EBITDA margin (%)*	38%	28%	n/a	10%
Depreciation & amortisation				
- Lease related	(870)	(492)	(378)	(77%)
- Plant & equipment	(206)	(44)	(162)	(368%)
- Intangible assets	(215)	(95)	(120)	(126%)
Total depreciation & amortisation	(1,291)	(631)	(660)	(105%)
Earnings before interest and tax	9,038	2,241	6,797	303%
EBIT margin (%)*	33%	22%	n/a	11%
Net finance expense - lease related	(200)	(210)	10	5%
Income tax expense	(2,322)	(611)	(1,711)	(280%)
Net profit after tax	6,516	1,420	5,096	359%
NPAT margin (%)*	24%	14%	n/a	10%

* Movement in percentage points

Financial performance

Ikon generated \$27.4m of revenue, EBITDA of \$10.3m, and a net profit after tax of \$6.5m for the half-year ended 30 June 2025. For comparison, in 1H24, Ikon reported \$10.4m of revenue, \$2.9m of EBITDA, and \$1.4m in net profit after tax.

Ikon continues to strategically invest in its organisational structure, academic and student support services, governance and quality assurance frameworks, and is benefiting from scale efficiencies contributing to stronger earnings. The additional \$17.0m in revenue resulted in a \$5.1m increase in net profit after tax, representing a 30% net profit margin on the incremental revenue.

Product development remains a key pillar of Ikon's organic growth strategy. A product development plan to materially expand the course portfolio was approved in late 2022 and implementation is now complete. The final two programs – Bachelor of Social Work and Master of Social Work (Qualifying) – were accredited by TEQSA in July 2025, both for the maximum accreditation period of seven years, with no conditions. These courses are intended to be progressively launched in 2026, targeting both domestic and international students.

Fortunately, the hard enrolment caps proposed in the draft Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024 (**ESOS Bill**) were not implemented from 1 January 2025, as had been anticipated.

However, in late 2024, the Government issued Ministerial Direction 111 (**MD111**), a mechanism to prioritise offshore visa applications using the enrolment caps from the ESOS Bill. Under MD111, offshore visa applications up to 80% of a providers' indicative 2025 cap are processed as high priority. Once this threshold is reached, visa processing continues at a standard priority rate. As only a small proportion of Ikon's total visa applications are from offshore, the impact to date has been minimal.

The medium- to longer-term impacts of MD111 and other regulatory changes remains uncertain. As previously noted, the Board is actively developing mitigation strategies, including a stronger focus on domestic student enrolments, to help manage potential risks to international student revenue.

Ikon's domestic student enrolments are not subject to the proposed caps or to MD111.

Overview

Overview

ALG is a Registered Training Organisation (**RTO**) (RTO code: 91165) and provider registered on the Commonwealth Register of Institutions and Courses for Overseas Students (**CRICOS**) (CRICOS code: 03071E). It offers vocational education and training courses exclusively to international students, delivered from campuses in Sydney, Melbourne, Brisbane and Adelaide.

ALG's international students are recruited through the Group's diverse network of more than 280 education agents, located both onshore in Australia (onshore) and overseas (offshore). ALG currently has students from more than 65 source countries.

ALG currently offers 12 vocational qualifications, all of which are in Education and Human Services related fields of study:

- Ageing Support (Certificate III and Certificate IV)
- Community Services (Certificate IV and Diploma)
- Counselling (Diploma)
- Early Childhood Education and Care (Certificate III and Diploma)
- Mental Health (Diploma)
- Fitness (Certificate III and Certificate IV)
- Yoga Teaching (Certificate IV and Diploma)

All courses are structured to facilitate rolling intakes, allowing students to commence any course (subject to satisfaction of entry requirements) in any term, with a simultaneous timetable offered in each state. ALG operates four 10-week academic terms per year.

Enrolments

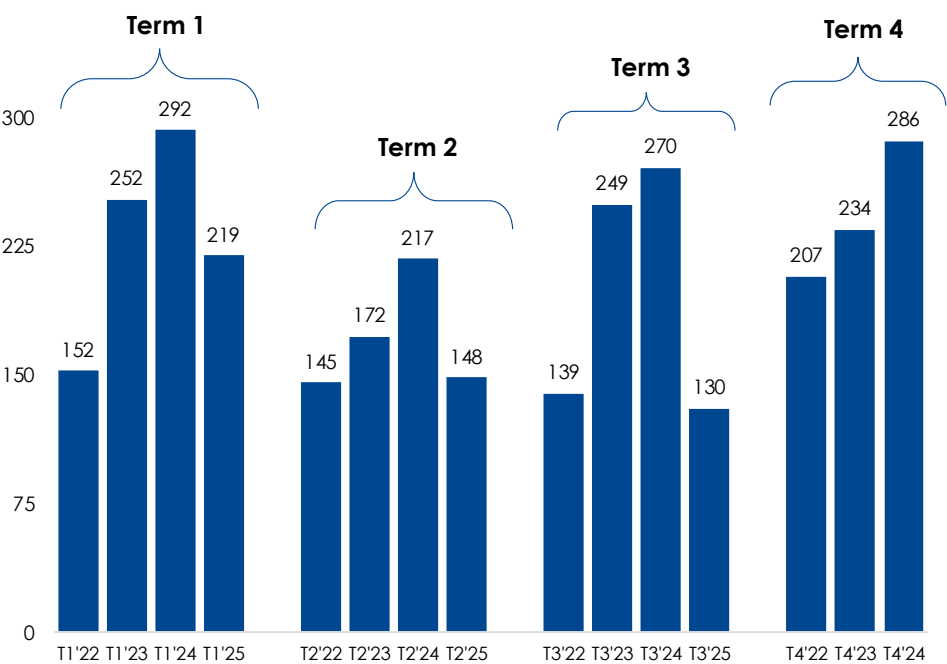
ALG's international student enrolments for the half-year ended 30 June 2025, being the sum of enrolments in the two academic terms during the period, were 3,251, a 30% increase on the PCP.

However, after enjoying eight consecutive terms of enrolment growth, enrolments have now begun to decline. This trend aligns with sector-wide softness following ongoing Australian Government reforms to student visa and migration settings, which have particularly impacted the VET sector. Term 3, 2025 new student enrolments declined by 12% compared to Term 2, 2025 and by 52% compared to the PCP.

