

IDP EDUCATION LIMITED
ABN 59 117 676 463

Financial Report

For the year ended 30 June 2024

Appendix 4E
IDP EDUCATION LIMITED
ABN 59 117 676 463
Year ended 30 June 2024

Results for Announcement to the Market

	30 June 2024	30 June 2023	Movement	Movement
	\$'000	\$'000	\$'000	%
Revenue from ordinary activities	1,037,246	981,916	55,330	6
Net profit for the year	133,532	149,098	(15,566)	(10)
Net profit for the year attributable to the owners of IDP Education Limited	132,749	148,521	(15,772)	(11)

Dividends	Amount per ordinary share cents	Franked amount per ordinary share cents ¹
FY24 interim dividend paid	25.0	19.25
FY24 final dividend (declared after balance date)	9.0	5.49

¹ Franked at the Australian corporate tax rate of 30%

Record date for determining entitlement to the dividends

- FY24 interim dividend 8 March 2024
- FY24 final dividend 12 September 2024

Dividend payment date

- FY24 interim dividend 27 March 2024
- FY24 final dividend 26 September 2024

Net tangible assets per ordinary share	30 June 2024	30 June 2023
	cents	cents
Net tangible assets per share ²	(18.91)	(11.91)
Net assets per share	187.75	185.81

² Net tangible assets are defined as net assets less intangible assets and capitalised development costs.

A significant proportion of the Group's assets are intangible in nature, totalling \$575.2m (30 June 2023: \$550.3m), including software, goodwill, identifiable intangible assets relating to businesses acquired and capitalised development costs. These assets are excluded from the calculation of net tangible assets per share.

Other information

Additional Appendix 4E disclosure requirements and further information, including commentary on the Group's operating performance, results of segments and other factors affecting the results for the current financial year are contained in the Financial Report and the Group's FY24 Results Announcement.

The Consolidated Financial Statements contained within the Financial Report, upon which this Appendix 4E is based, have been audited by Deloitte Touche Tohmatsu.

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Directors' report

The Directors of IDP Education Limited, present the financial report of IDP Education Limited (the Company) and its controlled entities (the Group, IDP Education or IDP) for the financial year ended 30 June 2024.

Operating and financial review

Introduction

A summary of IDP Education's consolidated financial results for the year ending 30 June 2024 ("FY24") is set out in the table below. For FY24 the Group recorded total revenue of \$1,037m, Earnings Before Interest and Tax ("EBIT") (adjusted) of \$239m and Net Profit After Tax ("NPAT") (adjusted) of \$154m.

Summary Financials (A\$m)

	Unit	FY24	FY23	Growth	
				\$m	%
Total Revenue	A\$m	1,037.2	981.9	55.3	5.6%
Gross Profit	A\$m	662.8	613.9	49.0	8.0%
EBIT	A\$m	210.3	220.7	-10.4	-4.7%
EBIT (Adjusted)	A\$m	239.4	230.3	9.1	4.0%
NPAT	A\$m	133.5	149.1	-15.6	-10.5%
NPAT (Adjusted)	A\$m	154.3	155.9	-1.6	-0.9%
Basic EPS	cents	47.7	53.4	-5.7	-10.7%
Basic EPS (Adjusted)	cents	55.2	55.8	-0.7	-1.3%
Net Debt *	A\$m	156.6	42.4	114.2	269.3%

* Net debt is calculated as total interest bearing liabilities less cash on hand including short term investments (6-month term deposit) as at 30 June 2024

A reconciliation between reported and adjusted EBIT/NPAT is provided in the table below.

	FY24		FY23	
	EBIT \$m	NPAT \$m	EBIT \$m	NPAT \$m
EBIT/NPAT	210.3	133.5	220.7	149.1
Adjusted by the following significant items:				
Credit loss provision for customers in countries subject to foreign exchange control	7.7	5.4	0.2	0.1
Costs associated with business restructuring	5.5	4.0	-	-
Unrealised foreign exchange losses	10.3	7.2	2.3	1.6
Merger, acquisition and integration expenses	1.4	0.9	5.5	3.8
Intangible asset amortisation generated from business combinations	4.3	3.2	1.6	1.2
EBIT/NPAT (Adjusted)	239.4	154.3	230.3	155.9

The Directors believe these adjustments and other non-IFRS measures included in this report are relevant and useful in measuring the financial performance of the Group. Whilst the significant items above have been added back to present EBIT/NPAT (Adjusted) at a Group level, they have not been adjusted at a segment level, hence they remain included in the segment results discussed below.

Later in the report on page 10 - Underlying Growth section, the Directors also present "underlying" financial measures which normalise for the effect of foreign exchange movements year on year (financial measures presented assuming constant foreign exchange rates). The Directors believe that these "underlying" metrics provide useful information to assess the performance of the Group.

Review of Operations

IDP has a large global footprint and a diversified business model across its key business lines. As a result, the aggregate performance of the Group for any given year is driven by a large number of variables across many countries. This report provides a high-level summary of the highlights and key drivers during the year.

The operating and financial performance of IDP in FY24 was impacted by a slow-down in the international education industry with each of IDP's main destination markets introducing a range of more restrictive policy settings during the year that reduced the size of the international student market for the UK, Canada and Australia.

The implementation of these tighter regulatory conditions occurred primarily in the second half of the financial year. Prior to these regulatory changes the Group was performing strongly, with revenue and EBIT for the first half of FY24 up 14% and 21% respectively (versus H1 FY23). This momentum primarily reflected a 33% increase in student placement volumes in H1 FY24 as IDP continued its strong rebound post the pandemic via a combination of rising market share and growing industry volumes.

From late calendar year 2023, governments in the UK, Canada and Australia began to change policy settings with the aim to reduce the total volume of international students in their countries. These changes reflected an underlying desire to reduce population growth given ongoing inflation-induced cost of living pressures along with housing and other infrastructure shortages.

The policy changes were numerous and included:

- Australia - increased visa rejection rates, reduced post-study work rights for some students and increased visa processing charges, proposed cap on the volume of new international students from calendar year 2025;
- Canada - introduced cap on the volume of new international students, additional documentation requirements for visas and removed post-study work rights for some students, and
- UK - removed the ability for most student visas to bring dependents, introduced restrictions on the ability to switch courses and visa category and increased visa processing charges.

The impact of these policy changes were observed in IDP's Student Placement business, whilst IDP continued to take market share by strongly outperforming the broader market, the synchronised change in regulatory settings impacted student sentiment and conversion in the second half of the financial year. The impact of the changing policy environment led to softer trading conditions in all markets during the second half of the year, the biggest impact was felt in South Asian countries where student sentiment is most sensitive to visa approval rates and immigration policies.

The impact of these policy changes were also reflected in IDP's English Language Testing business, with IELTS volumes declining sharply in the second half particularly in markets like India, Pakistan and Bangladesh. In the period prospective test takers faced international student caps in Canada, removal of ability to bring dependents and uncertainty regarding post-study work rights in the UK and higher visa rejection rates for Australia, and in this environment we observed they increasingly deferred their international ambitions until a more certain regulatory environment returns.

In addition to the headwinds caused by policy changes, IELTS volumes were also impacted by a more competitive environment for Canadian bound test takers. From August 2023 the Canadian government accepted three additional tests for a key student visa category and in January 2024 accepted an additional test for all economic visas and permanent residency applications.

Offsetting the softer volume environment has been a continuation of solid growth in average fees and disciplined cost controls. In response to the changing industry environment, IDP sought to reduce its operating expenses during the second half of the financial year via disciplined cost control resulting in a reduction in discretionary spending, and a restructure that resulted in a reduction in overall staff numbers of approximately 6%. The charges associated with the restructure (\$5.5m) were recognised in full in the current financial year, the benefit of which will be realised next year with a cost base that is more aligned with the challenging operating environment.

Despite the broader industry headwinds, IDP continued to enhance its position as the leading global provider of international student recruitment services and IELTS remains the most widely used English Language test.

During the period the company continued to invest in its strategic growth drivers which it believes will underpin long term shareholder value creation. This ongoing investment in FY24 included a capital investment program that covered physical network expansion to drive increased reach along with software development to drive the ongoing creation of new products and services that differentiate IDP from its competitors.

For more information please refer to IDP's corporate strategy which is summarised on page 11.

Segment Performance

IDP Education views and manages its business on a geographic basis. Country and regional management are responsible for all activities in their geographic region across each of the Group's key products (Student Placement, English Language Testing and English Language Teaching). As a result, the Group's key reporting segments comprise geographic regions. The sections below discuss the Group's results across its three geographic regions.

A reconciliation of segment performance to Group's performance for the year is presented in Note 2 of the financial report.

Asia

The table below shows the Group's results across its Asian region which includes the following countries: Bangladesh, Cambodia, China, Hong Kong, India, Indonesia, Japan, Laos, Macau, Malaysia, Mauritius, Myanmar, Nepal, Philippines, Singapore, South Korea, Sri Lanka, Taiwan, Thailand and Vietnam.

Asia Segment – Financial Summary

	Unit	FY24	FY23	Growth	
				\$m	%
Total Revenue	A\$m	742.1	726.3	15.8	2.2%
EBIT	A\$m	287.1	290.6	-3.5	-1.2%
EBIT Margin	%	39%	40%		
% of Total Group Revenue	%	72%	74%		
% of Total Group EBIT (Excl Corporate Overheads)	%	86%	85%		

Asia is IDP's largest segment with approximately 72% of Group revenue being generated from countries within the region. Total revenue in the Asian segment rose 2.2% for the year versus FY23.

The largest contributor to the region is India where IDP has a large operating footprint and leading market position. Indian student placement volumes rose 13% in FY24 with growth to Canada (+26%), Australia (+7%), and the USA (+20%) offsetting lower volumes to the UK (-7%). This performance exceeded overall market growth rates for each destination reflecting a strong increase in IDP's market share. The solid performance in Student Placement offset a weaker year for IELTS in India with volumes down 42%. As mentioned earlier this was due to the impact of restrictive policy changes in key destination markets compounded by a more competitive environment for Canadian bound test takers.

IDP's operations in China performed well during FY24 with student placement volumes increasing by 30% versus FY23 levels driven mainly by a strong rebound in Australian course enrolments.

Outside of India and China, IDP's performance in the rest of Asia was generally strong with student placement and IELTS volume growth across many countries, most notably Vietnam, Bangladesh, and Indonesia.

The English language teaching business which includes schools in Cambodia, Vietnam and Taiwan delivered revenue growth of 19% growth with the majority of the growth coming from Cambodia.

Australasia

The table below shows the Group's results across its Australasian region which includes the following countries: Australia, Fiji, New Caledonia and New Zealand.

Australasia Segment – Financial Summary

	Unit	FY24	FY23	Growth	
				\$m	%
Total Revenue	A\$m	54.8	44.3	10.5	23.7%
EBIT	A\$m	9.0	4.4	4.6	103.8%
EBIT Margin	%	16%	10%		
% of Total Group Revenue	%	5%	5%		
% of Total Group EBIT (Excl Corporate Overheads)	%	3%	1%		

The Australasian segment performed strongly for the year with strong revenue growth and disciplined cost control driving a doubling of EBIT versus FY23. The key drivers of the revenue performance were strong volume and price increases for onshore IELTS and Student Placement in Australia. This reflected an increase in the number of onshore students graduating from prior courses and seeking to move into subsequent studies or other visa categories.

Whilst a smaller contributor, IDP's New Zealand operations also benefitted from a larger pool of students in the country seeking further study or migration opportunities.

Rest of World

The table below shows the Group's results across the Rest of World region which includes: Argentina, Azerbaijan, Bahrain, Brazil, Canada, Chile, Colombia, Cyprus, Ecuador, Egypt, France, Germany, Ghana, Greece, Iran, Ireland, Italy, Jordan, Kazakhstan, Kenya, Kuwait, Lebanon, Mexico, Morocco, Nigeria, Oman, Pakistan, Peru, Poland, Qatar, Romania, Russia, Saudi Arabia, Spain, Switzerland, Turkey, Uruguay, Ukraine, Uzbekistan, the United Arab Emirates ("UAE"), the United Kingdom, and the United States of America.

Rest of World Segment – Financial Summary

	Unit	FY24	FY23	Growth	
				\$m	%
Total Revenue	A\$m	240.4	211.3	29.0	13.7%
EBIT	A\$m	38.7	45.2	-6.6	-14.5%
EBIT Margin	%	16%	21%		
% of Total Group Revenue	%	23%	22%		
% of Total Group EBIT (Excl Corporate Overheads)	%	12%	13%		

The Rest of World recorded a 14% increase in revenue which comprised a 24% growth in Student Placements revenue and 9% growth in English Language Testing revenue.

The Rest of World generates approximately sixty percent of its revenue from English Language Testing which comes from a diverse testing footprint across many countries. During FY24 the performance of IELTS across the segment was mixed with solid growth in markets like Pakistan, Turkey and Uzbekistan offset by declines in other key markets like UAE, Iran, Kuwait and Qatar. The segment also saw strong growth in onshore testing volumes in Canada where a large pool of existing international students sought re-testing for further studies and other visa categories.

Student Placement volumes in this segment rose 15% which was largely due to strong growth in volumes to the UK and Canada predominantly from key markets like UAE, Pakistan and Nigeria. FY24 was the first full year of operation of the Sub-Saharan African business acquired via from Intake Education. The addition of volumes from Nigeria, Ghana and Kenya supported the overall performance particularly for the UK market which is the most popular destination for students from these countries.

The decline in EBIT in the segment primarily reflects the inclusion of provisions for a credit loss (\$7.7m) associated with third party test centres in countries subject to foreign exchange controls, which have impacted the Group's ability to receive amounts due. The Group is continuing its effort to establish a payment pathway that complies with the applicable foreign exchange controls. The segment result was also impacted by foreign exchange movements year on year, in particular the devaluation of currencies such as the Nigerian Naira and the Egyptian Pound.

Results by Service

To aid the reader's understanding of the Group's results, IDP Education has also prepared financial results by secondary segments which show revenue and gross profit by service. The analysis below discusses the operational and financial highlights for each of the Group's services.

Student Placement

IDP's Student Placement operations cover a number of activities. For reporting purposes the activities have been grouped as follows:

- **Placements** – this represents revenue generated from the placement of an international student with an educational institution. The majority of revenue is received from the institutions directly via the payment of a commission to IDP. The activity also includes any fees paid by the student to IDP along with any referral fee received via the referral of students to third parties that provide ancillary services such as health insurance, accommodation and fund transfers
- **Other Services** – This category represents revenue generated by activities that are closely aligned to the overall Student Placement business model but do not directly flow from the placement of a student. Revenue included here includes monies received from institutions for digital marketing services, events, consultancy and data services, and peer-to-peer marketing via The Ambassador Platform

The table below presents a summary of the key operational and financial statistics for Student Placement. The majority of revenue from this service line arises from Placements which represents almost 90% of revenue. During FY24 Placements revenue rose 28% which was driven by a 17% increase in volumes and 10% increase in average fee.

Despite tighter visa settings and a decline in overall industry volumes, IDP delivered an increase in volumes to each of its destinations versus FY23. This included a 31% increase in volumes to Canada, a 26% increase to the USA, a 15% increase to Australia and a 60% increase to New Zealand.

This strong volume performance was accompanied by an average fee increase of almost 10% which resulted from higher tuition fees, increases in underlying commission rates, a favourable shift in course mix towards higher tuition programs and a small foreign exchange translation benefit.

Revenue from Other Services increased 21% in FY24 which primarily reflected an 8% increase in digital marketing sales, a 34% increase in revenue from events and the inclusion of peer-to-peer revenue following the acquisition of The Ambassador Platform in May 2023.

At an aggregate level gross profit margins across this service line were largely unchanged versus FY23. Margins for Other Services declined due to a higher portion of revenue being generated from events which generate a lower profit margin than the other activities in this grouping.

Student Placements – Operational and Financial Summary

				Growth	
	Unit	FY24	FY23	Unit	%
<u>Placement Volumes</u>					
- Australia	000's	40.7	35.4	5.2	14.7%
- Other Destinations	000's	<u>58.3</u>	<u>49.2</u>	<u>9.1</u>	<u>18.5%</u>
- Total Volumes	000's	98.9	84.6	14.3	16.9%
<u>Revenue</u>					
Placements					
- Australia	A\$m	193.3	152.0	41.3	27.2%
- Other Destinations	A\$m	<u>257.1</u>	<u>199.2</u>	<u>57.9</u>	<u>29.1%</u>
Total Placements Revenue	A\$m	450.4	351.2	99.2	28.3%
Other Services	A\$m	<u>58.0</u>	<u>47.8</u>	<u>10.2</u>	<u>21.3%</u>
Total Student Placement Revenue	A\$m	508.3	399.0	109.4	27.4%
<u>Gross Profit</u>					
Placements	A\$m	384.1	300.3	83.8	27.9%
Other Services	A\$m	<u>28.2</u>	<u>25.5</u>	<u>2.7</u>	<u>10.7%</u>
Total Gross Profit	A\$m	412.3	325.8	86.5	26.5%
<u>Gross Profit Margin</u>					
Placements	%	85%	86%		
Other Services	%	49%	53%		
Total Gross Profit	%	81%	82%		
<u>Average Placement Fee (A\$)*</u>					
- Australia	A\$	4,755	4,290	465.0	10.8%
- Other Destinations	A\$	4,412	4,050	362.0	8.9%
- Total	A\$	4,553	4,151	402.0	9.7%

Notes:

* The Average Fee for Student Placement shown in this table is calculated as total Placements revenue divided by the number of courses IDP Education enrolled students into at its client education institutions during the period. Total Placements revenue includes all revenue associated with all placements including any revenue received from the student. It does not however include revenue from Other Services. Volume data to calculate the Average Fee only includes IDP Education client education institution course enrolments and excludes course enrolment volumes at education institutions that are not clients of IDP Education.

English Language Testing

The impact of tighter policy settings across the UK, Canada and Australia was most keenly felt in IDP's English Language Testing service line. The total number of IELTS tests delivered by IDP declined by 18% relative to FY23. Despite a strong 9% increase in average testing fees, total revenue for English Language Testing declined 11% for the year.

The biggest impact was in India where volumes declined 42% v FY23. Volumes outside of India were more resilient with aggregate IELTS volume growth of 12% for markets other than India.

The 9% increase in average fees recorded across the Group reflected strong underlying prices increases along with the beneficial impact of a greater percentage of tests being administered in higher price markets.

The decline in gross profit margins in part reflected an increase in the fees charged by Cambridge for their service in the IELTS test.

English Language Testing – Operational and Financial Summary

	Unit	FY24	FY23	Growth	
				Unit	%
Volumes	000's	1,584.1	1,932.5	-348.4	-18.0%
Revenue	A\$m	485.1	545.5	-60.3	-11.1%
Gross Profit	A\$m	220.9	263.1	-42.2	-16.0%
Gross Profit Margin	%	46%	48%		
Average Fee	A\$	306.3	282.3	24.0	8.5%

The Average Fee for English Language Testing is the average of all English Language Testing revenue divided by the total number of IELTS tests conducted during the period.

English Language Teaching

IDP Education's English Language teaching business comprises 13 schools across Cambodia, Vietnam and Taiwan. The business line delivered a strong performance in aggregate for the year with total course volumes up 13% and average fees up 5%. This resulted in revenue growth of 19% and a slight increase in gross profit margin.

The majority of the growth in English Language Teaching was delivered in Cambodia where strong demand for English language learning along with a leading industry position allowed IDP's schools, branded as the Australian Centre for Education ("ACE"), to deliver 22% revenue growth for the year. The Vietnamese schools reported an 8% decline in revenue with increasing competition and a move to shorter, lower price point courses undermining revenue and profitability. Whilst a relatively small operation, the schools in Taiwan which specialise in IELTS preparation courses delivered a strong performance for the year.

English Language Teaching – Operational and Financial Summary

	Unit	FY24	FY23	Growth	
				Unit	%
Courses	000's	106.6	94.3	12.3	13.0%
Revenue	A\$m	39.8	33.4	6.4	19.1%
Gross Profit	A\$m	26.5	21.8	4.6	21.3%
Gross Profit Margin	%	67%	65%		
Average Course Fee	A\$	373.3	354.3	19.0	5.4%

Financial Position

The financial position of IDP Education remains strong. As at 30 June 2024 the Group had total assets of \$1,256m (2023: \$1,233.4m) of which 44% related to intangible assets and the remaining being comprised primarily of cash, trade receivables, contract assets and right-of-use assets. Total assets exceeded total liabilities by \$523m (2023: \$517m).

In December 2023, the Group completed the refinance of its borrowing facilities, which resulted in an increase in limit and an extension of their maturity to December 2026 and December 2028. As at 30 June 2024, IDP has the following debt facilities:

Australian Dollar \$360,000,000	Facility A: Acquisition funding unsecured Cash Advance loan facility for acquisitions and general purpose
Australian Dollar \$85,200,000	Facility B: Unsecured Cash advance facility to support both general corporate purposes and working capital requirements of the Group

During the current financial year, \$70m (net) was drawn down to fund the deferred consideration for the acquisition of Intake Group and working capital requirements.

