

## **IDP Education Annual General Meeting**

### **Chairman's Address for the 2019 Financial Year**

**Tuesday 22 October 2019**

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Good morning and thank you for joining us today for our Annual General Meeting.

My name is Peter Polson, I am the Chairman of your company.

I will shortly hand over to Andrew Barkla, your CEO, to present the operating highlights of the 2019 financial year.

Before I do, I would like to share an update on our progress towards achieving our ambitious vision.

The financial year of 2019 marked a significant milestone for IDP Education.

This was the year we celebrated 50 years of pioneering international education services.

Over the last half century, IDP has evolved from a government-funded aid organisation to a global leader in our sector.

More importantly, we have helped more than half a million people enrich their lives through international education.

In 2019, I am pleased to report that, thanks to the leadership and hard work of our team, we delivered another outstanding result for our shareholders. This commitment and focus resulted in \$598 million in revenue, an increase of 23 per cent on the year prior.

Our strong profitability and cash flow allowed us to declare total dividends of 19.5 cents per share for the financial year which represented a payout ratio of 75 per cent.

In terms of capital growth our share price has performed strongly during the year. The closing price as at 30 June of \$17.66 represents a 68 per cent increase from the closing price on 30 June 2018.

As in previous years, our diversified business model and service offering held us in good stead as our customers' needs and preferences shifted in line with changes to domestic policies and global market trends.

The strategic foresight of IDP's board to expand our destination offer beyond Australia has continued to deliver returns this year. All destinations delivered double digit volume growth this year.

The addition of the Republic of Ireland to our destination offering has enhanced our ability to help students find the country that will best position them to achieve their education goals.

Turning our attention to our strategy and vision, in 2019 we began to realise the results from our investment in our digital transformation. With our business firmly focused on building the world's leading platform and connected community, we completed the implementation of the technology infrastructure and began expanding the capability of our people.

With our technology foundations in place, we introduced new ways of working that unite us as a global team, so that we can provide consistent and personalised support for all our students, wherever they are in the world.

In our digital marketing business stream, we finalised the integration of the Hotcourses Group and rebranded the new B2B division as IDP Connect. This new division, combined with the best of IDP's client services and excellence in digital marketing, has enabled us to form the definitive global dataset of our sector and will allow us to create valuable synergies from our 2017 acquisition.

In English language testing, our rapid roll-out of computer-delivered IELTS continued with the option now available in more than 120 test centres around the world. More availability, more choice in test format and a dramatic improvement to the test day experience has empowered our test takers to achieve their English language test goals. Our customers showed their appreciation for these improvements, with a record-breaking number of 1.28 million tests taken in 2019.

Our English language teaching (ELT) business stream had another successful year, recording 24 per cent revenue growth. While only a relatively small part of our overall business, the ELT teams in Cambodia and Vietnam continue to deliver high-quality services to students.

Looking ahead, we are excited about our roadmap for success.

As we refine our global platform and grow our connected community, we commit to being available to customers, no matter when or how they choose to engage with us.

I would like to take this opportunity to acknowledge our staff, our alumni, our customers and our shareholders.

Thank you for your support in FY19 and I look forward to continuing these partnerships in FY20 and for the next 50 years.

I will now hand over to Andrew Barkla to discuss the operational review.