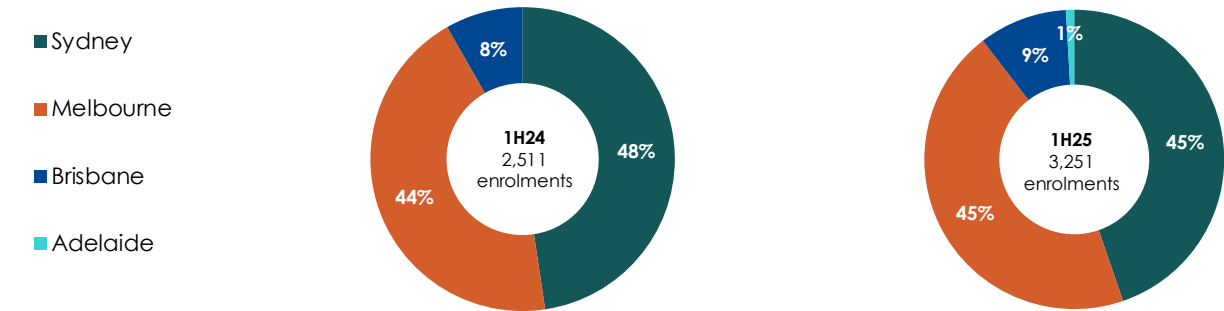
The Board is closely monitoring ALG's enrolments and market conditions, noting that the business' financial contribution to the Group has declined, as Ikon's growth has significantly outpaced it. Nonetheless, ALG contributes to the Group's student diversity and provides a pathway into Ikon for students, including those who do not meet direct entry requirements.

NSEs by term

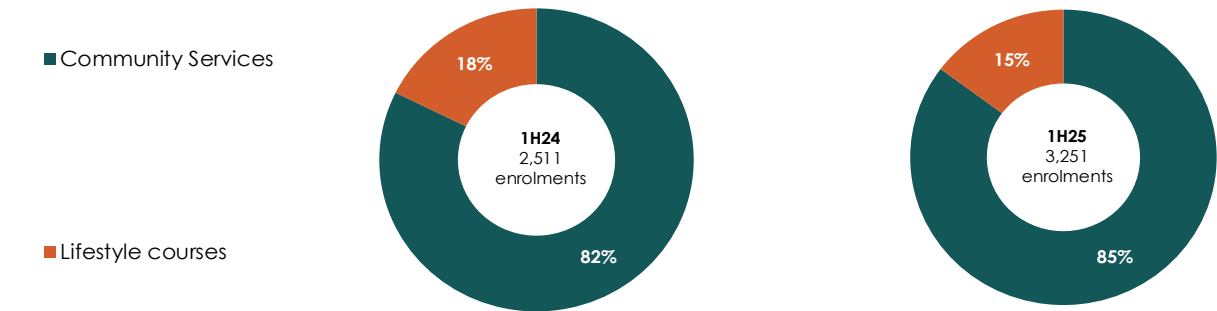
ALG's NSEs progressively increased since the re-opening of Australia's borders post Covid to T4'24. However, since T1'25 NSEs have declined in keeping with broader sector trends.



VET enrolments by campus location¹



VET enrolments by field of study^{1,2,3}



¹ Enrolments shown are the sum of enrolled students in each of ALG's academic terms during the respective period

² Community Services includes: Individual Support (Ageing); Community Services; Counselling; Early Childhood Education and Care; and Mental Health

³ Lifestyle includes: Fitness and Yoga Teaching



Results for the half-year ended 30 June 2025

	1H25	1H24	Variance	Variance
	\$'000	\$'000	\$'000	%
Revenue				
International student revenue	8,721	6,352	2,369	37%
Other income	22	83	(61)	(73%)
Total revenue	8,743	6,435	2,308	36%
Cost of sales				
Commission	(2,017)	(1,573)	(444)	(28%)
Teaching	(2,041)	(1,881)	(160)	(9%)
Venue and other	(168)	(204)	36	18%
Total cost of sales	(4,226)	(3,658)	(568)	(16%)
Gross profit	4,517	2,777	1,740	63%
Gross margin (%)*	52%	43%	n/a	9%
Operating expenses	(2,595)	(2,655)	60	2%
Operating EBITDA	1,922	122	1,800	nm
Operating EBITDA margin (%)*	22%	2%	n/a	20%
Depreciation & amortisation				
- Lease related	(579)	(494)	(85)	(17%)
- Plant & equipment	(292)	(281)	(11)	(4%)
- Intangible assets	(64)	(69)	5	7%
Total depreciation & amortisation	(935)	(844)	(91)	(11%)
Earnings before interest and tax	987	(722)	1,709	n/a
EBIT margin (%)*	11%	(11%)	n/a	22%
Net finance expense - lease related	(158)	(268)	110	41%
Income tax (expense) / benefit	(256)	286	(542)	n/a
Net profit / (loss) after tax	573	(704)	1,277	n/a
NPAT margin (%)*	7%	(11%)	n/a	18%

* Movement in percentage points

nm not meaningful due to low base in the PCP

Financial performance

ALG generated \$8.7m of revenue, an EBITDA profit of \$1.9m, and net profit after tax of \$0.6m for the half-year ended 30 June 2025. For comparison, for the half-year ended 30 June 2024, ALG's revenue was \$6.4m, EBITDA profit was \$0.1m, and it recorded a net loss after tax of \$0.7m.

ALG recorded a 36% increase in international student revenue in 1H25 against the PCP (from \$6.4m to \$8.7m) and improved its gross margin to 52% from 43%. The additional \$2.3m in revenue translated to a \$1.7m improvement in gross profit and a \$1.3m improvement in net profit after tax, representing a 57% net profit margin on the incremental revenue.

However, with NSEs and total student enrolments now falling for consecutive terms, the outlook for ALG is expected to be less favourable in the medium term.



Material business risks

EDU identifies and manages risks in accordance with the Group's Risk Management Framework (**Framework**). Through the application of the Framework, the Group has identified the following material business risks currently faced by the Group that could adversely affect its financial performance and growth potential in future years.