The total drawn debt was \$279.2m at 30 June 2024 with transaction costs of \$1.5m incorporated into the carrying value presented in Note 18.

From a cash perspective the Group had \$107.6m of cash on the balance sheet as at 30 June 2024 along with \$13.5m of short term investments in the form of a term deposit.

Foreign Exchange

IDP Education currently earns revenues and incurs expenses in approximately 50 currencies and as a result is exposed to movements in foreign exchange rates. It is therefore important to consider IDP Education's financial performance on an underlying basis by excluding the impact of foreign exchange movements during the year.

To illustrate the impact of foreign currency exchange rate movements on the FY24 result, IDP Education has restated its FY23 results below using the foreign exchange rates that were recorded in FY24. By comparing FY24 actuals to the restated FY23 results, IDP Education is able to highlight the underlying performance of the business during the period.

The table below summarises this analysis, highlighting that foreign exchange movements had a small positive impact on revenue and a negative overall impact on profit.

On average across the year, the Australian dollar traded below the average exchange rates in FY23 for the US Dollar ("USD"), UK Pound ("GBP"), Canadian Dollar ("CAD") and the Indian Rupee ("INR") whilst the average rate was marginally higher against the Chinese Yuan ("CNY"). Along with movements in a range of other currencies, the net impact of this was a \$8m favourable movement in revenue (relative to the headline growth reported on page 3), and a \$0.8m and \$1.2m negative impact on EBIT and NPAT respectively.

Underlying Growth

	Unit	FY24	FY23*	Growth	
				\$m	%
Total Revenue	A\$m	1,037.2	990.1	47.1	4.8%
Gross Profit	A\$m	662.8	615.6	47.3	7.7%
EBIT	A\$m	210.3	219.9	-9.5	-4.3%
EBIT (Adjusted) **	A\$m	239.4	228.7	10.7	4.7%
NPAT	A\$m	133.5	147.8	-14.3	-9.7%
NPAT (Adjusted) **	A\$m	154.3	154.1	0.2	0.1%

* Calculated by restating the FY23 results using the foreign exchange rates that were recorded in FY24.

** Adjusted EBIT and NPAT exclude acquired intangible amortisation, merger and acquisition expenses and integration expenses, unrealised FX losses, specific provision for customers in countries subject to foreign exchange controls and costs associated with corporate restructuring. Refer to page 3.

IDP Education utilises a variety of methods to manage its foreign currency exchange rate risk. The key method is the use of forward exchange contracts and currency option contracts. IDP Education's hedging policy requires it to put in place hedges to cover the expected net cash operating flows of certain key currencies including the GBP, INR, CNY, USD, and CAD.

IDP's Strategy

IDP's purpose is to transform lives through international education. We believe in the power of international education at an individual and societal level. Our purpose is embedded in our culture and values.

Our strategy aims to establish IDP as the first choice for people with international education ambitions. The strategy is built on three key pillars – reach, trust and innovation. We will engage with more people in more places, as their trusted partner, to deliver exceptional outcomes.

Supporting our strategy are our key enablers – our diverse and talented people, leading innovation data and technology, outstanding customer experiences and our respected global brands. We align our investment to these enablers and track performance against key short term and long-term metrics that measure our success.

IDP's Global Strategy

Our purpose is

To transform lives through international education

We aspire to be

The clear first choice for people with international education ambitions

We will achieve this by

Engaging with more
people in more places

As their most
trusted partner

To deliver
exceptional outcomes

Enabled by our

Diverse and
talented people

Leading innovation,
data and technology

Outstanding
customer experiences

Respected
global brands

Engaging with more people in more places

IDP has spent 50 years building its reputation as the leading global brand for student placement and language testing – we aspire to support even more students and test takers across more parts of the globe to help them realise their international education ambitions. We have unmatched digital and physical scale, with experts on the ground in more than 60 countries providing critical support to students and test takers.

We have built our business across markets in Asia and the Middle East, and these countries will remain core growth drivers for the business. To supplement this footprint we will continue to expand in emerging growth markets. In the coming years, we will expand our presence to support more people than ever before, and with policy settings in key destination markets increasingly focused on quality, we see a unique opportunity for IDP as the leading quality player, to continue to increase its market share.

Whilst trusted human connections are at the heart of our business model, our customers demand a contemporary service that includes leading technology and digital offerings. Our digital assets are amongst the most widely used in the industry and we will continue to invest in these to ensure we reach more people in more ways.

As their most trusted partner

Our customers place their trust in us to help them make one of the most important decisions of their lives.

Our premise is simple: international education thrives when students are matched with the right country, with the right course, with the right support system.

We continue to invest in our processes, systems and solutions to ensure students have the academic background, English language proficiency and financial capacity in place that positions them for success abroad.

We leverage our unique data and insights to proudly champion the voices of our students and customers, so their needs and motivations are understood by policy makers.

We collaborate with governments and educational bodies by providing real-time student demand data and leveraging our expertise in international education to inform influential policies. Trusted as a key voice for the industry, we're creating meaningful change, shaping the future of higher education and empowering the next generation.

IELTS is the leading high-stakes language test. It is trusted by more organisations globally than any other test. This position is built on the test's quality, which is underpinned by its accuracy, reliability and security. We will invest in the development of IELTS to continually enhance these features while improving the appeal of the test to test takers.

To deliver exceptional outcomes

We aspire to be our customers' first choice by delivering where others can't, with our unique combination of trusted human connection enhanced by digital innovation.

It is our combination of expert people, combined with unmatched data and leading technology that allows us to develop unique new solutions that solve our customers biggest challenges.

We build new products that solve real problems for our customers so they can achieve their big life goals.

Our unbiased guidance helps students build personalised pathways to success. We look to use new technologies to enhance human connections rather than replace them.

Key Risks

An investor in IDP Education needs to consider the risks that have the potential to impact the financial performance of the Group going forward. IDP actively monitors and manages its risks to minimise the impact on the Group's future financial performance. IDP has a risk management framework and policy overseen by the Board and supported by the Audit and Risk Management Committee (see also the Corporate Governance Statement).

A summary of the key risks and the actions IDP is taking to manage these risks, are outlined below.

Risk Area	Key Challenges	Mitigations
Regulatory and Policy Risk	IDP's operations are impacted significantly by the policy and regulatory settings of its key destination markets, Australia, the USA, the UK, Canada, New Zealand and Ireland. Changes in these geographies with respect to immigration, regulatory (education, immigration, financial etc.) and /or visa requirements can have a direct impact on IDP's operating and financial performance.	• Maintain a diversified portfolio of operations across multiple geographies and business lines • Engage with Governments to ensure the needs of the industry and the business are understood • Focus the business on high quality institutions to minimise the volatility in volumes that can occur in some parts of the industry
Geopolitical	Political and social instability, natural disasters, pandemics, geopolitical conflicts and other similar issues have the potential to impact direct operations in geographies that IDP operates, as well as impact the flow of people between countries.	• Maintain a diversified portfolio of operations across multiple geographies and business lines • Robust business continuity and disaster recovery planning • Manage the balance sheet to ensure strong liquidity and access to multiple funding sources
Competition	IDP operates in highly competitive markets in most geographies in both high stakes English language testing and student placements product offerings. Competitive threats to IDP's market position include price competition, increased acceptance of other language tests by institutions and governments, expansion of new and existing competitors in existing markets, customer experience and product innovation by competitors. IDP's ability to respond to competitive threats in the English Language Testing market can be further constrained by the need to coordinate and agree changes to IELTS testing with the other co-owners of IELTS (Cambridge Assessment and the British Council).	• Vigilance in monitoring local and global competitive trends and operating metrics. • Invest in ongoing product innovation and development including effective and fast-paced digital product delivery • Maintain high quality standards to ensure a reputation as a quality/trust-based operator • Invest in brand and marketing activities • Work closely with the co-owners of IELTS to develop and implement a product roadmap for IELTS
Privacy and Cybersecurity	Maintaining privacy and security of all data, including the personal data of our customers, clients, students, employees and company data is critical. The nature of cyber attacks is constantly evolving and can include sophisticated phishing scams and attacks on critical infrastructure. Additionally, the privacy and security of the data we hold may be compromised by breaches of our information technology security and unauthorised or inadvertent release of information through human error, malware or other means. In addition to the threat of data breaches, the impact of cyberattacks also has the potential to cause material business disruption to IDP's operations which may impact IDP's ability to meet its financial objectives.	• Invest in a dedicated privacy and cyber security team that has a multi-year strategy to uplift IDP's technical and operational capability • Alignment of IDP's privacy policies and processes to Australian Privacy principles, GDPR and other local requirements • Use external benchmarking and support for maturity assessment and controls testing • Initiatives to raise employee cyber awareness and vigilance have been implemented and continue to be reinforced.

Talent and Culture	IDP's people are critical to the successful execution of its strategy and the delivery of quality outcomes for our customers. IDP faces challenges in attracting and retaining a talented, skilled, and diverse leadership team and workforce, along with ensuring that it continues to build and maintain its positive workplace culture. This is due to a highly competitive environment for specialist and mission-critical skills, the challenging sector wide operating environment, and pressures on IDP to manage competing priorities including growth, cost and efficiency objectives.	• Clearly defined people centric values embedded in decision making and at all levels of IDP • Competitive compensation and benefits packages • Strong employer branding and employee value proposition • Focused talent acquisition, leadership development and succession planning strategies • Comprehensive diversity and inclusion, culture and engagement initiatives including certified participation in WGEA Employer of Choice, and Great Place to Work programs.
Tax Risk	Tax legislation and regulation vary across each country in which IDP operates, including in the approach taken by each regulator. This can create risks relating to tax liabilities, as well as the timeframes for tax matters to be finalised. The global nature of IDP's operations results in significant complexity in managing the Group's tax affairs. Further detail is set out in Note 30 (Contingent Liabilities) to the Financial Statements.	• Diversified geographies and business model • The employment of qualified tax resources globally and within each of IDP's Regions • IDP has a tax risk management framework in place to establish a consistent approach to the management of tax risks • The use of qualified auditors and subject matter experts globally and within each of IDP's Regions
Foreign Exchange Risk	IDP's global operations expose it to fluctuations in foreign exchange rates which can lead to both realised and unrealised foreign exchange gains and losses. There may also be foreign exchange controls which restrict, prohibit or delay the repatriation of cash in some instances and may also result in foreign exchange gains and losses that impact IDP's financial results.	• Diversified geographies and business model • The employment of a centralised and professional treasury function • The use of hedging (natural and contract) to manage exposures • The use of external subject matter experts on complex matters • Proactive monitoring of sanctions compliance and its impact on cash repatriation, and subsequent FX exposures, across IDP's global operations • Manage the balance sheet and cash flow to ensure strong liquidity and access to multiple funding sources
Environmental, Social, Governance (ESG)	IDP is committed to ensuring it meets internal and external stakeholder expectations with respect to ESG activities. Failing to ensure IDP's ESG activities are integrated in strategy and business planning, aligned to evolving expectations and requirements (e.g. mandatory climate disclosures) and supported by appropriate resourcing and governance arrangements could result in a loss of stakeholder confidence and a failure to take advantage of relevant opportunities.	• Integrate IDP's ESG activities into strategy and business planning and aligned to evolving expectations and requirements (e.g. mandatory climate disclosures) and supported by appropriate resourcing. • Established governance policies and processes • Internal and external engagement on ESG materiality and evolving requirements

Directors

The following persons were Directors of IDP Education Limited during the financial year and up to the date of this report unless otherwise stated:

Name	Particulars
Peter Polson	Non-Executive Director and Chairman
Tennealle O'Shannessy	Managing Director and Chief Executive Officer
Ariane Barker	Non-Executive Director
Andrew Barkla	Non-Executive Director (appointed on 12 September 2023)
Tracey Horton AO	Non-Executive Director
Chris Leptos AO	Non-Executive Director
Professor Colin Stirling	Non-Executive Director
Michelle Tredenick	Non-Executive Director
Greg West	Non-Executive Director

Director	Experience, qualifications and expertise
Peter Polson Non-Executive Director and Chairman	- Peter was appointed as a Non-Executive Director and Chairman of IDP Education in March 2007 and became Chairman of IDP Education Limited when the company was listed on the Australian Stock Exchange in November 2015. - Peter has broad experience in the global financial services industry. He was previously Managing Director of Colonial First State Group, the international funds management business within the Colonial Group and before that an executive with the Commonwealth Banking Group with responsibility for all investment and insurance services. These included the group's funds management, master funds, superannuation and insurance businesses and third-party support services for brokers, agents and financial advisers. - He is currently Chairman of Avant Group Insurance Limited and Very Special Kids. Until October 2022, Peter was Chairman of Challenger Limited (ASX: CGF, listed company director from November 2003 to October 2022) and Challenger Life Company Limited. - Peter is also a Director of Avant Mutual Group Limited and Avant Group Holdings Limited.
Tennealle O'Shannessy Chief Executive Officer and Managing Director	- Tennealle was appointed as Chief Executive Officer and Managing Director of IDP in February 2023. - Tennealle has over twenty five years of professional experience, including scaling online education and employment platforms and e-commerce businesses. - Prior to joining IDP, Tennealle was CEO of Adore Beauty, Australia's number one online beauty retailer, where she led the successful listing of the company on the ASX in 2020. - Prior to this role, Tennealle spent almost ten years with SEEK, a global market leader in online employment marketplaces and education services, where she held the role of Managing Director - Americas. Whilst at SEEK, she also held a number of global strategy focused positions, including the start-up and scaling of Online Education Services, a public-private partnership between SEEK and Swinburne University. - Earlier in her career, Tennealle was a consultant with global tier-one management consulting firm Kearney, focusing on strategic and operational CEO-agenda issues.
Ariane Barker Non-Executive Director	- Ariane was appointed as a Non-Executive Director of IDP Education at the completion of its IPO in November 2015 and is Chair of the Audit and Risk Committee. - Ariane is a Board Member of Commonwealth Superannuation Corporation since September 2013, where she Chairs the Governance Committee, the ARIA Investment Trust and is a member of the HR and Remuneration Committee. In June 2024 Ariane was appointed a Board Director and member of the Finance and Investment Committee at St Vincent's Health Australia. She was a former Board Director of Atlas Arteria (ASX: ALX, listed company director from March 2021 to December 2022). - Ariane has extensive experience in international finance, risk management, debt and equity capital markets and venture capital, with over 20 years in senior executive roles at JBWere (part of National Australia Bank), Merrill Lynch, Goldman Sachs and HSBC in the United States, Europe, Japan, Hong Kong and Australia. She was previously the CEO of Scale Investors from 2017 to February 2021. - Ariane is a Fellow and graduate of the Australian Institute of Company Directors (AICD).

Director	Experience, qualifications and expertise
Andrew Barkla Non-Executive Director	- Andrew was appointed as a Non-Executive Director of IDP Education on 12 September 2023. - He has extensive experience in the technology, services, and software industry, with more than 20 years of senior management experience in roles across Australia, New Zealand, Asia and North America. - Andrew was CEO and Managing Director of IDP Education from August 2015 until September 2022. Prior to joining IDP Education, Andrew worked for SAP as President of Australia and New Zealand. Before this, he held leadership roles at Unisys, including Vice President of Unisys' Asia Pacific Japan operations covering 13 countries, Member of Unisys' Global Executive Committee, and Chairman of Unisys West: a technology services joint venture between BankWest and Unisys. - Earlier in his career, Andrew was Vice President and General Manager of PeopleSoft's Asia Pacific region prior to the company's acquisition by Oracle. - Andrew is currently Chair of Capsifi and is an Advisory Board Member at Guroo Learning.
Tracey Horton AO Non-Executive Director	- Tracey was appointed as a Non-Executive Director of IDP Education in September 2022 and is Chair of the Remuneration Committee. - Tracey is an experienced company director with extensive international experience in leadership and senior management in the education industry and management consulting. - Tracey is currently a Director and Chair of the Human Resources and Remuneration Committee of the GPT Group (ASX: GPT, listed company director since May 2019), a Non-Executive Director of Campus Living Villages Pty Ltd and of IMDEX (ASX:IMD, listed company director since November 2023). - Previously, Tracey served on the Boards of leading listed companies, including as Chair of Navitas and Non-Executive Director at Automotive Holdings Group, Skilled Group and Nearmap. She has held several leadership roles in the not-for-profit sector, including President of the Chamber of Commerce and Industry of WA and Deputy Chair of the Australian Institute of Company Directors.
Chris Leptos AO Non-Executive Director	- Chris was appointed as a Non-Executive Director of IDP Education at the completion of its IPO in November 2015. - Chris is also the Chairman of Summer Foundation, Chairman of Liverty Housing, and the Independent Reviewer of the Food and Grocery Code under the Competition and Consumer Act. - Previously, Chris was a Senior Partner with KPMG and Managing Partner Government at Ernst & Young where he had national responsibility for leading the public sector and higher education practice. - In 2000 he was designated a Member of the Order of Australia for services to business and the community, and in 2022 he was designated an Officer of the Order of Australia for services to the public sector and education. - He is a Fellow of the Institute of Chartered Accountants and a Fellow of the AICD.
Professor Colin Stirling Non-Executive Director	- Colin was appointed as a Non-Executive Director of IDP Education in February 2018. - He is the President and Vice-Chancellor of Flinders University and brings more than thirty years of experience in international education in Australia, the UK and the USA. - Colin is currently a Director of both Education Australia Limited and the General Sir John Monash Foundation and has held various other board positions across health, academic and community organisations. - Educated at the University of Edinburgh and with a PhD from the University of Glasgow, Colin began his award-winning scientific career at the University of California, Berkeley.
Michelle Tredenick Non-Executive Director	- Michelle was appointed as a Non-Executive Director of IDP Education in September 2022. - Michelle is a company director with extensive experience in businesses operating in a broad range of industries, including banking, insurance, wealth management, education services, health insurance, superannuation, and technology. She also runs her own corporate advisory business advising boards and CEOs on strategy and technology. - She currently serves on several listed and private company boards. She is on the board of Insurance Australia Group Ltd (ASX: IAG, listed company director since March 2018), Urbis Pty Ltd, and a Non-Executive Director and Lead Independent Director at First Sentier Investors Holdings Pty Ltd and Hub24 Ltd. (ASX: HUB, listed company director since June 2024). Michelle served as a Non-Executive Director of the Bank of Queensland from 2011 to 2020 and Cricket Australia from 2015 to 2022. Michelle was also formerly a Director of the Ethics Centre and Zafin Labs Americas Inc., and a Senate Member of the University of Queensland.

Director	Experience, qualifications and expertise
Greg West Non-Executive Director	- Greg was appointed as a Non-Executive Director of IDP Education in December 2006. - Greg is on the Council of the University of Wollongong and is Chair of the Audit Committee. Greg is a director of UOWGE Limited, a business arm of the University of Wollongong with universities in Dubai, Hong Kong and Malaysia. Greg is also a Director and Chair of Education Australia Limited and Education Centre of Australia Limited and Director of St James Foundation Limited - Previously, Greg was Chief Executive Officer of a dual-listed ASX biotech company. He was a Director of Fertoz Limited (ASX: FTZ, listed company director from February 2022 to June 2024) and was also formerly a Director of Tiny Beans (ASX: TNY, listed company director from March 2022 to October 2022). He has worked at Price Waterhouse and has held senior finance executive roles in investment banking with Bankers Trust, Deutsche Bank, NZI and other financial institutions. - Greg is a Chartered Accountant with experience in the education sector, investment banking and financial services.

Company Secretary

The Company Secretary is Ashley Warmbrand. Mr Warmbrand is a highly experienced company secretary and general counsel, with over 20 years' experience working in both global and large ASX listed organisations.

Meetings of Directors

The following table sets out the number of meetings (including meetings of committees of directors) held for the year and the number of meetings attended by each Director.

	Board		Audit and Risk Committee		Remuneration Committee		Nomination Committee	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Peter Polson	7	7	7	7	3	3	4	4
Tennealle O'Shannessy	7	7	-	-	-	-	-	-
Ariane Barker	7	7	7	7	3	3	4	4
Andrew Barkla ⁽¹⁾	6	6	-	-	-	-	-	-
Tracey Horton AO	7	7	-	-	3	3	4	4
Chris Leptos AO	7	7	-	-	3	3	4	4
Professor Colin Stirling	7	7	-	-	-	-	4	4
Michelle Tredenick	7	7	7	7	-	-	4	4
Greg West	7	6	7	6	-	-	4	3

⁽¹⁾ Andrew Barkla was appointed as a director on 12 September 2023. He was appointed to the Nomination Committee on 18 June 2024.

Principal activities

The Group's principal activities during the year were:

- placement of international students into education institutions in Australia, UK, USA, Canada, New Zealand and Ireland. Placement services include counselling, application processing and pre-departure guidance as well as services that support the recruitment of students such as digital marketing, events, consultancy and data services and peer to peer software;
- distribution and administration of International English Language Testing System ("IELTS") tests, a globally recognised high-stakes English language test for study, work and migration purposes. IDP is a co-owner of IELTS with the British Council and Cambridge Assessment; and
- operation of English language schools in Vietnam and Cambodia.

There was no significant change in the nature of these activities during the year.

Significant changes in state of affairs

Chief Financial Officer

On 31 March 2024, Murray Walton stepped down from his role as IDP's Chief Financial Officer after more than 14 years in the position. Kate Koch was appointed to the role of Chief Financial Officer on 26 March 2024. Kate is an accomplished senior finance executive with broad international experience, including in the education and technology sectors. Kate will join IDP from SEEK Limited where she has held the role of CFO since June 2021.

Kate will commence with IDP in October 2024. In the interim period between 1 April 2024 and Kate commencing with IDP, the CFO responsibilities have been shared by the Finance Leadership Team, other members of the Global Leadership team and CEO.

Future developments

Information regarding likely developments in the operations of the Group in future financial years is set out in the Operating and Financial Review and elsewhere in the Financial Report.

Dividends

In respect of the financial year ended 30 June 2024, an interim dividend of 25.0 cents per share franked at 77% was paid on 27 March 2024. A final dividend of 9.0 cents per share franked at 61% was declared on 28 August 2024, payable on 26 September 2024 to shareholders registered on 12 September 2024.

In respect of the financial year ended 30 June 2023, an interim dividend of 21.0 cents per share franked at 25% was paid on 31 March 2023. A final dividend of 20 cents per share franked at 17% was declared on 22 August 2023, paid on 28 September 2023 to shareholders registered on 5 September 2023.

Events subsequent to balance date

There have been no matters or circumstances occurring subsequent to the end of the financial year that have significantly affected, or may significantly affect, the operation of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Directors' interests in securities

The following table sets out each director's relevant interest in the Company's ordinary shares, performance rights and service rights as at the date of this report:

	Number of Ordinary Shares	Number of Performance Rights	Number of Service Rights
Peter Polson	50,000	-	-
Tennealle O'Shannessy	9,802	75,007	4,361
Ariane Barker	30,000	-	-
Andrew Barkla	75,000	36,667	-
Tracey Horton AO	6,250	-	-
Chris Leptos AO	28,684	-	-
Professor Colin Stirling	5,757	-	-
Michelle Tredenick	10,500	-	-
Greg West	27,817	-	-

Environmental regulation and performance

The Group's operations are not subject to any significant environmental regulations under government legislation of the countries it operates in. The Group maintains adequate systems for the monitoring of any environmental regulations.

Indemnification and insurance of officers

During the year, the Company paid a premium in respect of a contract insuring the Directors of IDP Education Limited (as named above), the Company Secretary and all executive officers of IDP against a liability incurred as such a Director, secretary or executive officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company's Constitution provides that the Company will, to the extent permitted by law, indemnify any current or former director or officer in respect of any liability incurred in that capacity and related legal costs. The Company has entered a Deed of Indemnity with each director of the Company. Under the Deed, the Company indemnifies the relevant officer against certain liabilities and legal costs to the extent permitted by law.

Non-audit services

From time to time, the Group may engage the services of its auditor to assist with assignments additional to their statutory audit duties, where the auditor's expertise and experience with the Group are essential and the services will not compromise their independence.

The directors are aware of the requirements pertaining to auditor independence and have in place policies and procedures to address actual, potential and perceived conflicts in relation to the provision of non-audit related services by the Company's auditor.

Details of amounts paid or payable to the auditor Deloitte Touche Tohmatsu for audit and non-audit services provided during the year are outlined in Note 25 to the financial statements.

The directors are satisfied that the provision of non-audit services during the year by the auditor is compatible with, and do not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in the *Code of Conduct APES 110 Code of Ethics for Professional Accountants* issued by the Australian Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

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 45.

Rounding of amounts to the nearest thousand dollars

The Financial Report and Directors Report are presented in Australian dollars and amounts have been rounded to the nearest thousand dollars, unless otherwise stated, in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*.

Corporate governance policies

IDP is committed to strong and effective governance frameworks and, wherever possible, complies with the *Australian Securities Exchange Corporate Governance Principles and Recommendations* (ASX Principles). IDP's Corporate Governance Statement, in addition to corporate governance policies are available in the Investor Centre - Corporate Governance section of the company Website, at [IDP Education Ltd - Investor Relations Site](#).

Letter from Remuneration Committee Chair

Dear shareholders,

On behalf of the Board, I am pleased to present IDP's 2024 Remuneration Report.

For more than fifty years, IDP has helped transform lives through international education.

The long-term growth drivers for international education have demonstrated remarkable resilience throughout this period, although we have seen many short-dated shifts in market dynamics. Current market conditions are unusual by historical standards in that they reflect concurrent regulatory changes across most of our study destinations. As such, we expect the global market to slow markedly in the year ahead.

The IDP leadership team is very experienced in navigating changing market conditions and have conviction that IDP's focus on quality outcomes for our international students and customers, combined with our investment in and execution of our global strategy, will position us to rebound strongly as conditions improve.

Attracting and retaining the outstanding leadership team members to guide our global teams over the years ahead is critical to deliver ongoing value to shareholders.

FY24 performance

Our global team continues to deliver market-leading performance despite these external headwinds. For the first half of the year, IDP delivered record revenue of \$579 million, up 15 per cent from H1 FY23. During this period, we supported a record number of international students and test takers worldwide.

In the second half of the year, regulatory changes in Australia, Canada, and the United Kingdom came into effect, and the size of the global market of international students and test takers reduced.

Despite these external headwinds, by year-end we had supported students in entering 98,900 courses and delivered 1,584,100 IELTS language tests.

From a profitability perspective, we delivered Earnings Before Interest and Tax (EBIT) of \$220.4m¹, only marginally down on FY23 resulting in a Net Profit After Tax of \$133.5m.

Underpinning these financial results is the implementation of next generation digital assets supporting our students and partners in an expanding geographic footprint and resulting in a record high Net Promoter Score (NPS).

We are exceptionally proud of our team and the outcomes they have delivered which highlight IDP's through-the-cycle focus and unwavering commitment to achieve our long-term vision of becoming the clear first choice for people with international education ambitions.

The team also successfully achieved many of the Key Performance Indicator (KPI) targets set for the 2024 STI results of which are outlined in this report.

FY24 remuneration decisions

Full details of the remuneration decisions and outcomes for FY24 are set out in the Remuneration Report. The key remuneration decisions for FY24 and FY25 are outlined below:

Board of Directors

At the August 2023 Board meeting a 5% increase, effective 1 July 2023, to the Chair and Non-executive Director Base fees was approved for FY24. This is the first increase in Base fees since March 2018. Committee fees remain the same.

Executive Key Management Personnel

- Ms O'Shannessy, Chief Executive Officer and Managing Director (CEO), and Mr Harmeet Pental Chief Operating Officer (COO) each received a 4% increase to Fixed Annual Remuneration (FAR) reflecting general market adjustment;
- Mr Murray Walton Chief Financial Officer (CFO) and Mr Warwick Freeland Chief Strategy Officer and Managing Director (CSO) each received an 8% increase to FAR to better align fixed pay to market relativities;
- The FY24 STI award for executive KMP will be between 52.5% and 56.1% of target. A detailed explanation of the related outcomes is set out on page 33;
- Under the FY21 LTI Award the EPS CAGR and the Relative TSR performance conditions for the Performance Rights granted were tested following the end of the performance period on 30 June 2023. FY21 LTI EPS CAGR

¹ Representing reported EBIT of \$210.3m retranslated using foreign exchange rates applied in the setting of the FY24 budget

was 30.4% and FY21 LTI TSR relative ranking was at the 64th percentile. Based on this, the FY21 EPS CAGR measure vested at 100% and FY21 Relative TSR partially vested at 78.92%

- Under the FY22 LTI Award the EPS CAGR and the Relative TSR performance conditions for the Performance Rights granted were tested following the end of the performance period on 30 June 2024. FY22 LTI EPS CAGR was 47.2% and FY22 LTI TSR relative ranking was at the 28th percentile. Based on this, neither tranche of the FY22 Awards vested and all Performance Rights under the award lapsed.
- IDP has undertaken an assessment of our executive Key Management Personnel and Global Leadership Team roles resulting in the following changes:
 - Mr Warwick Freeland, Chief Strategy Officer and Managing Director (CSO) of the English language testing business ceased to be an executive KMP on 30 June 2024.
 - Mr Freeland will continue to operate at a senior executive level, with specific focus on development and facilitation of the Company's overall strategy. His previous wider ranging global responsibilities for IELTS marketing and technology have been assumed by other Global Leadership Team members.

Full details of the remuneration decisions and outcomes for FY24 are set out in the Remuneration Report. In addition, the Board will continue to review the market competitiveness of executive KMP and Global Leadership Team remuneration through independent market benchmark assessments.

Leadership changes

FY24 saw the ongoing orderly renewal of the leadership team.

On 12 September 2023, Mr Andrew Barkla was appointed to the Board.

On 12 December 2023, Mr Murray Walton, long-standing Chief Financial Officer (CFO), announced that he would be stepping down from the CFO role from 31 March 2024. Ms O'Shannessy paid tribute to Mr Walton on behalf of the Board stating "Murray is highly regarded and balances financial and strategic leadership with being a champion of our people. He has played an integral role in the growth and success of our business."

Mr Walton remains employed by IDP on a part-time basis, developing commercial leaders in the business.

In March 2024, IDP announced that Ms Kate Koch had been appointed as the new CFO. Ms Koch joins IDP as an accomplished senior finance executive with extensive international experience across technology and education industries.

The Chair and members of the Remuneration Committee will continue to work closely with their fellow Directors, external advisors and management to ensure that our remuneration framework continues to attract and retain a strong, motivated and effective leadership team focused on achieving our strategic objectives and delivering positive outcomes for customers and shareholders.

The Committee is aware of the complexity the increased regulatory restrictions have brought to the international education sector. It is in this context that IDP must continue to attract and retain high calibre executives in this challenging market.

FY25 priorities

For FY25 we have considered alignment between our refreshed strategy and our remuneration framework. As a result:

- The number and mix of STI KPIs for executive KMP were reconsidered with the weighting for financial (50%) and non-financial (50%) measures remaining unchanged. The non-financial measures comprise a series of strategic KPIs aligned to the renewed global strategy and business plan.
- The Committee has also reviewed the FY25 LTI performance measures and hurdles with changes to include the broadening of the LTI metrics to better align to the delivery of our refreshed strategy. Further details on the FY25 LTI performance measures and equity grant arrangements will be provided ahead of our upcoming Annual General Meeting.

We now seek your support of the Remuneration Report at our Annual General Meeting in October 2024.



Tracey Horton AO
Chair of the Remuneration Committee
28 August 2024

Remuneration Report

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6. Executive Employment Agreements
7. Non-Executive Director Remuneration
8. Remuneration Governance
9. Statutory Remuneration Tables

For personal use only

1. Key Management Personnel

The following people were Key Management Personnel (KMP) of IDP in the financial year ended 30 June 2024 and to the date of this report.

Executive KMP ¹	Position	Term
Tennealle O'Shannessy	Managing Director and Chief Executive Officer (CEO)	Full Year
Murray Walton	Chief Financial Officer (CFO)	Part Year ²
Warwick Freeland	Chief Strategy Officer and Managing Director IELTS (CSO)	Full Year ³
Harmeet Pental	Chief Operating Officer (COO)	Full Year
Non-Executive Directors		
Peter Polson	Chairman	Full Year
Ariane Barker	Non-executive Director	Full Year
Chris Leptos AO	Non-executive Director	Full Year
Greg West	Non-executive Director	Full Year
Professor Colin Stirling	Non-executive Director	Full Year
Tracey Horton AO	Non-executive Director	Full Year
Michelle Tredenick	Non-executive Director	Full Year
Andrew Barkla	Non-executive Director	Part Year ⁴

¹ Key management personnel (KMP) is defined by AASB 124 Related Party disclosures. Only Directors, the Chief Executive Officer and executives that have the authority and responsibility for planning, directing and controlling the activities of IDP, directly or indirectly and are responsible for the Company's governance are classified as KMP

² Stepped down from CFO role 31 March 2024

³ Cease to be a KMP on 30 June 2024 as a result of a realignment of responsibilities to other functional leaders. Mr Freeland does not meet the definition of KMP based on the narrower remit on an ongoing basis.

⁴ Commenced 12 September 2023

Leadership Changes

In December 2023 we announced that Mr Murray Walton would step down as Chief Financial Officer effective March 2024 and that he would continue with IDP in a part time capacity developing commercial leaders in the business.

In March 2024 the Board announced that Ms Kate Koch had been appointed as the new Chief Financial Officer and will be commencing with IDP in October 2024.

In the interim period between 1 April 2024 and Ms Koch commencing with IDP, the CFO responsibilities have been shared by the Finance Leadership Team, other members of the Global Leadership Team and the CEO.

The Board also welcomed Mr Andrew Barkla to the Board as a Non-executive Director (NED) from 12 September 2023. This appointment was confirmed at the 2023 Annual General Meeting.

2. Summary of remuneration decisions in FY24

The table below provides a summary of remuneration decisions taken by the Board in FY24.

Executive KMP	- Fixed Annual Remuneration (FAR) increase of 4.0% for Tennealle O'Shannessy (CEO) and Harmeet Pental (COO) reflecting local market movements - FAR increase of 8.0% for Warwick Freeland (CSO) and Murray Walton (CFO) reflecting adjustment to better align fixed pay to market relativities. - FY24 STI award of between 52.5% and 56.1% of STI potential at target - FY21 LTI Plan which measured performance from 1 June 2020 to 30 June 2023 - Tranche 1 – Earnings per Share (EPS) compound annual growth (CAGR) vested at 100% of target - Tranche 2 – Total Shareholder Return (TSR) relative vested at 78.92% of target
NEDs	With effect from 1 July 2023 - Annual fee for Board Chair increased from \$350,000 pa to \$367,500 pa (5%) - Annual fee for NEDs increased from \$150,000 pa to \$157,500 pa (5%). - This is the first increase in annual fees since March 2018. Committee fees remain unchanged.

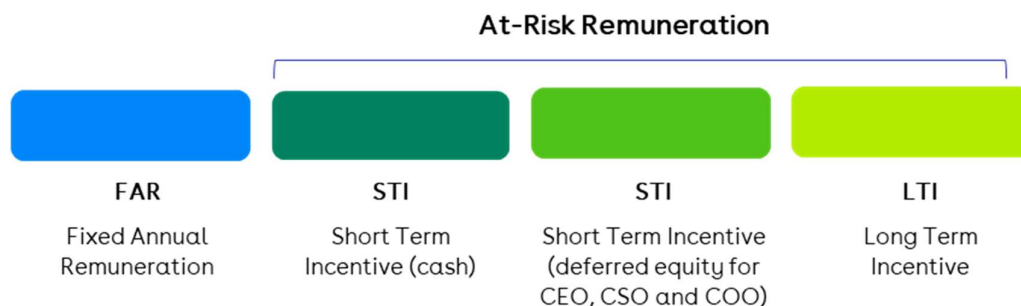
3. Executive Remuneration and Performance Framework

The following table outlines the Executive Remuneration and Performance Framework which includes the Purpose and Principles designed to assist with decisions on executive remuneration.

Executive Remuneration and Performance Framework		
Purpose: To reward our executives to deliver our strategy and create sustainable value for shareholders		
Principles	Attract and Retain	Competitive remuneration, flexible to our markets and context, to get and keep the best talent for our business
	Fair	Fair in the eyes of executives and shareholders with affordable remuneration where the connection between performance and pay is clear
	Strategy	Recognise the achievement of strategic priorities
	Culture	Reinforce the desired culture
	Shareholder Values	Share in shareholder value created
Remuneration Delivered as	Fixed Pay	Short Term Incentive (STI)
	Competitive remuneration, flexible to our markets and context, to get and keep the best talent for our business	Long Term Incentive (LTI) Keep the right people Align with shareholders, with executives sharing in value created

Executive Remuneration Framework

Executive KMP total remuneration packages comprise the following elements:



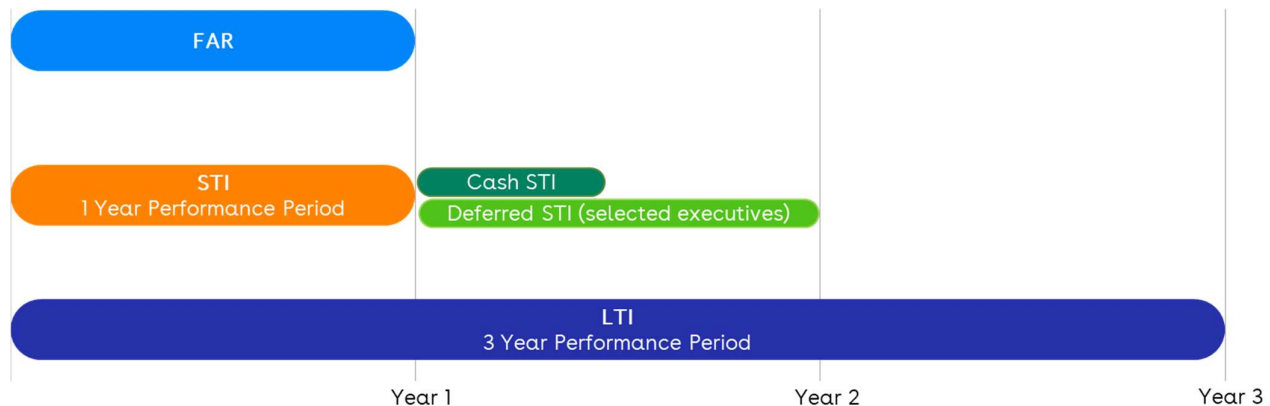
Remuneration delivery timeline

Reward supports a focus on short and long term delivery that underpins sustainable long-term performance.

- FAR is delivered regularly over the year
- The STI is measured over the financial year performance period, the cash component is paid in September after confirmation of the annual results. Select executive KMP have a proportion of the STI award deferred and delivered as service rights in IDP which vest over a further 12 months
- LTI awards only vest if pre-determined Company performance hurdles are achieved over a three year period

This remuneration approach aligns executive remuneration with shareholder interests, with a meaningful proportion of reward at risk and subject to achievement of measures aligned to longer term shareholder value accretion.

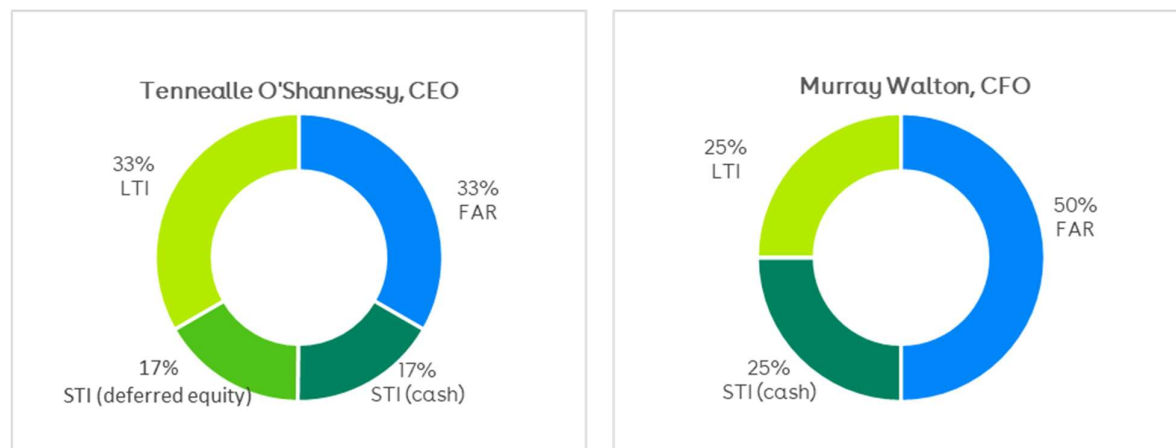
The timing of executive KMP remuneration outcomes for performance achieved in a given year is illustrated in the following diagram:

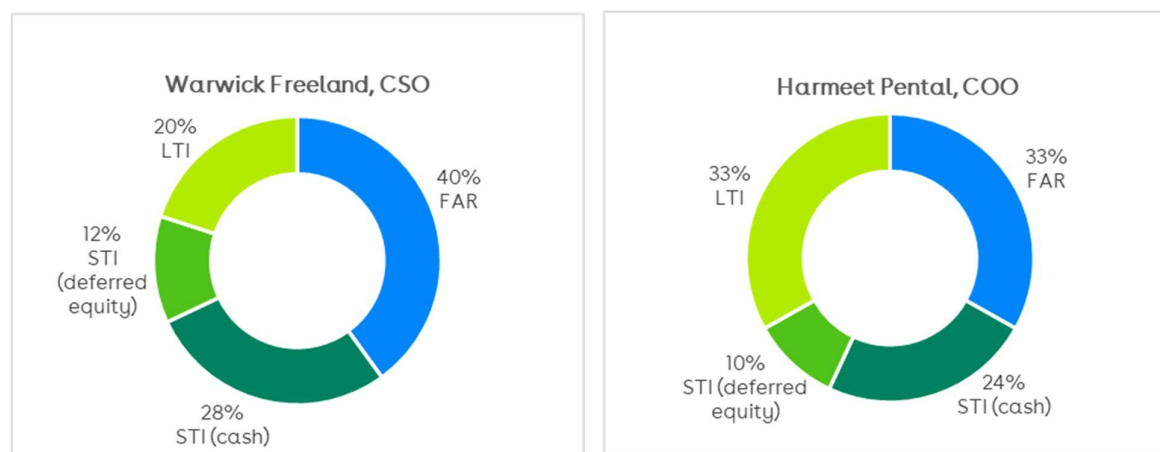


Remuneration mix

The intent of the remuneration structure is to provide the right balance of fixed and variable reward that aligns Executive KMP rewards with shareholder interests and alignment to our pay for performance philosophy, focusing efforts on driving growth and sustained long term performance. A significant proportion of the target reward mix is variable, and therefore at risk, and will only be realized if executives meet critical performance hurdles.