Business risk	Mitigating activities
<p>Regulatory and policy risk</p> <p>The Australian Government is implementing major reforms to international education. In 2024, it introduced the Education Services for Overseas Students Amendment (Quality and Integrity) Bill 2024 (ESOS Bill), which proposed the introduction of additional integrity measures and a managed growth framework for overseas student commencements. While the ESOS Bill has not yet been enacted, the Government has already implemented certain components, including:</p> <ul style="list-style-type: none"> - a National Planning Level (NPL) of 270,000 new student commencements in 2025, rising to 295,000 in 2026; - allocation of indicative enrolment limits for each sector and provider, with 200 (rising to 205 in 2026) for Ikon and 447 (rising to 471 in 2026) for ALG. <p>These limits are not statutory caps, however under Ministerial Direction 111 (introduced in December 2024), offshore student visa applications up to 80% of a provider's indicative enrolment limit are processed as Priority 1, with the balance processed as Priority 2. Whilst most of Ikon and ALG's students apply onshore in Australia and are thus less directly affected, the broader sector impact has been to slow visa processing and reduce overall international student inflows.</p> <p>Other measures introduced in the past 18 months include stricter English and financial requirements, a new Genuine Student Test, materially higher visa fees, reduced post-study work rights, and limits on onshore visa switching. Collectively, these changes have already lowered visa approval rates and the number of international students studying in Australia, particularly in the VET sector.</p> <p>The Government has signalled further reforms in 2025–26, including potentially re-introducing a revised ESOS Bill (with tighter controls on students changing providers, agent commissions, and provider growth) and replacing MD111 with a new ministerial direction that may further restrict visa processing.</p> <p>These policy changes may reduce international student demand, constrain enrolments at Ikon and ALG, and limit the Company's ability to achieve its growth objectives.</p>	<ul style="list-style-type: none"> - Diversifying student source markets, with greater focus on domestic enrolments including through expansion of the Group's portfolio of courses - Maintaining financial resilience through building adequate reserves and contingency planning - Focusing on attracting genuine students in areas of national skills shortage - Engaging with government, regulators and industry bodies to represent the Group's position and inform policy development
<p>Registration and approvals risk</p> <p>Maintaining registration with the Tertiary Education Quality and Standards Agency (TEQSA) for Ikon and the Australian</p>	<ul style="list-style-type: none"> - Adhering to robust self-assurance and risk management frameworks aligned with TEQSA and ASQA standards

Business risk	Mitigating activities
<p>Skills Quality Authority (ASQA) for ALG remains a key business risk.</p> <p>In addition to initial and ongoing registration, both regulators must also approve:</p> <ul style="list-style-type: none"> - changes to international student enrolment capacity (known as CRICOS capacity) - at both the campus level and in aggregate - which effectively determine the maximum number of international students permitted to be enrolled at any time. Increases to this capacity are essential for the Group to achieve future growth; - changes to delivery locations and/or modes of delivery for courses; and - changes to scope of registration, including accreditation and re-accreditation of courses. <p>Failure to maintain or obtain these approvals, or delays in doing so, could materially constrain the Group's ability to expand enrolments, introduce new courses, or grow its national footprint.</p>	<ul style="list-style-type: none"> - Maintaining a dedicated quality assurance team reporting into governance committees, management, and the Board - Investing in internal auditing activities and ongoing continuous improvement to address identified non-compliances and implement enhancements - Forward planning to ensure applications to regulators are robust, accurate and timely
<p>Market and agent concentration risk</p> <p>International students currently comprise approximately 89% of the Group's total enrolments, creating material exposure to shifts in government policy, visa settings and global student mobility patterns. In addition, source country and agent concentration risk arises when a large share of enrolments is derived from a particular county, region, or a small number of education agents. This creates potential exposure to:</p> <ul style="list-style-type: none"> - source market disruptions (e.g. regulatory change, economic shifts, or geopolitical events affecting student demand); and - agent dependency (e.g. changes in relationships, commercial terms, or recruitment performance). <p>Such concentrations could increase the volatility of enrolments and revenues and may limit the Group's ability to offset adverse developments in any one source market or recruitment channel.</p>	<ul style="list-style-type: none"> - Expanding recruitment activities to broaden the geographic mix of enrolments, including through offshore sales personnel - Conducting regular compliance and performance reviews of agents and markets, with proactive actions taken in relation to emerging risks - Maintaining open communication with agents and adapting strategies to shifting market conditions - Conducting internal risk analysis and reporting on agent and source country concentration against established risk thresholds
<p>Competition risk</p> <p>The Group operates in a highly competitive education market, with both public and private providers competing for international and domestic students. Competitive intensity has increased, particularly in the Group's core Early Childhood Education programs, into which a growing number of providers are expanding.</p> <p>Competitors may adopt aggressive marketing strategies, including lower pricing for students, higher commissions and increased incentives to education agents.</p>	<ul style="list-style-type: none"> - Monitoring market trends, competitor activity, pricing and promotions, with timely adjustments to offerings and strategy - Conducting structured student surveys of students, agents and staff to identify areas for improvement and/or differentiation - Investing in course quality, learning materials, student support, and agent relationships to strengthen market positioning, including in Early Childhood Education

Business risk**Mitigating activities**

These dynamics may:

- reduce the Group's ability to attract and retain students;
- place pressure on pricing and margins; and
- lead to a loss of market share.

Operational expansion risk

The Group's growth strategy includes expanding its campus footprint and broadening its course portfolio. These initiatives carry risks, including:

- delays or cost overruns in developing new campuses or facilities;
- underutilisation of capacity if enrolment growth falls short of expectations; and
- unsuccessful development or accreditation of new courses,

potentially resulting in financial losses, reputational damage, or inefficient use of resources.

- Conducting comprehensive market research to assess demand, competition and emerging trends prior to committing to new campuses or courses
- Applying rigorous financial evaluation and scenario analysis to expansion decisions
- Maintaining strong governance oversight for course development and project management controls for campus expansion
- Engaging with course advisory committees and regulators to ensure alignment of new courses with industry needs and accreditation requirements

Strategic execution risk

The Group's ability to achieve its financial and strategic objectives depends on sustaining growth in both domestic and international student enrolments and successfully executing its expansion and diversification plans. Risks include:

- shortfall in enrolments;
- underperformance of new campuses or courses; and
- delays in diversifying into domestic markets.

Any of these could materially impact revenue, profitability, and long-term viability. The risk is currently amplified by the Group's reliance on international student demand and ongoing regulatory change.

- Ensuring clear communication and organisation-wide alignment with the strategic plan
- Allocating resources effectively to support enrolment growth, expansion and diversification initiatives
- Applying a robust performance monitoring and measurement framework to track progress against strategic objectives
- Adopting an agile approach to respond to external market, regulatory, and operating conditions
- Investing in organisational structure and talent to strengthen execution capability

People and capability risk

The Group's ability to deliver high-quality education and meet regulatory obligations depends on attracting and retaining suitably qualified academic and non-academic staff. Shortages in skilled educators and/or high staff turnover could impair service quality, student experience and regulatory compliance.

- Providing competitive remuneration and professional development opportunities
- Implementing workforce planning aligned to enrolment growth
- Maintaining a strong focus on culture, engagement and retention initiatives
- Investing in compliance capability and ongoing training for staff

Cybersecurity and IT risk

Disruption to the Group's technology platforms or a significant data security breach could result in business interruption, financial loss, regulatory penalties, and reputational harm. The Group's reliance on technology for

- Partnering with a specialist outsourced IT provider to deliver protection, detection, and response strategies
- Deploying trusted technologies with appropriate security configurations

Business risk	Mitigating activities
recruitment, enrolment, learning delivery, and compliance reporting heightens exposure. Any compromise of systems or unauthorised access to personal information could also trigger obligations under the Privacy Act 1988 and the Notifiable Data Breaches scheme.	<ul style="list-style-type: none"> - Embedding strong internal processes and a culture of risk awareness to control data access - Conducting regular reviews and testing of business continuity and disaster recovery plans - Monitoring compliance with privacy obligations, supported by staff training and incident response protocols

Corporate focus

EDU's long-term strategy is to continue to invest in the organic growth of its existing businesses while concurrently pursuing strategic acquisition opportunities.

Net assets

The net assets of the Group as at 30 June 2025 were \$18,816,637 (31 December 2024: \$12,431,525).

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission (ASIC), relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial period ended 30 June 2025.

Subsequent events

To accommodate anticipated growth in student enrolments in Melbourne, the Group entered into three new leases at 601 Bourke Street, Melbourne (Part Ground Floor, Level 2, and Level 3), noting that rent for these premises commences after the period-end. The Group expects to incur capital expenditure of approximately \$2.5m in relation to the new premises.

In light of the strong first-half results, positive trading outlook, and robust balance sheet, on 27 August 2025 the Board declared a maiden interim fully-franked dividend of \$0.01 per share (totalling \$1.5m), payable on 30 September 2025 to shareholders registered at the record date of 3 September 2025. The dividend will be paid out of a profit reserve established from current-year earnings. As the dividend was declared after the reporting date, no provision has been recognised in the financial statements for the half-year ended 30 June 2025.

Other than the above, there have been no other significant events after balance date.

Restatement of comparatives

The Company has reclassified restricted cash held by CBA as security for bank guarantees issued in the Consolidated Statement of Financial Position and reclassified capitalised wages related to course development in the Consolidated Statement of Cash Flows for the year ended 31 December 2023. These adjustments align the classification with the nature of the assets and expenditures and enhance the comparability of the financial statements. Refer to the Annual Report for the year ended 31 December 2024 for further details.

Likely developments and expected results of operations

The Board anticipates that a strong intake in Ikon's Trimester 3, 2025, commencing in September, combined with a slightly higher revenue contribution from its Trimester 2, 2025 enrolments in the second half (based on statutory revenue recognition), should largely offset any further decline in ALG enrolments and the increase in costs noted above. Accordingly, the Board anticipates that FY25 performance will materially exceed FY24 across key financial metrics.

The regulatory changes introduced in late 2024 and during 1H25, aimed at managing growth and improving the integrity of the international education sector are likely to continue impacting the Company, particularly through subdued new student enrolments (NSEs) and a decline in total enrolments in ALG in the medium term. However, the timing and broader impact of these changes on the HE sector remains uncertain. A reduced inflow of new international students into Australia, along with an overall decline in the international student population, may result in lower enrolments and revenue for the Company.

As previously disclosed, the Company is developing strategies to strengthen domestic student enrolments and revenue, and to proactively manage the operational and financial implications of a potential reduction in international students.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration, as required under section 307C of the Corporations Act 2001, is set out on page 51.

This report is signed in accordance with a resolution of the Board of Directors.

On behalf of the Directors,



Gary Burg

Non-Executive Chair

27 August 2025



02

Financial Statements



Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE HALF-YEAR ENDED 30 JUNE 2025

		30 June 2025	30 June 2024
	Notes	\$'000	\$'000
Revenue from continuing operations			
Revenue from contracts with customers	2	36,102	16,741
Other revenue	2	-	27
Total revenue		36,102	16,768
Cost of sales		(14,186)	(7,618)
Gross profit		21,916	9,150
Other income			
Other income	2	22	83
Interest income	2	195	54
Total other income		217	137
Expenses			
Employee benefits expense		(6,326)	(4,517)
Advertising, marketing and promotion expenses		(1,764)	(884)
Depreciation of right-of-use assets		(1,449)	(986)
Depreciation and amortisation expense		(853)	(560)
Administration, support and other expenses		(996)	(480)
Professional fees		(807)	(254)
Communication and IT expenses		(512)	(361)
Interest on lease liabilities		(362)	(482)
Cleaning, utility and occupancy expenses		(306)	(169)
Licence fees		(303)	(206)
Finance costs		(116)	(114)
Insurance expenses		(63)	(52)
Due diligence and transaction fees		(25)	(20)
Credit losses		22	(60)
Total expenses		(13,860)	(9,145)
Profit before income tax from continuing operations		8,273	142
Income tax expense		(2,002)	(114)
Profit after tax		6,271	28
Other comprehensive income		-	-
Total comprehensive profit after tax		6,271	28

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE HALF-YEAR ENDED 30 JUNE 2025

	Notes	30 June 2025 \$	30 June 2024 \$
Profit per share attributable to equity holders of the parent entity			
Basic profit per share (cents)			
Continuing operations	12	4.17	0.02
Diluted profit per share (cents)			
Continuing operations	12	3.95	0.02