The illustrations below provide an overview of the Total Target Remuneration (TTR) mix for the CEO and other Executive KMP.





STI Deferral

CEO: first \$100,000 provided as cash. 50% of the remainder is paid as cash and the rest is deferred for twelve months in service rights.

CSO and COO: 30% of any award payable is deferred for twelve months in service rights and balance is paid as cash.

4. FY24 Remuneration Structure

This section provides details of each of the remuneration elements and relevant performance conditions in FY24.

FY24 Total Target Remuneration

The table below shows the TTR for FY24 for each of the Executive KMP.

		Fixed Annual Remuneration (\$)	STI at Target (\$)	STI Maximum (\$)	LTI ¹ (\$)	Total Target Remuneration (\$)
Tennealle O'Shannessy	2024	1,144,000	1,144,000	2,247,143	1,144,000	3,432,000
	2023	415,890	415,890	813,957	1,121,168 ²	1,952,948 ³
Warwick Freeland	2024	587,852	587,852	1,154,709	293,926	1,469,630
	2023	544,307	544,307	1,065,287	272,153	1,360,767
Harmeet Pental ⁴	2024	679,485	679,485	1,334,703	679,485	2,038,455
	2023	601,046	601,046	1,176,332	601,046	1,803,138
Former Executive KMP						
Murray Walton ⁵	2024	675,807	337,904	663,739	337,904	1,351,614
	2023	625,747	312,874	612,338	312,874	1,251,495

¹ The value used to calculate the number of performance rights awarded under the LTI Plan

² Part year FY23 LTI allocation plus \$250k sign-on award approved by shareholders at 2022 AGM and awarded as service rights

³ Ms O'Shannessy commenced as CEO on 13 February 2023, TTR reflects part year service and includes \$250,000 sign-on award approved by shareholders at 2022 AGM

⁴ For FY24 this represents conversion from Arab Emirates Dirham (AED) to AUD based on 3 month average FX rate (Apr-Jun 2024). For FY23 this represents conversion from AED to AUD based on 3 month average FX rate (Apr-Jun 2023)

⁵ Represents full year equivalent TTR

4.1. Fixed Annual Remuneration

What were the changes to fixed annual remuneration in FY24?	The Board reviews executive KMP remuneration each year to ensure remuneration remains fair and reasonable and market competitive, whilst also continuing to drive outstanding annual business performance. The review in FY24 included an independent benchmark report against bespoke comparator groups comprising ASX listed companies of similar size, type and market capitalization Considering the review outcome the Board determined to: • Increase the FAR of the CEO and COO by 4.0% effective from 1 July 2023 to reflect local market movement; and • Increase the FAR of the CFO and CSO by 8.0% to better align fixed pay to market relativities
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4.2. FY24 Short Term Incentive

Performance period	1 July 2023 to 30 June 2024
How much can Executive KMP earn?	• The CEO, COO and CSO had a target STI opportunity of 100% of FAR and a maximum STI opportunity of 196.4% • The CFO had a target STI opportunity of 50% of FAR and a maximum STI opportunity of 98.2% of FAR
How is performance assessed and what are the performance measures?	STI awards are assessed over a 12-month period aligned with the Company's financial year During FY24, the key performance measures for the Executive KMP were: <u>Financial – 50% weighting</u> Earnings Before Interest and Taxation (retranslated using foreign exchange rates applied in the preparation of the FY24 budget to moderate the effect of foreign currency movements when evaluating underlying performance for the year); <u>Non financial – 50% weighting</u> • Growth & Efficiency – 20% (15% for the CSO) • Customers & Innovation – 25% (30% for the CSO) • People – 5% Specific achievement against the KPI's set for FY24 is detailed in Section 5 – Company performance and remuneration outcomes
Rewarding performance	The STI performance weightings are set under a predetermined matrix with the Board determination final Executive KMP STI performance criteria each have a minimum threshold achievement level, a target level and a stretch component that is designed to encourage above target performance • Failure to achieve the minimum threshold level of performance will result in no payment for that KPI; • Achievement of target performance will deliver 100% payment from that KPI; and • Exceptional performance against target will deliver payment up to 200% for that KPI

Rewarding performance cont'd	1.	Outcomes for financial measures or measures with an objective numeric target are calculated based on the table immediately below		
		STI Performance Ratings	Performance Outcome (% achievement against Target)	Reward Outcome (% of STI to be awarded)*
		Threshold	85 – 90%	25 – 50%
		Target	100%	100%
		Stretch	115 – 125%	120 – 150%
		Exceptional	> 125%	Up to 200%
		*Proportional straight line calculation between data points will apply		
	2.	Outcomes of non-financial KPIs are assessed using the following scale		
		Performance Rating	Performance Outcome	
		Below Satisfactory	0	
	Satisfactory	15		
	Good	50		
	Very Good	100		
	Outstanding	125		
	Exceptional	150		
	Executive KMP are subject to malus and clawback provisions that enable the Board to adjust any unvested STI awards as appropriate			
How is it paid?	The CEO's STI, set at 100% of FAR at target is satisfied as follows:			
	- STI amounts up to \$100,000 and 50% of any amount above \$100,000 are awarded in cash; and 50% of any amount above \$100,000 is satisfied through a grant of service rights issued under the IDP Education Employee Incentive Plan (IDIP) subject to a vesting condition that the CEO remains employed for a further 12 months from the end of the financial year			
	The COO and the CSO STIs, set at 100% of FAR at target are satisfied as follows:			
	70% is awarded in cash; and 30% is satisfied through a grant of service rights issued under the IDIP subject to a vesting condition that the COO/ CSO remain employed for a further 12 months from the end of the financial year			
	The CFO's STI, set at 50% of FAR at target is awarded in cash			

4.3. FY24 Long Term Incentive

Performance period	3 years – 1 July 2023 to 30 June 2026																
How is performance assessed and what are the performance measures?	We assess the FY24 LTI against two equally weighted, independent performance targets Tranche 1 – EPS CAGR Hurdle (50% weighting) Tranche 1 will vest if IDP achieves a CAGR in EPS of at least 14% per annum above the Base Year EPS of 53.57 cents per share for FY23 over the Performance Period as per the following table: <table> <tr> <th>CAGR in EPS</th><th>% of Rights vesting in this tranche*</th></tr> <tr> <td>< 14% per annum</td><td>0%</td></tr> <tr> <td>≥ 14% per annum</td><td>50%</td></tr> <tr> <td>> 18% per annum</td><td>100%</td></tr> </table> *Proportional straight line vesting between 14% and 18% per annum will apply The Board has the discretion to adjust for material one off impacts to EPS to ensure the intent and integrity of the EPS hurdle is preserved (for example, if there is a change in the accounting standards that materially impact the EPS calculation whether positively or negatively). The Board has never exercised this discretion Tranche 2 – Relative TSR Performance Hurdle (50% weighting) The TSR measure represents changes in the value of our share price over a period including reinvested dividends. These are expressed as a percentage of the opening value of the shares. Relative TSR is selected as a performance hurdle because we believe this provides the most direct measure of shareholder return and reflects an investor's choice to invest in IDP or our direct competitors Tranche 2 will vest if IDP achieves a TSR ranking against the component companies in the S&P ASX 100 Accumulation Index (excluding Banks, Financials, Resource and Real Estate companies) over the performance period as per the following table <table> <tr> <th>Relative TSR Ranking</th><th>% of Rights vesting in this tranche</th></tr> <tr> <td>< 50th percentile</td><td>0%</td></tr> <tr> <td>At 50th percentile</td><td>50%</td></tr> <tr> <td>> 50th percentile to 75th percentile</td><td>Pro-rated vesting between 50% and 100%</td></tr> </table> If any of the selected companies, listed below, are delisted for any reason during the Performance Period their TSR result at the time of delisting will be deemed to be the TSR result for the Performance Period If necessary to avoid an anomalous result, the Board may make adjustments in measuring TSR performance to ensure the intent of the incentive plan is maintained The Board retains full discretion to determine and calculate the vesting outcomes Executive KMP are subject to malus and clawback provisions that enable the Board to adjust any unvested LTI awards as appropriate	CAGR in EPS	% of Rights vesting in this tranche*	< 14% per annum	0%	≥ 14% per annum	50%	> 18% per annum	100%	Relative TSR Ranking	% of Rights vesting in this tranche	< 50 th percentile	0%	At 50 th percentile	50%	> 50 th percentile to 75 th percentile	Pro-rated vesting between 50% and 100%
CAGR in EPS	% of Rights vesting in this tranche*																
< 14% per annum	0%																
≥ 14% per annum	50%																
> 18% per annum	100%																
Relative TSR Ranking	% of Rights vesting in this tranche																
< 50 th percentile	0%																
At 50 th percentile	50%																
> 50 th percentile to 75 th percentile	Pro-rated vesting between 50% and 100%																
How is it paid?	Performance rights Each performance right that vests at the end of the performance period entitles the executive to one fully paid ordinary IDP share at no cost																
Fair value	The fair value of the Executive KMP Performance Rights granted on 3 November 2023 was • EPS CAGR - \$21.40 • TSR - \$14.19																
How many Performance Rights are awarded?	We determine the number of rights to be awarded by dividing a percentage of an executive's FAR as at 1 July by the VWAP of shares over the 5 trading days immediately following the day on which we released our financial results. For the FY24 grant, this was \$25.64																

	$\left(\begin{array}{c} \$ \\ \text{FAR} \end{array} \times \begin{array}{c} \text{LTI \%} \end{array} \right) / \begin{array}{c} \$25.64 \\ \text{Share price} \end{array} = \begin{array}{c} \text{Number of} \\ \text{performance} \\ \text{rights} \end{array}$ Tennealle O'Shannessy – 100% of FAR Murray Walton – 50% of FAR Warwick Freeland – 50% of FAR Harmeet Pental – 100% of FAR	
What is the LTI Comparator Group?	IDP's performance will be ranked by percentile according to its TSR relative to the TSR of the companies comprising the S&P ASX 100 Accumulation Index (excluding Banks, Financials, Resource and Real Estate companies) over the period from 1 July 2023 to 30 June 2026. The group includes:	
	AGL Energy Ltd ALS Ltd Altium Ltd Ancor plc Ansell Ltd APA Group Aristocrat Leisure Ltd Atlas Arteria Ltd Aurizon Holdings Ltd Brambles Ltd carsales.com Ltd Cleanaway Waste Management Ltd Cochlear Ltd Coles Group Ltd Computershare Ltd CSL Ltd Dominos Pizza Enterprises Ltd Downer EDI Ltd Endeavour Group Ltd Fisher & Paykel Healthcare Corp. Ltd Harvey Norman Holdings Ltd Incitec Pivot Ltd Insurance Australia Group Ltd James Hardie Industries plc JB Hi-Fi Ltd Medibank Private Ltd Metcash Ltd NextDC Ltd NIB Holdings Ltd	Nine Entertainment Co Holdings Ltd Orica Ltd Origin Energy Ltd Orora Ltd Qantas Airways Ltd QBE Insurance Group Ltd Qube Holdings Ltd Ramsay Health Care Ltd REA Group Ltd Reece Ltd Reliance Worldwide Corporation Ltd ResMed Inc SEEK Ltd Seven Group Holdings Ltd Sonic Healthcare Ltd Steadfast Group Ltd Suncorp Group Ltd Technology One Ltd Telstra Corporation Ltd The a2 Milk Company Ltd The Lottery Corporation Ltd Transurban Group Treasury Wine Estates Ltd Wesfarmers Ltd WiseTech Global Ltd Woolworths Group Ltd Worley Ltd Xero Ltd

5. Company Performance and Remuneration Outcomes

5.1. FY24 Long Term Incentive

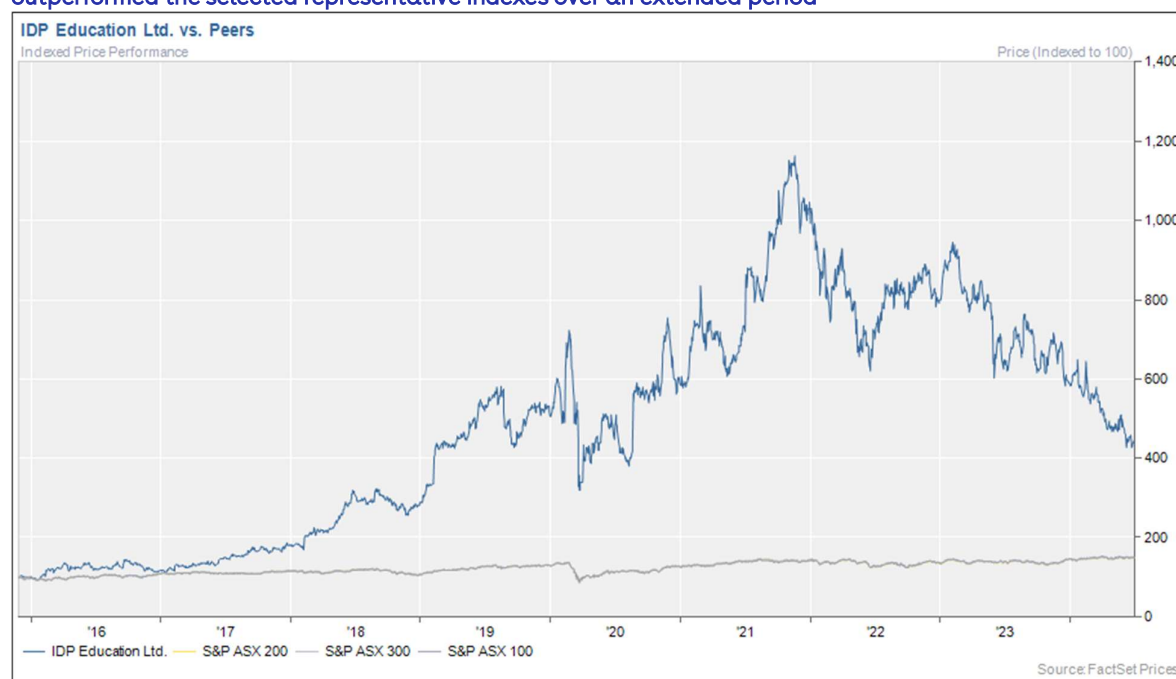
IDP's historical financial performance over the last five years will assist shareholders to understand the context of the remuneration framework, management's performance and how the Company's performance impacts the remuneration outcomes for the Executive KMP.

Measure	FY24	FY23	FY22	FY21	FY20
Revenue (\$m)	1,037.2	981.9	793.3	528.7	587.1
EBIT (\$m)	210.3	220.9	158.9	64.1	108.1
NPAT (\$m)	133.5	149.1	102.8	39.5	68.0
Basic EPS (cents per share)	47.69	53.36	36.86	14.26	26.23
Dividend (cents per share)	45.00	34.50	13.50	8.00	24.00
Share Price as at 30 June (\$)	15.15	22.10	23.82	24.54	15.49
Average STI payout (%of target)	55.2	88.7	117.0	100.0	65.1
LTI Outcome (% vested)	89.45	44.45	50	100	100

IDP has continued to grow in complexity since it listed on the ASX in 2015. Over this period financial performance has improved as have the returns delivered to shareholders.

Set out below is IDP's TSR performance relative to the ASX100, ASX200 and the ASX300 since IDP listed in November 2015. These comparisons have been chosen because they represent the broad market indices within which IDP shares have traded since listing. TSR is the measure of the returns that a company has provided for its shareholder, reflecting share price movements and assuming reinvestment of dividends.

Even with the impact of recent declines due to Covid 19 and recent regulatory headwinds IDP has still significantly outperformed the selected representative indexes over an extended period



Note: The ASX100, ASX200 and ASX300 performance are indistinguishable due to the horizontal axis scale

5.2. FY24 STI performance outcome

A more restrictive policy environment in IDP's key destination countries is reducing the size of the international student market. This negatively impacted IELTS testing and student placement volumes during the second half of FY24. Given the current policy settings and market trends, IDP expects that the size of the international education market will decline by 20-25% over the next twelve months. As the leading quality player in the market, IDP is well placed to help students and institutions navigate these changing market conditions and expects to grow its market share in student placement.

In response to this more challenging operating environment IDP is focused on the following:

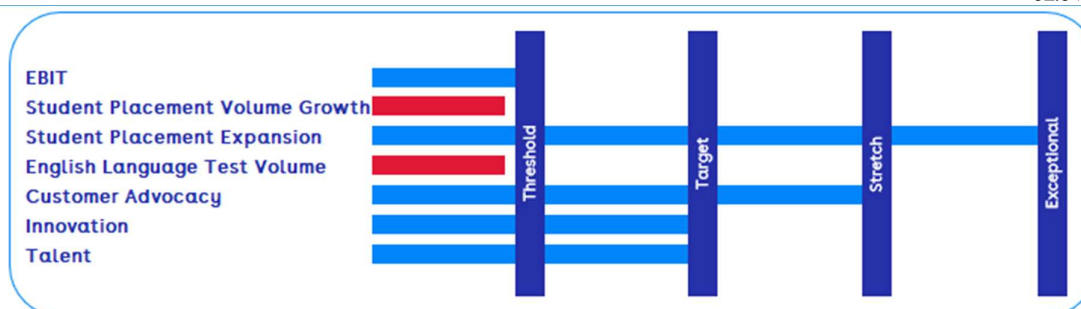
1. **Market share** – the sector's increased focus on quality and the unique services that IDP provides is expected to drive meaningful market share increases in student placement. IDP's growing market share is evidenced by recent industry statistics which continue to show IDP's superior visa approval rates and relative volume performance. IDP's brand, service offering and client portfolio will benefit from a flight to quality particularly as increasing regulation on the use of poor quality agents raise the barriers to entry.
2. **Product innovation** – IDP has a strong focused roadmap of product development across its core student placement and IELTS business lines that it believes will underpin long-term shareholder returns. Investment in strategic growth areas will continue to ensure growth can accelerate when market conditions improve.
3. **Cost reduction** – IDP is implementing a cost reduction program for FY25 that is designed to align expenses to the near-term revenue outlook. This program will enable IDP to continue to invest in growth drivers, strategic programs and to appropriately reward and retain its experienced global staff whilst aligning total expenses to the near-term revenue outlook. IDP's cost reduction program is not expected to impact the company's operating footprint. Global scale and direct connectivity to customers in their local markets is a key strategic pillar.

The STI performance measures set in FY24 within the STI framework reflect the focus areas above. Four key business measures drive quality outcomes for shareholders, our students, our clients and our people:

Performance Measure	Focus Area	Performance Criteria
Financial	EBIT	Achieve EBIT target EBIT is a key indicator of financial performance. It ensures appropriate focus on profit and cost and is a strong indicator of underlying company profitability
Growth and Efficiency	Student Placement Growth	1. Growth on Student Placement FY23 total applied volume actual Applied volume is a powerful indicator of future business growth and financial performance 2. Deliver identified Student Placement expansion initiatives to impact student pipeline growth Designed to build incremental volume in the student placement pipeline and increase supply of clients and courses to enable student flow through the pipeline
	English language test candidates	Exceed the total candidate volume target While measuring volume of English language testing overall, this also incorporates growth in new product innovations brought to market
Customers and Innovation	Customer Advocacy	Continue to drive student advocacy while delivering high growth and expansion as measured by NPS By focusing on and responding to student feedback, IDP remains connected to what is important to students as investment in new initiatives is prioritised
	Innovation	Deliver innovation initiatives that build robust and best in class customer and client experiences which impact volume and share across student placement and IELTS. Specific Innovation performance criteria address both immediate and long term initiatives that impact overall business outcomes.
People	Talent	Define, communicate and implement a career pathway program for Counsellors Retention of talent, in particular the Counsellor cohort is critical. The program provides a framework for our people to understand what a career at IDP could look like and helps outline opportunities for promotions and career progression

The Board has reviewed the annual performance and has approved outcomes consistent with the standard remuneration framework which has resulted in an overall award of 56.1% of target (25.6% of maximum potential) for the CEO, CFO and COO. The overall award for the CSO was 52.5% of target (26.7% of maximum potential). A breakdown of the outcomes and reasoning for each KPI outcome against target is provided in the tables below.