Consolidated Statement of Financial Position

AT 30 JUNE 2025

	Notes	30 June 2025 \$'000	31 December 2024 \$'000
Current assets			
Cash and cash equivalents	11	22,453	6,494
Trade and other receivables		4,791	636
Other assets	4	1,551	640
Total current assets		28,795	7,770
Non-current assets			
Other assets	4	802	924
Plant and equipment		2,849	2,636
Intangible assets		2,998	2,914
Right-of-use asset		9,177	6,788
Deferred tax asset		2,658	2,239
Goodwill on consolidation	6	11,918	11,918
Total non-current assets		30,402	27,419
Total assets		59,197	35,189
Current liabilities			
Trade and other payables	7	6,798	6,198
Contract liabilities	9	16,597	2,526
Borrowings	10	500	500
Employee benefits		484	356
Deferred lease liability		3,815	2,902
Provisions		98	-
Income tax liabilities		1,108	284
Total current liabilities		29,400	12,766
Non-current liabilities			
Trade and other payables	7	955	1,274
Borrowings	10	750	1,000
Employee benefits		350	295
Contract liabilities	9	1,093	959
Deferred lease liability		7,521	6,060
Provisions		311	404
Total non-current liabilities		10,980	9,992
Total liabilities		40,380	22,758
Net assets		18,817	12,431
Equity			
Issued capital	8	30,246	30,246
Reserves		328	213
Accumulated losses		(11,757)	(18,028)
Total equity		18,817	12,431

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

FOR THE HALF-YEAR ENDED 30 JUNE 2025

	Issued Capital	Share Based Payments Reserve	Accumulated Losses	Total Equity
	\$'000	\$'000	\$'000	\$'000
Balance as 1 January 2025	30,246	213	(18,028)	12,431
Net profit for the year	-	-	6,271	6,271
Other comprehensive income for the year	-	-	-	-
Total comprehensive profit for the year	-	-	6,271	6,271
Transactions with owners in their capacity as owners				
Shares issued at net cost	-	-	-	-
Options issued at fair value	-	115	-	115
Options expired	-	-	-	-
Total transactions with owners in their capacity as owners	-	115	-	115
Balance as at 30 June 2025	30,246	328	(11,757)	18,817

	Issued Capital	Share Based Payments Reserve	Accumulated Losses	Total Equity
	\$'000	\$'000	\$'000	\$'000
Balance as 1 January 2024	31,126	214	(20,858)	10,482
Net profit for the year	-	-	28	28
Other comprehensive income for the year	-	-	-	-
Total comprehensive profit for the year	-	-	28	28
Transactions with owners in their capacity as owners				
Shares issued at net cost	-	-	-	-
Options issued at fair value	-	81	-	81
Options expired	-	-	-	-
Total transactions with owners in their capacity as owners	-	81	-	81
Balance as 30 June 2024	31,126	295	(20,830)	10,591

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

FOR THE HALF-YEAR ENDED 30 JUNE 2025

	Notes	30 June 2025 \$'000	30 June 2024 Restated ¹ \$'000
Cash flow from operating activities			
Receipts from customers and other income		46,399	21,697
Interest received		195	54
Income tax paid		(1,609)	-
Payments to suppliers, employees and other		(25,309)	(13,870)
Net cash flows from continuing operating activities		19,676	7,881
Net cash flows from discontinued operating activities		-	(34)
Net cash provided by operating activities		19,676	7,847
Cash flow from investing activities			
Payments for plant and equipment		(573)	(116)
Payments for intangibles		(413)	(612)
Net cash used in continuing investing activities		(986)	(728)
Net cash used in discontinued investing activities		-	-
Net cash used in investing activities		(986)	(728)
Cash flow from financing activities			
Restricted cash - bank guarantees		122	-
Borrowing costs		(102)	(117)
Repayment of borrowings	10	(250)	(250)
Repayment of lease liabilities		(2,501)	(1,833)
Net cash used in continuing financing activities		(2,731)	(2,200)
Net cash used in discontinued financing activities		-	-
Net cash used in financing activities		(2,731)	(2,200)
Net increase in cash and cash equivalents		15,959	4,919
Cash and cash equivalents at beginning of period ¹		6,494	2,792
Cash and cash equivalents at end of period	11	22,453	7,711

¹ Refer to the Annual Report for the year ended 31 December 2024 (Note 31) for the details of the restated 2023 opening Cash and Cash Equivalents balance.

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

FOR THE HALF-YEAR ENDED 30 JUNE 2025

1. Statement of significant accounting policies

This Half-Year Report covers EDU Holdings Limited and its controlled entities. EDU is a listed public company, incorporated and domiciled in Australia. Its registered office and principal place of business is Level 3, Building 5B, 1-59 Quay Street, Haymarket NSW 2000. For the purposes of preparing this Half-Year Report, EDU is a for-profit company.

A description of the nature of the consolidated entity's operations and its principal activities is included in the Directors' Report, which is not part of these Financial Statements.

The financial statements are presented in Australian dollars (AUD), the Group's functional and presentational currency.

The following is a summary of the material accounting policies and relevant Accounting Standards and Interpretations adopted by the Group in the preparation and presentation of the Half-Year Report. The accounting policies have been consistently applied, unless otherwise stated.

a. New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) that are mandatory for the current reporting period. The Group has not early adopted any new or amended Accounting Standards or Interpretations that are not yet mandatory.

b. Statement of compliance

The Half-Year Report is a general-purpose financial report prepared in accordance with the Corporations Act 2001 and Australian Accounting Standard AASB 134 'Interim Financial Reporting', as appropriate to for-profit entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The Half-Year Report does not include notes of the type normally included in an annual financial report and thus should be read in conjunction with the Annual Report for the period ended 31 December 2024 and any public announcements made by the Company during the interim reporting period in accordance with the Company's continuous disclosure requirements under the Corporations Act 2001.

The accounting policies and methods of computation adopted in the presentation of the Half-Year Report are consistent with those adopted and disclosed in the Company's 31 December 2024 Annual Report.

Notes to the Consolidated Financial Statements

FOR THE HALF-YEAR ENDED 30 JUNE 2025

c. Basis of preparation

The Half-Year Report has been prepared on a historical cost and accruals basis, except where stated otherwise.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except where applicable, for the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, certain classes of property, plant and equipment, and derivative financial instruments.

d. Critical accounting estimates and judgements

The Directors evaluate the estimates and judgements incorporated into the Half-Year Report based on historical knowledge and the best available current information. The estimates reflect a reasonable expectation of future events and are based on current trends and data obtained from both external sources and within the Group.

Impairment

The Company considers and assesses potential impairment at each reporting date by evaluating conditions specific to the Group that may lead to an impairment of assets. Where an impairment indicator exists, the recoverable amount of the asset is determined.

Value-in-use calculations have been performed in assessing recoverable amounts and incorporate a number of key estimates. To determine value-in-use, management estimates expected future cash flows from each asset or cash-generating unit (**CGU**) and determines a suitable discount rate to calculate the present value of those cash flows. The financial forecasts used for impairment testing are based on the Group's latest approved budget.

Discount rates are determined individually for each asset or CGU and reflect management's assessment of market and asset-specific risks factors. The discount rate is derived from the Group's weighted average cost of capital (**WACC**) and reflects the specific circumstances of the Group and its CGUs.

The Company assesses impairment of non-financial assets, other than goodwill and other indefinite life intangible assets, at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset. If an impairment trigger exists, the recoverable amount of the asset is determined based on either fair value less costs of disposal or value-in-use calculations, both of which incorporate a number of key estimates and assumptions.

Notes to the Consolidated Financial Statements

FOR THE HALF-YEAR ENDED 30 JUNE 2025

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Group considers that it is probable that sufficient future taxable profits will be available to utilise those temporary differences and losses.

Allowances for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. Various methods have been applied to measure expected credit losses, including a lifetime expected loss model, assessment of failed fee collection patterns, and days past due analysis.

Lease renewal options

The Group has applied judgement in determining whether the lease term for specific lease contracts should include renewal options. This involved an assessment of whether the Group is reasonably certain to exercising such options, thereby affecting the measurement of lease liabilities and right-of-use assets (ROUA) recognised.

Lease make-good provision

A provision has been made for the present value of anticipated costs for future restoration of leased premises in accordance with the make-good requirements of each lease agreement. The provision includes future cost estimates associated with closure and handover of the premises. The calculation of this provision requires assumptions such as timing of lease termination and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Notes to the Consolidated Financial Statements

FOR THE HALF-YEAR ENDED 30 JUNE 2025

2. Segment reporting

The Company has identified its operating segments based on internal reports that are reviewed and used by the Board of Directors (as the 'chief operating decision maker') in assessing the Group's performance and determining the allocation of resources.

The Group operates in two segments: Ikon, which provides higher education services to both domestic and international students; and ALG which provides vocational education services to international students, and in one geographical segment – Australia.

For the half-year ended 30 June 2025	Ikon	ALG	Unallocated	Total
	\$'000	\$'000	\$'000	\$'000
Total revenue - international	23,638	8,721	-	32,359
Total revenue - domestic	3,743	-	-	3,743
Other revenue	-	-	-	-
Total revenue	27,381	8,721	-	36,102
Other income	-	22	-	22
Interest income	17	5	173	195
Depreciation and amortisation	(1,291)	(935)	(76)	(2,302)
Net profit after tax	6,516	573	(818)	6,271

At 30 June 2025	Ikon	ALG	Unallocated	Total
	\$'000	\$'000	\$'000	\$'000
Total segment assets	34,322	4,120	20,755	59,197
Total segment liabilities	(20,790)	(4,962)	(14,628)	(40,380)

Notes to the Consolidated Financial Statements

FOR THE HALF-YEAR ENDED 30 JUNE 2025

2. Segment reporting (continued)

For the half-year ended 30 June 2024	Ikon	ALG	Unallocated	Total
	\$'000	\$'000	\$'000	\$'000
Total revenue – international	7,020	6,352	-	13,372
Total revenue – domestic	3,369	-	-	3,369
Other revenue	28	(1)	-	27
Total revenue	10,417	6,351	-	16,768
Other income	-	83	-	83
Interest income	10	5	39	54
Depreciation and amortisation	(631)	(843)	(72)	(1,546)
Net profit / (loss) after tax	1,420	(704)	(688)	28

At 30 June 2024	Ikon	ALG	Unallocated	Total
	\$'000	\$'000	\$'000	\$'000
Total segment assets	17,153	9,758	11,609	38,520
Total segment liabilities	(13,981)	(11,147)	(2,801)	(27,929)

Per AASB 134.16A(g)(iv), segment assets and liabilities have been categorised as unallocated, as such segment amounts are not regularly reported to the 'chief operating decision maker', being the EDU Board of Directors.

Notes to the Consolidated Financial Statements

FOR THE HALF-YEAR ENDED 30 JUNE 2025

3. Dividends

There were no dividends declared or paid during the current or previous half-year.

In light of the strong first-half results, positive trading outlook, and robust balance sheet, on 27 August 2025 the Board declared a maiden interim fully-franked dividend of \$0.01 per share (totalling \$1.5m), payable on 30 September 2025 to shareholders registered at the record date of 3 September 2025. The dividend will be paid out of a profit reserve established from current-year earnings. As the dividend was declared after the reporting date, no provision has been recognised in the financial statements for the half-year ended 30 June 2025. This is consistent with the subsequent event disclosure.

4. Other assets

	30 June 2025	31 December 2024
	\$'000	\$'000
Other current assets		
Prepayments	608	577
Deposits	18	10
Commission paid in advance	925	53
Total other current assets	1,551	640
Non-current other assets		
Prepayments	-	2
Restricted cash – bank guarantees ¹	802	922
Total other non-current assets	802	924

¹ The Group has \$802k of restricted cash held by CBA in relation to bank guarantees issued for the ALG and Ikon campuses (2024: \$922k).

5. Controlled entities

				Ownership interest	
Entity	Acquired	Disposed	Country of incorporation	30 June 2025	31 December 2024
Proteus Technologies Pty Ltd	4 July 2018	-	Australia	100%	100%
Australian Learning Group Pty Limited	24 March 2016	-	Australia	100%	100%
Tasman Institute Pty Limited	11 July 2017	-	Australia	100%	100%
EDU Corporate Services Pty Ltd	26 October 2021	-	Australia	100%	100%
EDU Corporate Services (Philippines) Inc ¹	4 October 2024	-	Philippines	100%	100%

¹ Documentation to register the entity was submitted to the Philippines's Securities and Exchange Commission (SEC) on 4 October 2024, however approved was not granted until April 2025. The date of incorporation is recorded as 4 October 2024, reflecting SEC records.