Performance Measure	Focus Area	Performance Criteria and Outcome	Result %
Financial	EBIT 50%	Achieve EBIT target Result was \$220.4m (representing reported EBIT of \$210.3m, retranslated using foreign exchange rates applied in the setting of the FY24 budget) which met threshold	15.4%
Growth and Efficiency	Student Placement Growth 15% (excludes CSO) 5% (CSO)	1. Growth on Student Placement FY23 total applied volume actual Result impacted by restrictive policy environment in second half of year 2. Deliver identified Student Placement expansion initiatives to impact student pipeline growth Results for student placement growth were impacted by restrictive policy environment in second half of year. However exceptional performance in client expansion initiatives was achieve	0.0 (includes CSO) 8.6% (excludes CSO)
	English language test candidates 5% (excludes CSO) 10% (CSO)	Exceed the total candidate volume target Results for English language test volumes were impacted by restrictive policy environment in second half of year	0.0
	Customer Advocacy 5%	Continue to drive student advocacy while delivering high growth and expansion as measured by NPS A record NPS result was achieved confirming students and parents increasingly trust IDP for quality services and support	6.3%
Customers and Innovation	Innovation 20% (excludes CSO) 25% (CSO)	Deliver innovation initiatives that build robust and best in class customer and client experiences which impact volume and share across student placement and IELTS. Specific Innovation performance criteria address both immediate and long term initiatives that impact overall business outcomes.	20.8% (excludes CSO) 25.8% (CSO)
People	Talent 5%	Define, communicate and implement a career pathway program for Counsellors Retention of talent, in particular the Counsellor cohort is critical. The program provides a framework for our people to understand what a career at IDP could look like and helps outline opportunities for promotions and career progression.	5.0%
Total Result			56.1% (excludes CSO) 52.5% (CSO)



The table below provides a summary of Executive KMP STI amounts earned for the FY24 performance year:

FY24	STI at Target \$	STI at Maximum \$	STI Awarded %	STI Awarded \$	STI Foregone \$
Tennealle O'Shannessy	1,144,000	2,247,143	56.1%	641,784	1,605,359
Warwick Freeland	587,852	1,154,709	52.5%	308,622	846,087
Harmeet Pental ¹	679,485	1,334,703	56.1%	381,191	953,512
Former executive KMP					
Murray Walton	337,904	663,739	56.1%	189,564	474,175

¹ converted to AUD from AED based on 3 month average FX rate (Apr – Jun 2024)

5.3. FY21 LTI performance outcome

LTI Awards have been granted annually to all Executive KMP and are granted as performance rights measured over a set performance period.

Under the FY21 LTI Award, the performance condition for Tranche 1 (50%) was EPS CAGR and Relative TSR for Tranche 2 (50%). The performance conditions for the Performance Rights awarded under the FY21 LTI were tested following the end of the Performance period on 30 June 2023. The results and vesting outcomes are detailed below and Performance Rights vested or lapsed on 31 August 2023, at no cost to the Executive KMP, as shown in the table below.

FY21 LTI	Target	Result	% of Performance Rights Vested
EPS CAGR	- Threshold – 25% - Maximum – 30%	30.4%	100%
Relative TSR	- Threshold – 50th percentile - Maximum – 75th percentile	64.46 th percentile	78.92%

EPS CAGR of the FY21 LTI fully vested and Relative TSR partially vested in August 2023.

There are currently three LTI grants on foot and the current expectation of each grant for performance vesting is as follows:

Award	EPS CAGR Vesting Date	Vesting Probability	Relative TSR Vesting Date	Vesting Probability
FY22 LTI	31 August 2024	Nil	31 August 2024	Nil
FY23 LTI	31 August 2025	Unlikely	31 August 2025	Unlikely
FY24 LTI	31 August 2026	Unlikely	31 August 2026	Unlikely

5.4. Total Realised Remuneration (non-statutory) – FY24

This is an additional voluntary disclosure which the Board believes provides a transparent view of what the Executive KMP actual take-home pay was in FY24. These outcomes are aligned with IDP's performance during FY24, as well as being aligned to IDP's longer term performance.

The table below is not required under the Australian Accounting Standards or the Corporations Act 2001 and is provided to assist in understanding actual realised remuneration outcomes. These figures include FAR, FY24 STI cash amounts not deferred and to be paid in September 2024. It also includes the value of previous STI deferred shares and LTI awards that vested during FY24 and became exercisable. The values differ from the values shown in the statutory remuneration tables in section 9 that shows the accounting expense for both vested and unvested awards.

		FAR	Other Cash Payments ¹	STI Cash Payments ²	Vesting of Prior Year Deferred STI Awards ³	Vesting of Prior Year LTI Awards ⁴	Total Realised Remuneration
	Year	\$	\$	\$	\$	\$	\$
Tennealle O'Shannessy	2024	1,144,000	-	370,892	-	83,749	1,598,641
	2023	421,667	-	239,542	-	-	661,209
Warwick Freeland	2024	587,852	-	216,036	-	667,458	1,471,346
	2023	543,824	-	309,194	-	156,387	1,009,405
Harmeet Pental ⁵	2024	679,147	24,740	266,834	159,828	823,391	1,953,940
	2023	634,186	13,124	383,497	147,074	243,897	1,421,778
Former KMP							
Murray Walton ⁶	2024	506,855		189,564		740,773	1,437,192
	2023	753,055	-	285,184	-	156,578	1,194,817
Total	2024	2,917,854	24,740	1,043,325	159,828	2,315,371	6,461,118
	2023	2,352,732	13,124	1,217,417	147,074	556,862	4,287,209

¹ Other cash payments include service related benefits and local benefits for offshore roles

² Represents the cash component relating to the FY24 STI plan earned in the relevant financial year

³ Represents the value of on exercise of vested Deferred STI award granted in prior years

⁴ Represents the value of on exercise of Performance Rights granted in prior years. In the case of Ms O'Shannessy this represents the value on exercise of vested CEO Sign On Award (Tranche 1) approved by shareholders at 2022 AGM.

⁵ Mr Pental received a 4% increase to FY24 FAR however FX movements have impacted the year on year comparison.

⁶ Mr Walton ceased as CFO on 31 March 2024

6. Executive KMP Employment Agreements

Remuneration and other terms of employment are covered in a formal employment contract. The employment contracts include provisions requiring a minimum notice period by both the Executive KMP and the Company. If either party provides notice, the Company may make a payment in lieu of notice.

For all Executive KMP, in the event of serious misconduct or other circumstances warranting summary dismissal, notice is not required.

The minimum notice period for each Executive KMP as per the contractual terms are set out in the table below.

	Contract Type	Notice period by Executive	Notice period by IDP	Non-compete clause
Tennealle O'Shannessy	Ongoing	26 weeks	26 weeks	12 months
Murray Walton	Ongoing ¹	3 months	3 months	12 months
Warwick Freeland	Ongoing	13 weeks	26 weeks	12 months
Harmeet Pental	Ongoing	6 months	6 months	12 months

¹ Ceased to be an executive KMP 31 March 2024

7. Non-executive Director Remuneration

Non-executive Director fees are determined by reference to external survey data, taking into account the Company's relative size and business complexity.

Under the Company's Constitution, the Directors determine the total amount paid to all Directors as remuneration for their services as a Non-executive Director. However, under the ASX Listing Rules, the total amount paid to all Non-executive Directors for their services must not exceed in aggregate in any financial year the amount fixed by the Company in a general meeting. This amount, being the fee pool limit, has been fixed at \$2,000,000 per financial year.

Each Non-executive Director's total remuneration package may be comprised of the following elements:

- Base fee
- Committee fee

Non-executive Directors have no entitlement to STI or LTI. Mr Andrew Barkla commenced as a Non-executive Director in September 2023 after previously serving as IDP's CEO until September 2022. Mr Barkla continues to hold performance rights under the FY22 LTI award granted during his tenure as CEO which remain subject to the performance conditions of the award. The details of Mr Barkla's performance rights are included in the statutory table on page 43.

No retirement benefits are payable to Non-executive Directors other than statutory superannuation entitlements.

The below table provides further details relating to the components of the Non-executive Director remuneration.

Component	Delivered	Description
Base Fee	Cash	The base fee represents remuneration for service on the IDP Education Ltd Board. The base fee for the Board Chair represents the entire remuneration for that role
Committee Chair Fee	Cash	Committee Chair fees represent remuneration for chairing Board committees
Committee Member Fee	Cash	Committee member fees represent remuneration for service on an IDP Education Ltd Board Committee

Non-executive Directors' fees were reviewed in 2024 by independent remuneration advice against comparable ASX listed companies. The FY24 Non-executive Director remuneration fee structure is within the approved fee pool and is shown in the following table.

	\$ per annum to 30 June 2023	\$ per annum from 1 July 2023
Base Fee		
Chair	350,000	367,500
Non-Executive Director	150,000	157,500
Committee Chair Fees		
Audit and Risk Committee		40,000
Nomination Committee		10,000
Remuneration Committee		20,000
Committee Member Fees		
Audit and Risk Committee		10,000
Nomination Committee		10,000
Remuneration Committee		10,000

¹This is the first increase in Base fees since March 2018

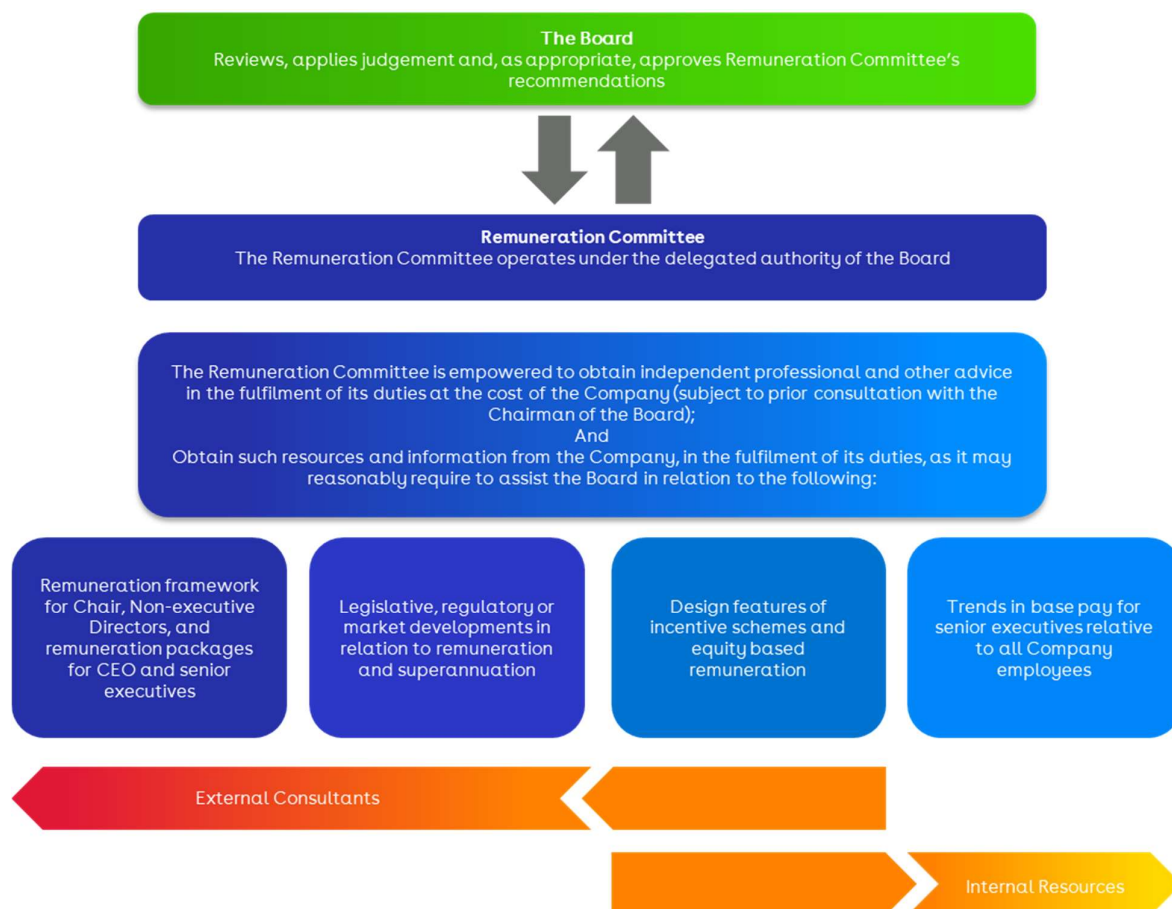
8. Remuneration Governance

This section of the Remuneration Report describes the role of the Board and the Remuneration Committee, and the use of remuneration consultants when making remunerations decisions.

The Board is responsible for IDP's remuneration strategy and policy. Consistent with this responsibility, the Board has an established Remuneration Committee (the Committee).

In summary, the role of the Committee includes assisting and advising the Board on remuneration policies and practices for the Board, the CEO, executive KMP, senior executives and other persons whose activities, individually or collectively, affect the financial soundness of the Company. The Committee advises the Board on remuneration practices and policies which are fair and responsible to drive a high performance culture and align with shareholder outcomes.

The Committee's role and interaction with the Board, internal and external advisors, are further illustrated overleaf.



Further information on the Committee's role, responsibilities and members is contained in the Corporate Governance Statement. The Remuneration Committee Charter can also be viewed in the Corporate Governance section of the Investor Centre of the IDP website.

As at June 2024, the Committee comprised the following Non-executive Directors:

- Ms Tracey Horton AO (Committee Chair)
- Mr Peter Polson (Board Chair)
- Ms Ariane Barker
- Mr Chris Leptos AO

The Directors' Report provides information regarding:

- Skills, experience and expertise of the Committee members; and
- Number of meetings and attendance of members at the Committee meetings.

Board Discretion

Before determining remuneration outcomes and vesting, we assess alignment with overall Company performance - both financial and non-financial. In addition, the Board has full discretion over the outcome of any variable reward payment and vesting.

The Board has the discretion to adjust, modify or cancel the STI and LTI outcomes - recognizing overall outcomes relative to shareholder benefits.

Malus and Clawback

Executive KMP are subject to malus and clawback provisions that enable the Board to adjust any unvested STI or LTI awards as appropriate. This applies to circumstances including material misstatement or omission in the financial statements, fraud, dishonesty, conduct exposing IDP to potential reputational damage or other serious misconduct.

The Malus and Clawback policy can be found in the Corporate Governance section of the Investor Centre of the IDP website.

Minimum Shareholding Requirement

The minimum shareholding policy requires Non-executive Directors to hold shares to the equivalent value of the annual base fee within 3 years from the date of appointment as a Non-executive Director or in the case of a Non-executive Director who was previously a representative of Education Australia (a major shareholder in IDP) they are required to comply with the policy within 3 years from 30 August 2021 (the date Education Australia ceased being IDP's major shareholder).

As at 30 June 2024, all Directors with this obligation hold more shares than their threshold requirement.

There is also a voluntary minimum shareholding for executive KMP and other members of the Global Leadership Team under which they are expected to retain IDP shares to the value of 20% of FAR. This minimum shareholding is expected to be achieved within a five-year period from the commencement date of employment (or appointment if an internal promotion) of any new Global Leadership Team member.

Minimum shareholding requirements are detailed below:

Key Management Personnel	Percentage Required
Non-executive Director	100% of Base Fee
CEO	20% of FAR (voluntary)
Executive KMP	20% of FAR (voluntary)

Use of Remuneration Consultants

The Board directly engages external advisors to provide input to the process of reviewing executive KMP and Non-executive Director remuneration. A Use of Remuneration Consultants Policy was reviewed and approved by the Board on 22 August 2023.

During FY24, the Board did not engage a remuneration consultant to provide any remuneration recommendations.

9. Executive KMP – Statutory Remuneration

The following table has been prepared in accordance with Section 300A of the Corporations Act 2001 and details the statutory accounting expense of all remuneration related items for the executive KMP. Note that the table below accrues amounts for equity awards being expensed throughout FY24 that are yet to, and may never, be released to the executive KMP. The statutory remuneration table below differs from the FY24 KMP Realised Remuneration outlined on page 35. Differences arise mainly due to the accounting treatment of share-based payments (Performance Rights and Service Rights).

	Financial Year	Salary	STI ¹	Other ²	Non-monetary Benefits ³	Short Term Benefits	Post Employment Benefits	Long Term Benefits	Equity Based Benefits	Total Remuneration
						Superannuation		Leave ⁴	Performance Rights/ Service Rights ⁵	
	Year	\$	\$	\$	\$	\$		\$	\$	\$
Tennealle O'Shannessy	2024	1,116,500	641,784	-	-	27,500		8,014	462,465	2,256,263
	2023	411,125	379,084	-	-	10,542		891	137,400	939,042
Warwick Freeland	2024	560,352	308,622	-	-	27,500		32,979	289,520	1,218,973
	2023	516,324	441,705	-	-	27,500		22,305	471,791	1,479,625
Harmeet Pental ⁶	2024	679,147	381,191	24,740	144,426	-		57,537	412,125	1,699,166
	2023	634,186	547,853	13,124	154,760	-		51,685	730,960	2,132,568
Former Executive KMP										
Murray Walton ⁷	2024	486,230	189,564	-	-	20,625		31,651	182,893	910,963
	2023	725,555	285,184	-	-	27,500		28,673	532,085	1,598,997
Total	2024	2,842,229	1,521,161	24,740	144,426	75,625		130,181	1,347,003	6,085,365
	2023	2,287,190	1,653,826	13,124	154,760	65,542		103,554	1,872,236	6,150,232

¹ STI includes both cash and Service Rights expected to be paid/ vest in future periods as a result of FY24 STI outcomes

² In Mr Pental's case this includes medical insurance

³ Non-monetary benefits for Mr Pental represent housing benefit for this offshore position

⁴ Long term benefits represent long service leave accrued but untaken during the year

⁵ Equity based benefits represent benefits issued under the LTI, Deferred STI and the Recognition Award. It represents statutory accounting expenses measured under AASB-2, which are based on the grant date fair value, amortised on a straight line basis over the vesting period. Refer to share based payments accounting policy (note 23) for further details

⁶ Mr Pental is paid in foreign currency and the figures are impacted by variations in the FX rate

⁷ Mr Walton ceased as CFO on 31 March 2024

Executive KMP LTI and Deferred STI Outcomes

Executive KMP	Award	Performance Rights/ Service Rights	Grant Date	Opening Balance	Granted during year	Exercised during year	Forfeited during year ¹	Closing Balance - vested and exercisable	Closing Balance - vested but not exercisable	Closing Balance - unvested
Tennealle O'Shannessy	The FY23 Award	Performance Rights	21-Feb-23	30,394	-			-	-	30,394
	Sign-On Award	Service Rights	21-Feb-23	8,722	-	4,361	-	-	-	4,361
	The FY24 Award	Performance Rights	03-Nov-23	-	44,613			-	-	44,613
	FY23 Deferred STI	Service Rights	03-Nov-23	-	5,441					5,441
Warwick Freeland	The FY21 Award	Performance Rights	07-Sep-20	10,750	-	9,616	1,134	-	-	-
	The FY22 Award	Performance Rights	09-Nov-21	8,919	-	-	-	-	-	8,919
	Recognition Award	Service Rights	19-Oct-21	17,061	-	17,061	-	-	-	-
	The FY23 Award	Performance Rights	04-Oct-22	9,495	-	-	-	-	-	9,495
	The FY24 Award	Performance Rights	03-Nov-23	-	11,462	-	-	-	-	11,462
	FY23 Deferred STI	Service Rights	03-Nov-23	-	5,167					5,167
Harmeet Pental	The FY21 Award	Performance Rights	07-Sep-20	17,553	-	15,702	1,851	-	-	-
	The FY22 Award	Performance Rights	09-Nov-21	10,331	-	-	-	-	-	10,331
	Recognition Award	Service Rights	19-Oct-21	16,469	-	16,469	-	-	-	-
	The FY23 Award	Performance Rights	04-Oct-22	20,576	-	-	-	-	-	20,576
	FY22 Deferred STI	Service Rights	12-Sep-22	6,698		6,698				-
	The FY24 Award	Performance Rights	03-Nov-23	-	26,072	-	-	-	-	26,072
	FY23 Deferred STI	Service Rights	03-Nov-23	-	6,855					6,855
Former Executive KMP										
Murray Walton²	The FY21 Award	Performance Rights	07-Sep-20	10,578	-	9,463	1,115	-	-	-
	The FY22 Award	Performance Rights	09-Nov-21	10,253	-	-	-	-	-	10,253
	Recognition Award	Service Rights	19-Oct-21	19,614	-	19,614	-	-	-	-
	The FY23 Award	Performance Rights	04-Oct-22	10,916	-	-	-	-	-	10,916
	The FY24 Award	Performance Rights	03-Nov-23	-	13,177	-	-	-	-	13,177

¹ This represents 10.55% of the FY21 LTI plan that lapsed during FY24 in accordance with the performance conditions of the plan

² The table represents the outcome for Mr Walton up until the date he ceased to be Executive KMP on 31 March 2024

Executive KMP Shareholdings

As at 30 June 2024, all executive KMP exceed voluntary minimum shareholding. Details of ordinary shares held by the executive KMP and their related parties are provided in the table below.