Notes to the Consolidated Financial Statements

FOR THE HALF-YEAR ENDED 30 JUNE 2025

6. Goodwill on acquisition

	30 June 2025	31 December 2024
	\$	\$
Proteus Technologies Pty Ltd – HE CGU	10,603	10,603
Australian Learning Group Pty Limited – VET CGU	1,315	1,315
Total goodwill	11,918	11,918

The recoverable amount of the Group's goodwill has been determined by performing a value-in-use calculation using a discounted cash flow model, based on a 5-year projection period, together with a terminal value in year 5 for each cash-generating unit (**CGU**).

Key assumptions are those to which the recoverable amount of each CGU is most sensitive.

The following key assumptions were used in the discounted cash flow model for both the Higher Education (HE) and Vocational Education (VET) segments:

- Pre-tax discount rate of 18.7% for HE and 17.8% for VET (31 December 2024: 18.8% for both HE and VET), including 6.0% specific company risk for HE and 7% for VET (31 December 2024: 7.0%), to account for the increased uncertainty due to recent changes in government migration policies, in calculating the Group's cost of equity,
- Average tuition revenue growth estimated at 17% for HE and 8% for VET (2024: 30% HE and 29% VET); and
- Terminal growth rate of 3% for both HE and VET (31 December 2024: 3.0% for both HE and VET).

The pre-tax discount rate of 18.7% for HE and 17.8% for VET reflect management's estimate of the time value of money and the Group's weighted average cost of capital, adjusted for the risk-free rate and the volatility of the share price relative to other businesses in the same industry.

Management considers that there are no indicators of impairment and no significant changes to the underlying assumptions used in the impairment testing performed in relation to the 30 June 2025 Half-Year Report.

HE CGU

The carrying value of the HE CGU includes goodwill of \$10,603,408, plant, equipment and other intangibles of \$4,669,646, and right-of-use assets (ROUA) of \$6,906,615.

Based on the value-in-use model, the discounted cash flow (DCF) valuation of \$126,811,980 was in excess of the carrying amount of the CGU, which was \$22,179,669. Accordingly, management considers that there is no impairment required at 30 June 2025 (31 December 2024: \$nil and 30 June 2024: \$nil).

VET CGU

The carrying value of the VET CGU includes goodwill of \$1,314,720, plant, equipment and other intangibles of \$627,985, and ROUA of \$2,270,261.

Based on the value-in-use model, the DCF valuation of \$8,580,952 was in excess of the carrying amount of the CGU, which was \$4,212,966. Accordingly, management considers that there is no impairment required at 30 June 2025 (31 December 2024: \$nil and 30 June 2024: \$nil).

Notes to the Consolidated Financial Statements

FOR THE HALF-YEAR ENDED 30 JUNE 2025

6. Goodwill on acquisition (continued)

Impact of possible changes in key assumptions

Management has performed sensitivity analysis on the recoverable amounts, assessing the impact of a change in both the discount rate and the terminal growth rate of +/- 2.0%, as well as a 10.0% increase or decrease in revenue. The results of this analysis are set out below.

Sensitivity – HE	Decrease in valuation	Increase in valuation
	\$'000	\$'000
2.0% lower / (higher) post-tax discount rate (WACC)	(19,023)	27,885
2.0% increase / (decrease) in terminal growth rate	(13,350)	19,652
10.0% increase / (decrease) in revenue	(21,200)	18,751

There is no resulting impairment from any of the scenarios above.

Sensitivity – VET	Decrease in valuation	Increase in valuation
	\$'000	\$'000
2.0% lower / (higher) post-tax discount rate (WACC)	(1,574)	2,258
2.0% increase / (decrease) in terminal growth rate	(1,102)	1,577
10.0% increase / (decrease) in revenue	(3,605)	3,246

There is no resulting impairment from any of the scenarios above.

Notes to the Consolidated Financial Statements

FOR THE HALF-YEAR ENDED 30 JUNE 2025

7. Trade and other payables

	30 June 2025	31 December 2024
	\$'000	\$'000
Current		
Trade creditors	237	525
Other payables and accrued expenses	6,561	5,673
Total current trade and other payables	6,798	6,198

Trade creditors at 30 June 2025 are not considered past due.

	30 June 2025	31 December 2024
	\$	\$
Non-current		
Trade creditors	-	-
Other payables and accrued expenses	955	1,274
Total non-current trade and other payables	955	1,274

As part of the Department of Education's COVID-relief program, Ikon received excess FEE-HELP advances of \$2.6m during 2020. The amount is repayable over eight years via annual instalments of \$318k, commencing in April 2022 and continuing through to 2029.

Notes to the Consolidated Financial Statements

FOR THE HALF-YEAR ENDED 30 JUNE 2025

8. Share capital

Issued capital at 30 June 2025 amounted to \$30,246,187 (150,553,408 ordinary shares).

	30 June 2025		31 December 2024	
	Number	\$'000	Number	\$'000
Opening balance	150,553,408	30,246	165,214,443	31,126
Share buy-backs	-	-	(14,661,035)	(880)
At reporting date	150,553,408	30,246	150,553,408	30,246

There were no movements in the issued capital of the Company during the half-year ended 30 June 2025.

9. Contract liabilities

	30 June 2025	31 December 2024
	\$'000	\$'000
Current		
Contract liabilities	16,597	2,526
Total current contract liabilities	16,597	2,526
Non-current		
Contract liabilities	1,093	959
Total non-current contract liabilities	1,093	959

Contract liabilities relate to tuition and enrolment fees received in advance of the commencement of course delivery. Revenue is recognised progressively over the planned duration of study, reflecting satisfaction of the Group's performance obligations.

Contract liabilities are typically higher at 30 June than 31 December, primarily due to the timing of tuition fee payment dates.

For ALG, the Term 1 (January intake) payment date falls in early January (post year-end), whereas Term 3 (July intake) fees are generally collected in mid-June (prior to the half-year reporting date). This results in contract liabilities at 30 June, and lower balances at 31 December.

For Ikon, contract liabilities also tend to be higher at 30 June, as Trimester 2 (May to August) fees are received in advance, with performance obligations only partially satisfied by period-end. In contrast, Trimester 3 (September to December) is fully delivered by 31 December, resulting in lower contract liabilities at year-end.