	Opening Balance	Performance Rights/ Service Rights Exercised	Net Change Other ¹	Closing Balance
Tennealle O'Shannessy	-	4,361	-	4,361
Warwick Freeland	7,714	26,677	(29,237)	5,154
Harmeet Pental	43,327	38,869	(37,264)	44,932
Former Executive KMP				
Murray Walton ²	40,115	29,077	(35,327)	33,865

¹ These amounts represent ordinary shares purchased or sold directly or indirectly by the executive KMP during the financial year. These transactions have no connection with the roles and responsibilities as employees of the Company

² The table represents the closing balance for Mr Walton as at the date he ceased to be executive KMP on 31 March 2024

Non-executive Director Statutory Remuneration Table

	Financial Year	Directors Fees	Short Term Benefits			Post Employment Benefits	Long Term Benefits	Equity Based Benefits	Total Remuneration
			STI	Other	Non-monetary Benefits	Superannuation	Leave	Performance Rights ¹	
	Year	\$	\$	\$	\$	\$	\$	\$	\$
Non-executive Directors									
Peter Polson	2024	340,000	-	-	-	27,500	-	-	367,500
	2023	322,500	-	-	-	27,500	-	-	350,000
Ariane Barker	2024	195,946	-	-	-	21,554	-	-	217,500
	2023	208,337	-	-	-	1,663	-	-	210,000
Greg West	2024	159,910	-	-	-	17,590	-	-	177,500
	2023	153,846	-	-	-	16,154	-	-	170,000
Chris Leptos AO	2024	159,910	-	-	-	17,590	-	-	177,500
	2023	153,846	-	-	-	16,154	-	-	170,000
Professor Colin Stirling	2024	150,901	-	-	-	16,599	-	-	167,500
	2023	144,796	-	-	-	15,204	-	-	160,000
Tracey Horton AO	2024	187,500	-	-	-	-	-	-	187,500
	2023	125,117	-	-	-	8,412	-	-	133,529
Michelle Tredenick	2024	159,910	-	-	-	17,590	-	-	177,500
	2023	117,070	-	-	-	12,292	-	-	129,362
Andrew Barkla ¹	2024	114,302	-	-	-	12,573	-	161,134	288,009
Total	2024	1,468,379	-	-	-	130,996	-	161,134	1,760,509
	2023	1,225,512	-	-	-	97,379	-	-	1,322,891

¹ Equity based benefits represent benefits issued under the LTI It represents statutory accounting expenses measured under AASB-2, which are based on the grant date fair value, amortised on a straight line basis over the vesting period. Refer to share based payments accounting policy (note 23) for further details. Mr Barkla commenced as Non-executive Director on 12 September 2023. The Performance Rights reported above were granted when he was CEO of IDP.

Non-executive Director Shareholdings

Details of ordinary shares held by the Non-executive Directors and their related parties are provided in the table below:

	Opening Balance	Performance Rights Exercised	Options Exercised	Net Change Other ¹	Closing Balance
Non-executive Directors					
Peter Polson	50,000	-	-	-	50,000
Ariane Barker	21,684	-	-	8,316	30,000
Greg West ²	27,817	-	-	-	27,817
Chris Leptos AO	28,684	-	-	-	28,684
Professor Colin Stirling ²	667	-	-	5,090	5,757
Tracey Horton AO	1,200	-	-	5,050	6,250
Michelle Tredenick	2,500	-	-	8,000	10,500
Andrew Barkla	75,000	-	-	-	75,000

¹ These amounts represent ordinary shares purchased or sold directly or indirectly by the Non-executive Directors during the financial year. These transactions have no connection with the roles and responsibilities as Non-executive Directors of the Company

² Indicates previous representatives of Education Australia

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



Peter Polson
Chair



Tennealle O'Shannessy
Managing Director

Melbourne
28 August 2024

28 August 2024

The Board of Directors
IDP Education Limited
Level 10, Melbourne Quarter 2
697 Collins Street
Docklands VIC 3008

Dear Board Members,

Auditor's Independence Declaration - IDP Education Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of IDP Education Limited.

As lead audit partner for the audit of the financial report of IDP Education Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully,



DELOITTE TOUCHE TOHMATSU



Travis Simkin
Partner
Chartered Accountants

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Consolidated statement of profit or loss
for the year ended 30 June 2024

	Notes	30 June 2024 \$'000	30 June 2023 \$'000
Revenue	2, 3	1,037,246	981,916
Expenses	4.1	(771,367)	(710,649)
Depreciation and amortisation	4.2	(55,444)	(50,473)
Finance income		3,394	2,861
Finance costs	4.3	(24,922)	(16,238)
Share of loss of associates		(109)	(110)
Profit before income tax expense		188,798	207,307
Income tax expense	5	(55,266)	(58,209)
Profit for the year		133,532	149,098
Profit for the year attributable to:			
Owners of IDP Education Limited		132,749	148,521
Non-controlling interests		783	577
		133,532	149,098
Earnings per share (EPS)			
Attributable to the owners of IDP Education Limited	Notes	30 June 2024	30 June 2023
Basic EPS (cents per share)	7	47.69	53.36
Diluted EPS (cents per share)	7	47.58	53.28

The above statement should be read in conjunction with the accompanying notes.

Consolidated statement of comprehensive income
for the year ended 30 June 2024

	Notes	30 June 2024 \$'000	30 June 2023 \$'000
Profit for the year		133,532	149,098
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translating foreign operations		(8,113)	9,849
Cash flow hedges:			
Fair value gains/(losses) on hedging instruments		653	(3,261)
Cumulative gains/(losses) on hedging instruments reclassified to profit or loss		3,261	4,360
Income tax related to gains/(losses)	5	(260)	(668)
Other comprehensive income for the year, net of income tax		(4,459)	10,280
Total comprehensive income for the year		129,073	159,378
 Total comprehensive income attributable to:			
Owners of IDP Education Limited		128,312	158,795
Non-controlling interests		761	583
		129,073	159,378

The above statement should be read in conjunction with the accompanying notes.

Consolidated statement of financial position
as at 30 June 2024

	Notes	30 June 2024 \$'000	30 June 2023 \$'000
CURRENT ASSETS			
Cash and cash equivalents	20	107,622	166,626
Short term investment in term deposits		13,482	-
Trade and other receivables	8	171,518	160,936
Contract assets	9	143,334	102,838
Derivative financial instruments	22	1,512	4,642
Current tax assets		2,628	3,570
Other current assets	14	33,461	35,317
Total current assets		473,557	473,929
NON-CURRENT ASSETS			
Contract assets	9	5,762	5,840
Investment in associates		7,800	8,719
Plant and equipment	11	32,687	33,465
Rights-of-use assets	12	103,339	109,448
Intangible assets	13	552,484	538,164
Capitalised development costs	10	22,727	12,155
Derivative financial instruments	22	336	-
Deferred tax assets	5	29,566	26,265
Other non-current assets	14	28,068	25,482
Total non-current assets		782,769	759,538
TOTAL ASSETS		1,256,326	1,233,467
CURRENT LIABILITIES			
Trade and other payables	15	175,768	191,705
Lease liabilities	19	23,797	24,530
Contract liabilities	16	60,987	57,949
Provisions	17	23,214	20,850
Current tax liabilities		10,208	24,390
Contingent consideration	22	3,853	25,560
Derivative financial instruments	22	860	6,302
Total current liabilities		298,687	351,286
NON-CURRENT LIABILITIES			
Borrowings	18	277,652	209,004
Lease liabilities	19	94,211	96,030
Deferred tax liabilities	5	50,881	50,603
Provisions	17	11,522	9,102
Total non-current liabilities		434,266	364,739
TOTAL LIABILITIES		732,953	716,025
NET ASSETS		523,373	517,442
EQUITY			
Issued capital	21	280,666	271,467
Reserves		(6,393)	4,907
Retained earnings		248,292	240,794
Equity attributable to owners of IDP Education Limited		522,565	517,168
Non-controlling interests		808	274
TOTAL EQUITY		523,373	517,442

The above statement should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity
for the year ended 30 June 2024

	Note	Issued capital \$'000	Cash flow hedge reserve \$'000	Foreign currency translation reserve \$'000	Share based payments reserve \$'000	Retained earnings \$'000	Equity attributable to owners of IDP Education Limited \$'000	Non- controlling interests \$'000	Total \$'000
As at 30 June 2022		276,888	(3,052)	(776)	(5,682)	188,299	455,677	(309)	455,368
Exchange differences arising on translating the foreign operations		-	-	9,505	-	-	9,505	6	9,511
Change in the fair value of cash flow hedges, net of income tax		-	769	-	-	-	769	-	769
Profit for the year		-	-	-	-	148,521	148,521	577	149,098
Total comprehensive income for the year		-	769	9,505	-	148,521	158,795	583	159,378
Acquisition of treasury shares	21.2	(8,868)	-	-	-	-	(8,868)	-	(8,868)
Share-based payments, net of income tax		-	-	-	7,590	-	7,590	-	7,590
Issue of treasury shares to employees	21.2	3,447	-	-	(3,447)	-	-	-	-
Dividends paid to owners of IDP Education Limited	6	-	-	-	-	(96,026)	(96,026)	-	(96,026)
As at 30 June 2023		271,467	(2,283)	8,729	(1,539)	240,794	517,168	274	517,442

The above statement should be read in conjunction with the accompany notes.

Consolidated statement of changes in equity (continued)
for the year ended 30 June 2024

	Note	Issued capital \$'000	Cash flow hedge reserve \$'000	Foreign currency translation reserve \$'000	Share based payments reserve \$'000	Retained earnings \$'000	Equity attributable to owners of IDP Education Limited \$'000	Non- controlling interests \$'000	Total \$'000
As at 30 June 2023		271,467	(2,283)	8,729	(1,539)	240,794	517,168	274	517,442
Exchange differences arising on translating the foreign operations		-	-	(7,177)	-	-	(7,177)	-	(7,177)
Change in the fair value of cash flow hedges, net of income tax		-	2,740	-	-	-	2,740	(22)	2,718
Profit for the year		-	-	-	-	132,749	132,749	783	133,532
Total comprehensive income for the year		-	2,740	(7,177)	-	132,749	128,312	761	129,073
Acquisition of treasury shares	21.2	(879)	-	-	-	-	(879)	-	(879)
Share-based payments, net of income tax		-	-	-	3,215	-	3,215	-	3,215
Issue of treasury shares to employees	21.2	10,078	-	-	(10,078)	-	-	-	-
Dividend paid to owners of IDP Education Limited	6	-	-	-	-	(125,251)	(125,251)	-	(125,251)
Dividend paid to non-controlling interests		-	-	-	-	-	-	(227)	(227)
As at 30 June 2024		280,666	457	1,552	(8,402)	248,292	522,565	808	523,373

The above statement should be read in conjunction with the accompanying notes.

Consolidated statement of cash flow
for the year ended 30 June 2024

	Notes	30 June 2024 \$'000	30 June 2023 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		992,852	897,462
Payments to suppliers and employees		(781,802)	(666,066)
Interest received		3,394	2,861
Interest paid on borrowings		(16,677)	(7,599)
Interest on lease liabilities		(6,574)	(5,863)
Income tax paid		(75,234)	(50,515)
Net cash inflow from operating activities	20	115,959	170,280
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment of deferred/contingent consideration for acquisition of a subsidiary		(21,555)	-
Payments for plant and equipment		(14,229)	(17,132)
Payments for intangible assets and capitalised development costs		(39,937)	(21,814)
Payments for investments in term deposits		(13,482)	-
Dividends received from an associate		712	-
Payments for acquisition of a subsidiary, net of cash acquired		-	(80,914)
Payments for investment in associates		-	(4,254)
Net cash outflow from investing activities		(88,491)	(124,114)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	20	214,719	82,411
Repayments of borrowings	20	(144,719)	(30,000)
Payments for treasury shares	21.2	(879)	(8,868)
Repayment of lease liabilities	20	(25,403)	(22,726)
Dividends paid to owners of IDP Education Limited	6	(125,251)	(96,026)
Dividends paid to non-controlling interests		(227)	-
Net cash outflow from financing activities		(81,760)	(75,209)
Net decrease in cash and cash equivalents		(54,292)	(29,043)
Cash and cash equivalents at the beginning of the year		166,626	196,608
Effect of exchange rates on cash holdings in foreign currencies		(4,712)	(939)
Cash and cash equivalents at the end of the year		107,622	166,626

The above statement should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements for the year ended 30 June 2024

Notes to the financial statements

1. Basis of preparation

This general purpose financial report for the year ended 30 June 2024 has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

The financial statements are for the consolidated entity, consisting of IDP Education Limited (the Company) and its controlled subsidiaries (the Group). IDP Education Limited is a for profit company limited by shares whose shares are publicly traded on the Australian Securities Exchange (ASX). The consolidated financial statements have been prepared on a going concern basis.

The consolidated financial statements for the year ended 30 June 2024 were authorised for issue in accordance with a resolution of the Directors on 28 August 2024.

1.1. Compliance with IFRS

This general purpose financial report complies with Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial report, comprising the consolidated financial statements and the notes thereto, complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

1.2. Historical cost convention

The consolidated financial statements have been prepared on the basis of historical cost, except for certain financial assets and financial liabilities (including derivative instruments) that have been recognised at fair value through profit and loss.

1.3. Material accounting policy information

The Group has adopted AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates* for the first time in the current year. The amendments change the requirements with regard to the disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments also clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed.

The application of the amendments did not have a material impact on the Group's consolidated financial statements but has changed the disclosure of accounting policy information in the financial statements.

The material accounting policy information relevant to the consolidated financial statements is set out in the relevant notes.

The accounting policies adopted are consistent with those of the previous financial year.

1.4. Critical accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in the following notes:

- Revenue recognition: Note 3 – Revenue, Note 8 – Trade and other receivables and Note 9 – Contract assets.
- Assessment of uncertain tax positions: Note 14 – Other assets and Note 30 – Contingent liabilities.
- Impairment testing of goodwill and intangible assets with indefinite useful lives: Note 13 – Intangible assets.

1.5. Rounding of amounts

The Company is of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, and in accordance with that Corporations Instrument, amounts in the consolidated financial statements and the Directors' report have been rounded to the nearest thousand dollars unless otherwise stated.

Notes to the consolidated financial statements for the year ended 30 June 2024

1. Basis of preparation (continued)

1.6. Accounting standards issued

The Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and effective for the current year. Other than as disclosed in Note 1.3 Material accounting policy information and below, the adoption of these new and revised Standards and Interpretations did not have a material impact on the disclosures or on the amounts reported in these consolidated financial statements.

Amendments to <i>IAS 12 Income Taxes – Deferred Tax</i> related to Assets and Liabilities arising from a Single Transaction	The group has adopted the amendments to IAS 12 for the first time in the current year. Under the amendments, the Group does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences on initial recognition that is not a business combination and affects neither accounting profit nor taxable profit. The Group is required to recognise the related deferred tax asset and liability.
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The Group is not currently in the "scope" of the Pillar Two top up tax being implemented in Australia (as it will apply to entities with revenue exceeding €750 million).

Certain new accounting Standards and Interpretations have been issued but not mandatory for 30 June 2024 reporting period and have not been early adopted by the Group. The Group does not anticipate that the new Standards and amendments issued but not mandatory for 30 June 2024 reporting period will have a material impact in future periods on the financial statements of the Group other than that included below:

AASB 18 Presentation and Disclosure in Financial Statements	The standard does not change the recognition and measurement of items in the financial statements, but will affect the presentation and disclosure in the financial statements, including introducing new categories and subtotals in the statement of profit or loss, requiring disclosure of management defined performance measures, and changing the grouping of information in the financial statements.	For annual reporting period beginning on or after 1 January 2027.
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Notes to the consolidated financial statements for the year ended 30 June 2024

Financial Performance

2. Segment information

Basis of segmentation

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Chief Operating Decision Maker in assessing performance and determining the allocation of resources.

The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group Chief Executive Officer.

The Group's operating segments comprise the geographic regions of:

- Asia – which includes Bangladesh, Cambodia, China, Hong Kong, India, Indonesia, Japan, Laos, Malaysia, Mauritius, Myanmar, Nepal, Philippines, Singapore, South Korea, Sri Lanka, Taiwan, Thailand and Vietnam;
- Australasia – which includes Australia, Fiji, New Caledonia and New Zealand; and
- Rest of World – which includes Argentina, Azerbaijan, Bahrain, Brazil, Canada, Chile, Colombia, Cyprus, Ecuador, Egypt, Germany, Ghana, Greece, Iran, Ireland, Italy, Jordan, Kazakhstan, Kenya, Kuwait, Lebanon, Mexico, Morocco, Nigeria, Oman, Pakistan, Peru, Poland, Qatar, Romania, Russia, Saudi Arabia, Spain, Switzerland, Turkey, Ukraine, Uruguay, Uzbekistan, the United Arab Emirates, the United Kingdom and the United States of America.

The principal activities of each segment include the provision of:

- Student placement services
- English language testing
- English language teaching (Asia segment only)

Geographic segment revenue and results

	Segment revenue		Segment EBIT	
	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Asia	742,100	726,290	287,057	290,577
Australasia	54,785	44,283	9,022	4,427
Rest of World	240,361	211,343	38,672	45,222
Total	1,037,246	981,916	334,751	340,226
Corporate costs			(124,424)	(119,542)
Earnings Before Interest and Tax (EBIT)			210,327	220,684
Net finance costs			(21,529)	(13,377)
Income tax expense			(55,266)	(58,209)
Profit for the year			133,532	149,098

The Group Chief Executive Officer assesses the performance of the Group's operating segments based on Segment EBIT, which excludes interest income, finance costs, income tax and corporate costs.

Service segment

The Group also uses a secondary segment which shows revenue and gross profit by service.

	Revenue		Gross profit	
	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Student placement services	508,333	398,958	412,281	325,805
English language testing	485,145	545,456	220,924	263,105
English language teaching	39,791	33,414	26,484	21,841
Other	3,977	4,088	3,150	3,117
Total	1,037,246	981,916	662,839	613,868

Notes to the consolidated financial statements for the year ended 30 June 2024

3. Revenue

The Group's revenue mainly comprises:

- Student placement services
- English language testing
- English language teaching

Revenue is measured at the fair value of the consideration the Group expects to be entitled to in a contract with a customer. Under AASB 15 *Revenue from Contracts with Customers*, revenue recognition for each of the major revenue streams is as follows:

Revenue stream	Performance obligation	Timing of recognition
Student placement services	Student placement: Successful enrolment of a student with an educational institution. Other student placement services: provision of digital marketing, event, consultancy and data services and peer to peer services to educational institutions.	Student Placement: Point in time recognition. The performance obligation is satisfied, and revenue is recognised, when a student's enrolment is confirmed according to the regulatory framework of each destination country. Critical estimate and judgement The Group measures the fair value of consideration receivable after allowing for an estimated withdrawal rate (i.e., when students withdraw from a course after the enrolment is confirmed) and an allowance for other changes to the fair value of consideration that can arise (i.e. course fee changes or commission rate changes). The expected consideration is continually evaluated and is based on historical data, experience and other factors, including reasonable expectations of future events. Other student placement services The performance obligation for these services is satisfied when the service is performed, which can be a mixture of over time and point in time depending on the nature of service.
English language testing	Provision of English language testing service	Over time recognition The performance obligation is satisfied as English language testing services are provided, from the date testing commences to the date results are provided, which typically occurs within a 13-day timeframe. Revenue is recognised over time as related costs are incurred for exam hosting, marking and results release (input method).
English language teaching	Provision of English language teaching courses	Over time recognition The performance obligation is satisfied as English teaching courses are provided, starting from the first day of the courses, until the completion of the courses. Revenue is recognised over time as lessons are provided (output method).

	30 June 2024 \$'000	30 June 2023 \$'000
Student placement services	508,333	398,958
English language testing	485,145	545,456
English language teaching	39,791	33,414
Other	3,977	4,088
Total revenue	1,037,246	981,916
Point in time recognition	466,814	363,916
Over time recognition	570,432	618,000
Total revenue	1,037,246	981,916

Notes to the consolidated financial statements for the year ended 30 June 2024

4. Expenses and finance costs

4.1 Expenses

	30 June 2024 \$'000	30 June 2023 \$'000
Service provider fees	288,770	294,194
Employee benefits expenses	290,095	253,475
Occupancy expenses	15,371	12,366
Marketing expenses	50,728	44,628
Administrative expenses*	26,818	21,090
IT and communication expenses	41,929	33,252
Consultancy and professional expenses	26,471	26,167
Travel expenses	9,420	9,955
Foreign exchange loss	15,326	9,423
Other expenses	6,439	6,099
	771,367	710,649

*FY24 administrative expenses included \$7.7m of credit loss provision for customers in countries subject to foreign exchange control (FY23: \$0.2m).

4.2 Depreciation and amortisation expenses

	Note	30 June 2024 \$'000	30 June 2023 \$'000
Depreciation - Plant and equipment	11	13,521	11,151
Depreciation - Right-of-use assets	12	27,286	25,917
Amortisation - Intangible assets	13	10,377	11,760
Amortisation - Intangible assets generated from business combinations	13	4,260	1,645
		55,444	50,473

4.3 Finance costs

	Note	30 June 2024 \$'000	30 June 2023 \$'000
Interest on borrowings		15,709	8,583
Interest on lease liabilities	12	6,574	5,863
Other finance costs		2,639	1,792
		24,922	16,238

4.4 Included in the employee benefit expenses

	Note	30 June 2024 \$'000	30 June 2023 \$'000
Defined contribution plans		17,240	14,854
Share-based payments	23.4	3,172	7,573
Restructure Costs		5,459	-

Notes to the consolidated financial statements for the year ended 30 June 2024

5. Income taxes

Critical estimate and judgement

The Group is subject to income taxes in Australia and foreign jurisdictions and as a result the calculation of the Group's tax charge involves a degree of estimation and judgment in respect of certain items. The Group recognises liabilities for potential tax exposures based on management's assessment of whether additional taxes may be payable. Where the final tax outcome of these matters is different from the amounts that were recorded, these differences impact the current and deferred tax provisions in the period in which such determination is made.

Tax consolidation – Australia

IDP Education Limited is the head entity in a tax-consolidated group under Australian taxation law. The tax consolidated group comprises the Company and the Australian entities controlled by the Company. The current tax amounts are allocated to members of the consolidated tax group using the 'separate taxpayer within the group' approach. Entities within the tax-consolidated group have entered into a tax funding arrangement for their allocation of the current tax amount.

5.1 Income tax recognised in profit or loss

	30 June 2024 \$'000	30 June 2023 \$'000
Current tax		
Current tax expense	60,812	67,845
Withholding taxes	900	609
Adjustments recognised in relation to the current tax of prior years	(2,662)	(327)
	59,050	68,127
Deferred tax		
Deferred tax expense	(5,153)	(9,485)
Adjustments recognised in relation to the deferred tax of prior years	1,369	(433)
Income tax expense	55,266	58,209

Notes to the consolidated financial statements for the year ended 30 June 2024

5. Income taxes (continued)

5.1 Income tax recognised in profit or loss (continued)

The income tax expense for the year can be reconciled to the accounting profit as follows:

	30 June 2024 \$'000	30 June 2023 \$'000
Profit before tax	188,798	207,307
Income tax expense calculated at 30% (2023: 30%)	56,639	62,192
<i>Tax effect of:</i>		
Attributed income from foreign jurisdictions	1,687	3,131
Non-deductible expenses	3,043	1,643
Withholding taxes	900	609
Unused tax losses, offsets and timing differences not recognised as deferred tax assets	263	18
Utilisation and recognition of losses not previously recognised as deferred tax assets	(1,101)	(3,657)
Effect of tax rates in foreign jurisdictions	(5,415)	(4,010)
Adjustments recognised in relation to the current tax of prior years	(2,662)	(327)
Adjustments recognised in relation to deferred tax of prior years	1,369	(433)
Non-assessable income	(80)	(658)
Other deductible items	(485)	(288)
Effect on deferred tax balances due to changes in income tax rates	1,108	(11)
Income tax expense	55,266	58,209

Notes to the consolidated financial statements for the year ended 30 June 2024

5. Income taxes (continued)

5.2 Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated statement of financial position:

	30 June 2024 \$'000	30 June 2023 \$'000
Deferred tax assets	29,566	26,265
Deferred tax liabilities	(50,881)	(50,603)
	(21,315)	(24,338)

2024

Temporary differences and tax losses

\$'000	Opening balance	Acquired through business combinations	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in reserves	Closing balance
Accrued expenses	4,845	-	(229)	-	-	4,616
Deferred capital expenditure	1,170	-	(876)	-	-	294
Employee benefits	5,287	-	277	-	1,794	7,358
Right-of-use assets	(23,233)	-	4,023	-	-	(19,210)
Lease liabilities	26,165	-	(3,617)	-	-	22,548
Trade receivables	743	-	2,435	-	-	3,178
Derivative financial instruments	568	-	310	(1,174)	-	(296)
Unrealised foreign exchange losses	632	-	1,313	-	-	1,945
Plant, property and equipment	4,488	-	759	-	-	5,247
Deferred revenue	2,408	-	(4,596)	-	-	(2,188)
Intangible assets	(50,545)	(2,295)	1,076	914	-	(50,850)
Prepayments	(60)	-	90	-	-	30
Tax losses	2,732	-	2,287	-	-	5,019
Other	462	-	532	-	-	994
Net deferred tax	(24,338)	(2,295)	3,784	(260)	1,794	(21,315)

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Notes to the consolidated financial statements for the year ended 30 June 2024

5. Income taxes (continued)

5.2 Deferred tax balances (continued)

2023

Temporary differences and tax losses

\$'000	Opening balance	Acquired through business combinations	Recognised in profit or loss	Recognised in other comprehensive income	Recognised in reserves	Closing balance
Accrued expenses	3,785	-	1,060	-	-	4,845
Deferred capital expenditure	1,342	-	(172)	-	-	1,170
Employee benefits	4,435	-	2,028	-	(1,176)	5,287
Leases	2,658	-	274	-	-	2,932
Trade receivables	653	-	90	-	-	743
Derivative financial instruments	1,520	-	(623)	(329)	-	568
Unrealised foreign exchange losses	(214)	-	846	-	-	632
Plant, property and equipment	840	-	3,648	-	-	4,488
Deferred revenue	1,788	-	620	-	-	2,408
Intangible assets	(48,188)	(2,423)	405	(339)	-	(50,545)
Prepayments	(88)	-	28	-	-	(60)
Tax losses	755	-	1,977	-	-	2,732
Other	725	-	(263)	-	-	462
Net deferred tax	(29,989)	(2,423)	9,918	(668)	(1,176)	(24,338)

5.3 Unrecognised deferred tax assets

	30 June 2024 \$'000	30 June 2023 \$'000
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
- Temporary differences	8	8
- Tax losses	1,116	2,548
	1,124	2,556

The unrecognised tax losses will expire between 5 years and indefinite.

Notes to the consolidated financial statements for the year ended 30 June 2024

6. Dividends

6.1 Dividends paid

	30 June 2024		30 June 2023	
	cents per share	Total \$'000	cents per share	Total \$'000
Final dividend paid in respect of prior financial year - 17% franked (2023: 14%)	20.00	55,667	13.50	37,575
Interim dividend paid in respect of current financial year - 77% franked (2023: 25%)	25.00	69,584	21.00	58,451
Total		125,251		96,026

The final dividend of 20.00 cent per share for the financial year ended 30 June 2023 was paid on 28 September 2023.

An interim dividend of 25.00 cents per share franked at 77% was declared on 13 February 2024 to shareholders registered on 8 March 2024. The payment was made on 27 March 2024.

6.2 Dividends proposed and not recognised at the end of the reporting period

The final dividend of 9.0 cents per share franked at 61% for the financial year ended 30 June 2024 was declared on 28 August 2024 to shareholders registered on 12 September 2024. This dividend has not been included as a liability in the financial statements. The total estimated dividend to be paid is \$25.1m.

6.3 Franking credits

The balance of the franking account at 30 June 2024 was \$13.8m (2023: \$8.8m) based on the Australian corporate tax rate of 30% (2023: 30%).

Notes to the consolidated financial statements for the year ended 30 June 2024

7. Earnings per share

Basic earnings per share

Basic earnings per share (EPS) is calculated by dividing the profit attributable to the owners of IDP Education Limited, by the weighted average number of ordinary shares outstanding during the reporting period.

Diluted earnings per share

Diluted EPS adjusts the figures used in the determination of basic EPS to take into account the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

	30 June 2024		30 June 2023	
	Cents		Cents	
	Basic	Diluted	Basic	Diluted
Earnings per share	47.69	47.58	53.36	53.28

	30 June 2024	30 June 2023
Earnings used in calculating earnings per share	\$000	\$000
Earnings attributable to owners of IDP Education Limited	132,749	148,521

	30 June 2024	30 June 2023
Weighted average number of shares used as the denominator		
Weighted average number of shares used as the denominator for basic EPS	278,336,211	278,336,211
Weighted average number of potential dilutive ordinary shares:		
- performance rights and service rights	691,295	405,728
Weighted average number of shares used as denominator for diluted EPS	279,027,506	278,741,939

Notes to the consolidated financial statements for the year ended 30 June 2024

Assets and liabilities

8. Trade and other receivables

Revenue is recognised in accordance with the Group's accounting policy set out in Note 3.

Where revenue recognition precedes invoicing it results in a contract asset as disclosed in Note 9 below, and where cash amounts are received in advance of revenue recognition it results in a contract liability as disclosed in Note 16.

Receivables arise from revenue that has been billed, but not yet settled by the customer. IDP's credit terms are generally 30 to 60 days from the date of invoice. As such, the carrying amount of receivables approximates their fair value.

	30 June 2024	30 June 2023
	\$'000	\$'000
Trade receivables	173,807	156,005
Credit loss allowance	(11,063)	(2,721)
	162,744	153,284
Other receivables	8,774	7,652
	171,518	160,936

Critical estimate and judgement

Credit Loss Allowance – Trade receivables and contract assets

The Group applies the simplified approach under AASB 9 *Financial Instruments* to measure expected credit losses using the lifetime expected loss approach for all trade receivables and contract assets. Expected credit losses are measured by grouping trade receivables and contract assets based on shared credit risk characteristics. Contract assets have substantially the same risk characteristics as trade receivables for the same types of contracts.

An allowance for expected credit loss is determined based on historic credit loss rates for each group of customers, adjusted for any material expected changes to the customers' future credit risk.

In the current period, the increase in the expected credit loss allowance primarily relates to third party IELTS test centres in countries subject to foreign exchange controls, which have impacted the Group's ability to receive amounts due. The Group is continuing its effort to establish payment pathways that comply with the applicable foreign exchange controls. Despite the challenges posed by foreign exchange controls, the Group expects to receive the outstanding amount within 12 months.

Notes to the consolidated financial statements for the year ended 30 June 2024

9. Contract assets

	30 June 2024 \$'000	30 June 2023 \$'000
Student placement services	149,096	108,678
Current	143,334	102,838
Non-current	5,762	5,840
	149,096	108,678

As discussed in Note 8, contract assets arise where revenue recognised precedes invoicing for the Group's student placement services. Amounts previously recognised as contract assets are reclassified to trade receivables when the customer is invoiced.

10. Capitalised development costs

Capitalised development costs represent internally developed products or systems not yet put into use. These assets will be transferred to intangible assets or property, plant and equipment as appropriate on the date of completion and amortised over their estimated useful economic lives.

Costs capitalised include external direct costs of materials and services and direct payroll and payroll related costs of employees' time spent on the project. Development costs include only those costs directly attributable to the development phase and are recognised only following completion of technical feasibility and where the Group has an intention and ability to use the asset.

	Note	30 June 2024 \$'000	30 June 2023 \$'000
Balance at beginning of the year		12,155	23,666
Additions		43,182	23,150
Transfers to plant and equipment	11	(37)	-
Transfers to intangible assets	13	(32,577)	(34,681)
Effect of foreign currency exchange differences		4	20
Balance at end of the year		22,727	12,155

Notes to the consolidated financial statements for the year ended 30 June 2024

II. Plant and equipment

The carrying value of plant and equipment is presented below:

	Leasehold improvements	Plant and equipment	Total
Cost	\$'000	\$'000	\$'000
Balance at 30 June 2022	32,877	34,974	67,851
Additions	8,145	8,986	17,131
Acquired through business combinations	1,240	699	1,939
Disposals	(1,751)	(2,404)	(4,155)
Effect of foreign currency exchange differences	(645)	(37)	(682)
Balance at 30 June 2023	39,866	42,218	82,084
Additions	8,719	5,460	14,178
Acquired through business combination	-	13	13
Transfer from capitalised development costs	-	37	37
Disposals	(2,425)	(4,104)	(6,529)
Effect of foreign currency exchange differences	(1,623)	(1,485)	(3,107)
Balance at 30 June 2024	44,537	42,139	86,676
Accumulated depreciation			
Balance at 30 June 2022	(17,444)	(23,990)	(41,434)
Depreciation for the year	(5,259)	(5,892)	(11,151)
Acquired through business combinations	(148)	(136)	(284)
Disposals	1,752	2,352	4,104
Effect of foreign currency exchange differences	219	(73)	146
Balance at 30 June 2023	(20,880)	(27,739)	(48,619)
Depreciation for the year	(5,642)	(7,879)	(13,521)
Disposals	2,108	4,008	6,116
Effect of foreign currency exchange differences	694	1,341	2,035
Balance at 30 June 2024	(23,720)	(30,269)	(53,989)
Net Book Value			
At 30 June 2023	18,986	14,479	33,465
At 30 June 2024	20,817	11,870	32,687

Plant and equipment are depreciated using the straight-line basis over their estimated useful economic lives.

<u>Class of plant and equipment</u>	<u>Estimated useful economic life</u>
Leasehold Improvements	Lesser of lease term or useful life
Plant and equipment	3 to 5 years

Notes to the consolidated financial statements for the year ended 30 June 2024

12. Right-of-use assets

The carrying value of right-of-use assets is presented below:

	Office buildings
Cost	\$'000
Balance at 30 June 2022	148,373
Additions	44,063
Acquired through business combination	2,023
Lease terminations	(6,412)
Effect of foreign currency exchange differences	492
Balance at 30 June 2023	188,539
Additions	27,230
Lease terminations	(15,570)
Effect of foreign currency exchange differences	(6,772)
Balance at 30 June 2024	193,427
Accumulated depreciation	
Balance at 30 June 2022	(57,590)
Depreciation for the year	(25,917)
Lease terminations	4,615
Effect of foreign currency exchange differences	(199)
Balance at 30 June 2023	(79,091)
Depreciation for the year	(27,286)
Lease terminations	13,894
Effect of foreign currency exchange differences	2,395
Balance at 30 June 2024	(90,088)
Net Book Value	
At 30 June 2023	109,448
At 30 June 2024	103,339

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of office and Information Technology (IT) equipment that have a lease term of 12 months or less or for leases of low-value assets such as printers and other IT equipment for use by staff in its offices. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

<u>Amounts recognised in the Statement of Profit or Loss</u>	<u>Note</u>	30 June 2024 \$'000	30 June 2023 \$'000
Depreciation on right-of-use assets	4.2	27,286	25,917
Interest on lease liabilities	4.3	6,574	5,863
Occupancy expenses			
- Expenses relating to short term or low value leases	4.1	1,141	516
- Other occupancy expenses		14,230	11,850

Notes to the consolidated financial statements for the year ended 30 June 2024

13. Intangible assets

The carrying value of intangible assets is presented below:

Cost	Note	Software \$'000	Brand and trade names \$'000	Customer relationships \$'000	Website technology and database \$'000	Goodwill \$'000	Contracts for English language testing \$'000	Total \$'000
Balance at 30 June 2022		38,959	14,920	14,018	7,126	166,014	210,357	451,394
Additions		3	-	-	-	-	-	3
Acquired through business combinations		159	-	8,066	-	87,342	-	95,567
Transfer from capitalised development costs	10	34,681	-	-	-	-	-	34,681
Disposals		(249)	-	-	-	-	-	(249)
Effect of foreign currency exchange differences		(31)	1,137	1,644	584	6,231	(534)	9,031
Balance at 30 June 2023		73,522	16,057	23,728	7,710	259,587	209,823	590,427
Additions		65	-	-	-	-	-	65
Finalisation of business combination accounting (transfers from goodwill)	27	-	-	575	8,605	(5,670)	-	3,510
Transfer from capitalised development costs	10	32,577	-	-	-	-	-	32,577
Disposals		(46)	-	-	-	-	-	(46)
Effect of foreign currency exchange differences		(27)	(88)	(139)	(110)	(3,246)	(3,523)	(7,133)
Balance at 30 June 2024		106,091	15,969	24,164	16,205	250,671	206,300	619,400
Accumulated amortisation								
Balance at 30 June 2022		(24,662)	(502)	(5,506)	(7,126)	-	-	(37,796)
Amortisation for the year		(11,760)	-	-	-	-	-	(11,760)
Amortisation of intangible assets generated from business combinations		-	(71)	(1,574)	-	-	-	(1,645)
Disposals		89	-	-	-	-	-	89
Effect of foreign currency exchange differences		(7)	-	(560)	(584)	-	-	(1,151)
Balance at 30 June 2023		(36,340)	(573)	(7,640)	(7,710)	-	-	(52,263)
Amortisation for the year		(10,377)	-	-	-	-	-	(10,377)
Amortisation of intangible assets generated from business combinations		-	(71)	(2,320)	(1,869)	-	-	(4,260)
Disposals		46	-	-	-	-	-	46
Effect of foreign currency exchange differences		(196)	-	70	64	-	-	(62)
Balance at 30 June 2024		(46,867)	(644)	(9,890)	(9,515)	-	-	(66,916)
Net Book Value								
At 30 June 2023		37,182	15,484	16,088	-	259,587	209,823	538,164
At 30 June 2024		59,224	15,325	14,274	6,690	250,671	206,300	552,484

Notes to the consolidated financial statements for the year ended 30 June 2024

13. Intangible assets (continued)

Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually, or more frequently if events or changes in circumstances indicate that they might be impaired and carried at cost less accumulated impairment losses.

Intangible assets with finite lives are amortised, on a straight-line basis, over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

<u>Class of intangible assets</u>	<u>Estimated useful economic life</u>
Software	3 to 10 years
Brand names	
- Digital marketing	Indefinite
- Other brand names	15 years
Customer relationships	3 to 19 years
Website technology and database	3 to 5 years
Contracts for English language testing	Indefinite
Goodwill	Indefinite

Contracts for English language testing represents IELTS testing Intellectual Property, which was recognised at fair value at date of acquisition. Contracts for English language testing have an indefinite useful life, as they have no termination date and are expected to continue to be used by the Group for the foreseeable future.

Critical accounting estimates and judgements

Impairment testing of goodwill and other intangible assets with indefinite useful lives

The recoverable amount of the Cash Generation Unit (CGU) or group of CGUs to which goodwill and other intangible assets with indefinite useful lives have been allocated have been determined based on the value in use calculations.

These calculations are performed based on cash flow projections and other supplementary information which, given their forward looking nature, require the adoption of assumptions and estimates.

The key assumptions and estimates utilised in management's assessments relate primarily to:

- Three years cash flow forecasts sourced from internal budgets and management forecasts;
- Terminal value growth rates applied to the period beyond the three year cash flow forecasts; and
- Post-tax discount rates, used to discount the cash flows to present value.

Each of these assumptions and estimates is based on a "best estimate" at the time of performing the valuation.

Notes to the consolidated financial statements for the year ended 30 June 2024

13. Intangible assets (continued)

A summary of the carrying amount of goodwill and other intangible assets with indefinite useful lives by CGU is detailed below:

CGU/Group of CGUs	30 June 2024		30 June 2023	
	Goodwill \$'000	Intangible assets with indefinite useful lives \$'000	Goodwill \$'000	Intangible assets with indefinite useful lives \$'000
Asia - IELTS testing	129,007	185,725	131,570	189,248
Australasia - IELTS testing	3,451	11,275	3,451	11,275
Rest of World - IELTS testing	2,847	9,300	2,847	9,300
Asia - Student placement	42,435	-	8,879	-
Rest of World - Student placement	72,931	14,910	69,317	-
UK - Digital marketing	-	-	27,382	14,998
Unallocated*	-	-	16,141	-
	250,671	221,214	259,587	224,821

*The Ambassador Platform was acquired on 23 May 2023 and the accounting for the acquisition was completed on a provisional basis as of 30 June 2023. During the current financial year, the acquisition accounting for The Ambassador Platform was finalised. The final goodwill balance of \$10.5m represents the value attributable to synergies from integrating the operations of the acquiree with the Group's Student Placement business. Goodwill has been allocated to the *Asia - Student Placement* and *Rest of World - Student Placement* CGUs for impairment testing purpose, being the businesses expected to benefit from the synergies of the acquisition.

In conjunction with finalising the allocation of goodwill for the Ambassador Platform, management reflected on the increasing level of integration between the UK Digital marketing business and Student placement business and the Group's future strategy for its Student placement business. As a result, management concluded that the goodwill for the UK Digital marketing business should be reallocated to the Group's Student placement CGU's. The reallocation was undertaken in accordance with accounting standards, using a relative value approach to allocate goodwill to respective Student placement CGU's, with \$24.3m allocated to Asia - Student placement and \$2.9m allocated to Rest of World - Student placement. The change in allocation has been applied prospectively in the current year, hence there has been no change to the prior year allocation of goodwill in the table above.

Key assumptions

CGU/Groups of CGUs	Valuation method	Terminal growth rate		Post-tax discount rate	
		%		%	
		2024	2023	2024	2023
Asia - IELTS testing	Value in use	3.0%	3.0%	8.7%	8.9%
Australasia - IELTS testing	Value in use	3.0%	0%	8.4%	8.4%
Rest of World - IELTS testing	Value in use	3.0%	3.0%	8.9%	9.1%
Asia - Student placement	Value in use	3.0%	3.0%	8.7%	8.9%
Rest of World - Student placement	Value in use	3.0%	3.0%	8.9%	9.1%

Impairment testing results and sensitivity analysis:

The Group's impairment testing results evidenced sufficient head room for all CGUs/Groups of CGUs.