Notes to the Consolidated Financial Statements

FOR THE HALF-YEAR ENDED 30 JUNE 2025

10. Borrowings

The Group maintains a loan facility with Commonwealth Bank of Australia (**CBA**), originally established in 2017, secured by a first ranking charge over all present and after acquired property of the Group. Details of the facility components are set out in the table below:

	Facility limit	Withdrawn	Undrawn
Loan Facility	\$'000	\$'000	\$'000
Market rate loan (acquisition facility)	1,250	(1,250)	-
Bank guarantee (rental bond facility)	1,050	(870)	180
Total loan facility	2,300	(2,120)	180

As at 30 June 2025, the Group had outstanding bank guarantees totalling \$1,671k (31 December 2024: \$1,951k) issued to various landlords, comprising:

- \$870k (31 December 2024: \$1,029k) secured by the bank guarantee facility; and
- \$800k (31 December 2024: \$922k) secured by restricted cash deposits held with CBA.

Market rate loan (acquisition facility)

In May 2024, the Company extended its \$1.75m acquisition facility with CBA through to November 2027. Quarterly principal repayments of \$125k commenced in August 2024, with full repayment by the expiry date and no balloon repayment at maturity.

The facility bears interest referenced to the Bank Bill Swap Bid Rate (BBSY), plus a line fee of 5.70% p.a.

	30 June 2025	31 December 2024
	\$'000	\$'000
Current	500	500
Total current loan balance	500	500
Non-current	750	1,000
Total non-current loan balance	750	1,000

Bank guarantee (rental bond facility)

A bank guarantee fee of 3.50% p.a. is payable on bank guarantees secured by the bank guarantee facility, calculated on the drawn amount. For bank guarantees secured by restricted cash deposits, a reduced fee of 2.5% p.a. applies. All bank guarantees fees are payable half-yearly in advance.

Notes to the Consolidated Financial Statements

FOR THE HALF-YEAR ENDED 30 JUNE 2025

10. Borrowings (continued)

Reconciliation of movements

	30 June 2025	31 December 2024
	\$'000	\$'000
Opening balance	1,500	2,000
Repayment of loan	(250)	(500)
Closing balance	1,250	1,500

11. Cash and cash equivalents

	30 June 2025	31 December 2024
	\$'000	\$'000
Cash at bank and on hand	6,453	6,494
Cash on deposit ¹	16,000	-
Total cash and cash equivalents	22,453	6,494

¹ As at 30 June 2025, the Company held term deposits of \$16.0m (31 December 2024: \$nil) with short-term (90 days or less) maturities with the Commonwealth Bank of Australia.

Included in the cash at bank amounts above are tuition fees held in restricted Tuition Protection Scheme (TPS) accounts in Australia. As at 30 June 2025, the Group held \$2,014k in TPS accounts (31 December 2024: \$1,364k).

In accordance with the Education Services for Overseas Student Act 2000 (**ESOS Act**), the Group is required to maintain separate bank accounts in Australia to hold prepaid tuition fees received from international students prior to the commencement of their course (**TPS accounts**). These funds remain restricted until the student commences their course, at which point the funds may be released from the TPS accounts.

The Group must ensure at all times that sufficient funds are maintained in TPS accounts to cover any prepaid tuition fees from international students who have not yet started their course. As at the reporting date, the majority of funds held in the TPS accounts relate to upcoming study periods for both Ikon and ALG – specifically:

- For Ikon, the trimester commencing on 9 September 2025; and
- For ALG, the term that commenced on 21 July 2025.

Notes to the Consolidated Financial Statements

FOR THE HALF-YEAR ENDED 30 JUNE 2025

12. Earnings per share

	30 June 2025	30 June 2024
(a) Basic profit per share (cents per share)		
From continuing operations	4.17	0.02
(b) Diluted profit per share (cents per share)		
From continuing operations	3.95	0.02
	30 June 2025	30 June 2024
	\$'000	\$'000
(c) Reconciliation of profit in calculating earnings per share		
Profit from continuing operations attributable to ordinary equity holders of the Company	6,271	28
	30 June 2025	30 June 2024
(d) Weighted average number of shares		
Weighted average number of ordinary shares used in calculating basic earnings per share	150,553,408	165,214,443
Adjustment for calculation of diluted earnings per shares:		
Performance Rights	8,308,455	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	158,861,863	165,214,443

13. Subsequent events

To support anticipated growth in student enrolments in Melbourne, the Group entered into new leases to expand its footprint at 601 Bourke Street, Melbourne. The additional leased areas include Level 2, Level 3, and part of the Ground Floor. These leases will commence on 1 October 2025 and expire on 30 June 2029, aligning with the Group's existing leases for Levels 4, 6 and 7.

Fit-out costs are expected to be approximately \$2.5m, which includes works to ensure a consistent look and feel across all floors.

In light of the strong first-half results, positive trading outlook, and robust balance sheet, on 27 August 2025 the Board declared a maiden interim fully-franked dividend of \$0.01 per share (totalling \$1.5m), payable on 30 September 2025 to shareholders registered at the record date of 3 September 2025. The dividend will be paid out of a profit reserve established from current-year earnings. As the dividend was declared after the reporting date, no provision has been recognised in the financial statements for the half-year ended 30 June 2025.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect, the consolidated entity's operations, financial results, or state of affairs in future reporting periods.

Directors' Declaration

The Directors of EDU Holdings Limited (**Directors**) declare that:

- a) in the Directors' opinion, there are reasonable grounds to believe that the consolidated entity will be able to meet its debts as and when they fall due; and
- b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including complying with the Australian Accounting Standards and giving a true and fair view of the financial position and performance of the consolidated entity.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001*, for the Half-Year ended 30 June 2025.

Signed in accordance with a resolution of the Directors made pursuant to section 303(5) of the *Corporations Act 2001*.

On behalf of the Directors,



Gary Burg

Non-Executive Chair

27 August 2025

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of EDU Holdings Limited for the half-year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

A handwritten signature in blue ink that reads "RSM".**RSM AUSTRALIA PARTNERS**A handwritten signature in blue ink that reads "David Talbot".

David Talbot
Partner

Sydney, NSW
Dated: 27 August 2025

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of EDU Holdings Limited and its controlled entities

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of EDU Holdings Limited which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of EDU Holdings Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of EDU Holdings Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibility for the Half-Year Financial Report

The directors of the EDU Holdings Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors, being those charged with governance determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink, appearing to read 'D Talbot'.

David Talbot

Partner

RSM Australia Partners

Sydney, NSW

Dated: 27 August 2025