The Group has conducted sensitivity analysis taking into consideration the current market conditions and regulatory developments, which indicated that no reasonably possible change in key assumptions would result in an impairment loss. Accordingly, the Group has concluded that no impairment is required based on current market and economic conditions and expected future performance.

Notes to the consolidated financial statements for the year ended 30 June 2024

14. Other assets

		30 June 2024	30 June 2023
		\$'000	\$'000
Other current assets			
Prepayments		10,080	11,098
Refundable deposits		15,748	14,471
Recoverable GST/VAT input credits		6,165	8,967
Other assets		1,468	781
		33,461	35,317
Other non-current assets			
	Note	30 June 2024	30 June 2023
		\$'000	\$'000
Prepayments		777	985
Recoverable GST/VAT input credits		6,748	3,209
Tax deposits	30	20,543	21,288
		28,068	25,482

Critical estimates and judgements

The Group is subject to GST and other value added taxes in Australia and foreign jurisdictions. As a result, the Group's indirect tax positions involve a degree of estimation and judgment in respect of the interpretations adopted by management in relation to the applicability of GST or Service taxes in certain jurisdictions.

Tax deposits represent GST paid in advance in foreign jurisdictions and are recognised as an asset on the basis that the Group has a right to obtain future economic benefits, either by receiving a cash refund, or by applying the payment against a future tax liability should one crystallise. Tax deposits are classified as non-current as the timeline for filing and processing of GST refunds is expected to take longer than 12 months and the Group is currently subject to legal proceedings and reviews by the Indian tax authorities in relation to the interpretation of GST legislation for which the tax deposits relate. The Group currently expects all deposits to be refunded in full. Further details on the legal proceedings and reviews are disclosed in Note 30.

15. Trade and other payables

		30 June 2024	30 June 2023
		\$'000	\$'000
Current			
Trade payables		135,461	145,898
Employee benefits payable		39,587	44,235
Other payables		720	1,572
		175,768	191,705

As of 30 June 2024 and 2023, the carrying value of trade and other payables approximated their fair value.

Notes to the consolidated financial statements for the year ended 30 June 2024

16. Contract liabilities

	30 June 2024	30 June 2023
	\$'000	\$'000
Amounts received in advance – English language testing ⁽¹⁾	13,497	17,619
Amounts received in advance – Student placement related services ⁽²⁾	38,794	31,632
Amounts received in advance – English language teaching ⁽³⁾	8,696	8,698
	60,987	57,949

(1) The contract liabilities arise in respect to English language testing fees paid by candidates in advance of the test being completed

(2) The contract liabilities arise as a result of fees paid by customers in advance of the student placement related services

(3) The contract liabilities arise as a result of tuition fees paid by participants in advance of the tuition date

The current year balance (\$61.0m) is expected to be recognised as revenue in the next 12 months. The prior year balance (\$57.949m) has been fully recognised in the current reporting period as revenue.

17. Provisions

	30 June 2024	30 June 2023
	\$'000	\$'000
Employee benefits	32,262	27,643
Make good provision	2,474	2,309
	34,736	29,952
Current	23,214	20,850
Non-current	11,522	9,102
	34,736	29,952

Notes to the consolidated financial statements for the year ended 30 June 2024

Capital structure and financing

18. Borrowings

	30 June 2024	30 June 2023
Non-current	\$'000	\$'000
Bank loans	277,652	209,004
Total	277,652	209,004

During the current financial year, \$70m (net) was drawn down to fund the deferred consideration for the acquisition of Intake Group and working capital requirements.

The Group also completed the refinance of its borrowing facilities in December 2023 which resulted in an increase in limit and an extension of their maturity to December 2026 and December 2028 as set out below:

	Currency	30 June 2024 \$'000	30 June 2023 \$'000
Cash Advance Facility A			
Facility utilised at end of period	AUD	209,157	209,157
Facility not utilised at end of period	AUD	150,844	-
Maturity date		31 December 2026 (\$180m) 31 December 2028 (\$180m)	31 December 2024
Cash Advance Facility B			
Facility utilised at end of period	AUD	70,000	-
Facility not utilised at end of period	AUD	15,200	75,000
Maturity date		31 December 2026 (\$42.6m) 31 December 2028 (\$42.6m)	31 December 2024

19. Lease liabilities

	30 June 2024	30 June 2023
Maturity analysis	\$'000	\$'000
Year 1	29,707	30,197
Year 2 to 5	79,904	77,176
Year 5 onwards	26,595	31,276
	136,206	138,649
Less: impact of discounting	(18,198)	(18,089)
	118,008	120,560
Presented as:		
Current lease liabilities	23,797	24,530
Non-current lease liabilities	94,211	96,030
	118,008	120,560

Notes to the consolidated financial statements for the year ended 30 June 2024

20. Cash flow information

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with maturities of three months or less, net of bank overdrafts.

The reconciliation of net profit for the year after tax to net cash flows from operating activities is as follows:

	30 June 2024	30 June 2023
	\$'000	\$'000
Net profit after tax	133,532	149,098
Adjustment for:		
Depreciation and amortisation	55,444	50,473
Credit losses	8,395	1,024
Share of loss of an associate	109	110
Unrealised foreign exchange losses	10,281	2,331
Share-based payments	3,172	7,573
Movement in working capital:		
Trade and other receivables	(18,924)	(67,367)
Contract assets	(40,418)	(39,167)
Other assets	(730)	(17,279)
Trade and other payables, contract liabilities and provision	(18,639)	74,300
Current and deferred tax	(16,263)	9,184
Net cash inflow from operating activities	115,959	170,280

20.1 Reconciliation of liabilities arising from financing activities

	Opening balance	Financing net cash flows	Loan Establishment fees	Non-cash changes	Others	Closing balance
	\$'000	\$'000	\$'000	New and modified leases \$'000	\$'000	\$'000
2024						
Bank loans	209,004	70,000	(1,781)	-	429	277,652
Lease liabilities	120,560	(25,403)	-	27,068	(4,217)	118,008
2023						
Bank loans	156,453	52,411	-	-	140	209,004
Lease liabilities	99,961	(22,726)	-	43,173	152	120,560

Notes to the consolidated financial statements for the year ended 30 June 2024

21. Issued capital

21.1 Share capital

	Note	30 June 2024 \$'000	30 June 2023 \$'000
Ordinary shares fully paid		282,369	282,369
Treasury shares	21.2	(1,703)	(10,902)
		280,666	271,467

Ordinary shares (fully paid)	Number of shares	\$'000
Balance at 30 June 2023	278,336,211	282,369
Balance at 30 June 2024	278,336,211	282,369

21.2 Treasury shares

Movement in treasury shares	Note	Number of shares	\$ per share	\$'000
Balance at 30 June 2022		198,349		5,481
Acquisition of treasury shares		346,615	25.58	8,868
Transfer to employees	23.2	(124,422)	27.70	(3,447)
Balance at 30 June 2023		420,542		10,902
Acquisition of treasury shares		51,873	16.95	879
Transfer to employees	23.2	(393,183)	25.63	(10,078)
Balance at 30 June 2024		79,232		1,703

During FY24, 393,183 treasury shares were transferred to employees under the performance rights plans (Note 23.2). These shares therefore ceased to be held as treasury shares after these dates.

During FY24, IDP Education Employee Share Scheme Trust acquired 51,873 shares (at an average price of \$16.95 per share) to be held in the Trust for the benefit of IDP group employees who are participants in the IDP Education Employee Incentive Plan.

As at 30 June 2024, there were 79,232 treasury shares (\$1.7m) held in the Trust. These shares will be transferred to eligible employees under the Performance and Service Rights plans once the vesting conditions are met.

Notes to the consolidated financial statements for the year ended 30 June 2024

22. Financial instruments

22.1 Financial assets and liabilities

	30 June 2024 \$'000	30 June 2023 \$'000
Financial assets		
Cash and cash equivalents	107,622	166,626
Trade and other receivables	171,518	160,936
Derivative financial instruments		
Foreign exchange forward/option contracts	1,848	4,642
Short term investment in term deposits	13,482	-
Other current assets – refundable deposits	15,748	14,471
Financial liabilities		
Trade and other payables	175,768	191,705
Borrowings	277,652	209,004
Lease liabilities	118,008	120,560
Contingent consideration	3,853	25,560
Derivative financial instruments		
Foreign exchange forward/option contracts	860	6,302

22.2 Financial risk management objectives and policies

The Group's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk) and liquidity risk.

The Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, the use of financial derivatives and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors and Group Head of Risk on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Group's Corporate Treasury function reports at least quarterly to the Group's Audit and Risk Committee. As part of its role, Group Audit and Risk Committee monitors risks and policies implemented to mitigate risk exposures.

Notes to the consolidated financial statements for the year ended 30 June 2024

22. Financial Instruments (continued)

22.2 Financial risk management objectives and policies (continued)

Market risk

Foreign currency risk management

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's functional currency. Predominantly these foreign currencies include British Pounds (GBP), Indian Rupee (INR), Chinese Yuan (CNY), Canadian dollar (CAD) and United States dollar (USD).

Foreign currency exchange rate risk arises from:

- GBP payments to the University of Cambridge Local Examinations Syndicate test materials;
- GBP, USD, CAD and NZD receivable from student placement revenue and IELTS examination fees; and
- Other foreign currencies income or operational expenses (mainly INR).

Cash flow hedge

The Group utilises a variety of methods to manage its foreign currency exchange rate risk. The key method is the use of forward exchange contracts and currency option contracts. The Group's hedging policy permits the purchase of forward exchange contracts up to 100% and currency option contracts up to 50% of the currency exposure on the current and following year's forecast cash operating expenses and revenues (net of any forecast cash receipts and payments in the same currency). The main currencies currently covered by the hedging strategy are GBP, INR, CNY, CAD and USD.

The Group's current policy is to enter into hedges during the current year covering up to 25% each quarter of the foreign currency exchange rate exposure of the following financial year's forecast cash operating expenses (net of any forecast cash receipts). The balance of the hedge program is completed when the Board approves the Group's budget and cash flow forecasts for the following financial year (which is prior to the commencement of that financial year).

Foreign currency denominated monetary assets and monetary liabilities

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

AUD equivalent	30 June 2024		30 June 2023	
	Assets \$'000	Liabilities \$'000	Assets \$'000	Liabilities \$'000
USD	42,912	(18,637)	36,057	(18,208)
GBP	93,126	(72,104)	92,074	(81,373)
INR	16,952	(66,799)	29,234	(91,182)
VND	2,193	(12,284)	2,432	(14,690)
CAD	41,623	(3,255)	36,674	(2,887)
AED	27,873	(4,533)	22,119	(6,123)
NPR	20,535	(2,730)	12,757	(1,935)
BDT	11,368	(3,609)	8,641	(2,377)
NGN	9,343	(181)	9,300	(374)
Other	30,456	(30,754)	24,984	(32,545)
Total	296,381	(214,886)	274,272	(251,694)

Notes to the consolidated financial statements for the year ended 30 June 2024

22. Financial Instruments (continued)

22.2 Financial risk management objectives and policies (continued)

Market risk (continued)

Foreign currency risk management (continued)

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 10% movement in the Australian dollar against the significant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and foreign exchange contracts. A positive number below indicates an increase in profit or equity whereas a negative number below indicates a decrease in profit or equity.

		Effect on profit or loss	Effect on equity
USD		\$'000	\$'000
2024	-10%	1,888	372
2023	-10%	1,388	(732)
GBP			
2024	-10%	1,635	1,974
2023	-10%	832	4,392
INR			
2024	-10%	(3,877)	(4,926)
2023	-10%	(4,818)	(10,813)
VND			
2024	-10%	(785)	(785)
2023	-10%	(953)	(953)
CAD			
2024	-10%	2,984	938
2023	-10%	2,628	(334)
AED			
2024	-10%	1,815	1,815
2023	-10%	1,244	1,244
NPR			
2024	-10%	1,385	1,385
2023	-10%	842	842
BDT			
2024	-10%	603	603
2023	-10%	487	487
NGN			
2024	-10%	713	713
2023	-10%	694	694

Notes to the consolidated financial statements for the year ended 30 June 2024

22. Financial Instruments (continued)

22.2 Financial risk management objectives and policies (continued)

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates, Bank Bill Swap Rate (BBSY).

At 30 June 2024, the Group was exposed to the variable interest rate loans of \$279.2m (2023: \$209.2m).

Liquidity risk management

The Board of Directors is ultimately responsible for liquidity risk management. The Group has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Group has a policy which describes the manner in which cash balances will be invested. The investment policy is to ensure sufficient flexibility to capture investment opportunities as they may occur, yet maintain reasonable parameters in the execution of the investment program.

The following table summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments. The table has been drawn up based on the net cash inflows and outflows on derivative instruments that settle on a net basis and the undiscounted gross inflows and outflows on those derivatives that require gross settlement.

	Less than 1 year \$'000	1-5 years \$'000	More than 5 years \$'000	Total \$'000	Carrying amount \$'000
30 June 2024					
- Trade and other payables	175,768	-	-	175,768	175,768
- Interest-bearing borrowings	16,143	319,656	-	335,799	277,652
- Lease liabilities	29,707	79,904	26,595	136,206	118,008
- Contingent consideration	3,853	-	-	3,853	3,853
- Foreign exchange forward contracts	860	-	-	860	860
	226,331	399,560	26,595	652,486	576,141
30 June 2023					
- Trade and other payables	191,705	-	-	191,705	191,705
- Interest-bearing borrowings	6,877	212,595	-	219,472	209,004
- Lease liabilities	30,197	77,176	31,276	138,649	120,560
- Contingent consideration	25,560	-	-	25,560	25,560
- Foreign exchange forward contracts	6,302	-	-	6,302	6,302
	260,641	289,771	31,276	581,688	553,131

Notes to the consolidated financial statements for the year ended 30 June 2024

22. Financial Instruments (continued)

22.2 Financial risk management objectives and policies (continued)

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with financial institutions for banking, financing and forward currency exchange that are rated the equivalent of investment grade and above. Credit rating information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure for cash and cash equivalents is controlled by counterparty limits that are reviewed and approved by the Audit and Risk Committee annually.

The Group's customer base comprises Australia, UK, US, Canada, Ireland and New Zealand universities and institutions and IELTS customers and third party IELTS test centres. Credit risk assessments are conducted on new and renegotiated contracts to evaluate each customer's creditworthiness. Management considers the Group's credit risk is low due to the industry characteristic of major customers and the diverse customer base.

Management also considers many factors that influence the credit risk of its customer base including the industry default risk and the sovereign and regulatory risk of the country in which customers operate in. Management closely monitors the economic and political environment in geographical areas to limit the exposure to particular volatility. The Group's activities are increasingly geographically spread reducing the credit risk associated with one particular market or region.

The carrying value of financial assets represents the Group's maximum exposure to credit risk.

22.3 Fair value of financial instruments

The Group measures fair value of financial instruments at each reporting date.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Notes to the consolidated financial statements for the year ended 30 June 2024

22. Financial Instruments (continued)

22.3 Fair value of financial instruments (continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Financial assets/ financial liabilities	Fair value hierarchy	Fair value as at 30 June 2024 \$'000	Fair value as at 30 June 2023 \$'000	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Foreign currency forward and options contracts	Level 2	Assets: 1,848 Liabilities: 860	Assets: 4,642 Liabilities: 6,302	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.	N/A	N/A
Financial liabilities at fair value through profit or loss - Contingent consideration	Level 3	3,853	25,560	The fair value has been estimated by discounting the expected amount at which the contingent consideration is to be settled to its present value.	Discount rate of 10.3% was used in the calculation.	The higher the discount rate, the lower the fair value.

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

The Directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values as detailed in Note 22.1.

22.4 Capital management

The Group's objective is to maintain an optimal capital structure for the business which ensures sufficient liquidity, provide returns for shareholders, benefits for other stakeholders and to minimise the cost of capital.

As at 30 June 2024, IDP has following facilities:

Australian Dollar \$360,000,000	Facility A: Acquisition funding unsecured Cash Advance loan facility for acquisitions and general purpose
Australian Dollar \$85,200,000	Facility B: Unsecured Cash advance facility to support both general corporate purposes and working capital requirements of the Group

The Company has complied with all bank lending requirements during the year and at the date of this report.

IDP's capital management is characterised by:

- Ongoing cash flow forecast analysis, detailed budgeting processes and consistent cash repatriation of surplus available cash from its overseas operations to ensure net cost of funds is minimised;
- The Group may adjust the level of dividends paid to shareholders, return capital to shareholders or issue new shares in order to maintain or adjust the capital structure;
- Maintain gearing to a level that does not limit IDP growth opportunities; and
- Monitor the gearing ratio of the Group.

Notes to the consolidated financial statements for the year ended 30 June 2024

Other notes

23. Share-based payments

Share-based compensation benefits are provided to key management personnel (KMP) and certain employees via long-term incentive (LTI) performance rights and options plans.

23.1 Performance rights and option plans

The LTI plan is designed to align executives' interest with those of shareholders by incentivising participants to deliver long term shareholders returns. Under the plan, participants are granted performance rights or options that have vesting hurdles. The vesting hurdles must be satisfied at the end of the performance period for the rights to vest.

Details of the current performance rights and options plans are summarised in the table below.

Performance rights/service rights awards	No. of performance /service right	Grant date	Grant date fair value	Exercise price	Vesting conditions	Vesting date
FY22 LTI award - tranche 1	56,585	4-Oct-21/ 27-Oct-21	36.38/ 37.04	N/A	EPS target CAGR	31-Aug-24
FY22 LTI award - tranche 2	56,592	4-Oct-21/ 27-Oct-21	30.45	N/A	Total shareholder return hurdle	31-Aug-24
FY22 IDP plan award - tranche 1	40,085	4-Oct-21	36.38	N/A	EPS target CAGR	31-Aug-24
FY22 IDP plan award - tranche 2	40,117	4-Oct-21	30.45	N/A	Total shareholder return hurdle	31-Aug-24
FY23 IDP Plan award - tranche 1	56,126	19-Sep-22/ 01-Nov-22	26.85	N/A	EPS target CAGR	31-Aug-25
FY23 IDP Plan award - tranche 2	56,169	19-Sep-22/ 01-Nov-22	19.47	N/A	Total shareholder return hurdle	31-Aug-25
FY23 LTI award - tranche 1	79,308	19-Sep-22/ 13-Feb-23	26.85/ 29.99	N/A	EPS target CAGR	31-Aug-25
FY23 LTI award - tranche 2	79,310	19-Sep-22/ 13-Feb-23	19.47/ 22.50	N/A	Total shareholder return hurdle	31-Aug-25
FY23 Intake award	9,729	01-Nov-22	27.57	N/A	Service condition	31-Aug-24
FY23 Digital Campus award	8,761	05-Dec-22	27.64	N/A	Service condition	31-Aug-24
FY23 CEO Sign On award	4,361	13-Feb-23	30.17	N/A	Service condition	13-Feb-25
FY23 Deferred STI award	23,028	18-Oct-23	22.25	N/A	Service condition	01-Jul-24
FY24 Digital Campus award	20,459	18-Oct-23	22.18/ 21.78	N/A	Service condition	31-Aug-24/ 31-Aug-25
FY24 IDP Plan award - tranche 1	80,040	18-Oct-23	21.40	N/A	EPS target CAGR	31-Aug-26
FY24 IDP Plan award - tranche 2	80,084	18-Oct-23	14.19	N/A	Total shareholder return hurdle	31-Aug-26
FY24 LTI award - tranche 1	100,214	18-Oct-23	21.40	N/A	EPS target CAGR	31-Aug-26
FY24 LTI award - tranche 2	100,218	18-Oct-23	14.19	N/A	Total shareholder return hurdle	31-Aug-26

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Notes to the consolidated financial statements for the year ended 30 June 2024

23. Share-based payments (continued)

23.2 Movements during the year

The table below summarises the movement in the number of performance rights/options in these plans during the year:

2024

	Grant date	Vesting period (years)	Exercise price	Number of performance and service rights					Vested and exercisable at balance date
				Opening balance	Granted during the year	Exercised during the year	Forfeited during the year	Closing balance	
Performance right plans									
FY20 LTI	1-Oct-19	3.0	\$0.00	3,409	-	(3,409)	-	-	-
FY21 LTI	7-Sep-20	3.0	\$0.00	116,577	-	(104,283)	(12,294)	-	-
FY21 IDP plan award	7-Sep-20	3.0	\$0.00	124,679	-	(110,940)	(13,739)	-	-
FY22 LTI	4-Oct-21/ 27-Oct-21	3.0	\$0.00	113,177	-	-	-	113,177	-
FY22 IDP plan award	4-Oct-21	3.0	\$0.00	90,278	-	-	(10,076)	80,202	-
FY22 recognition award	4-Oct-21	2.0	\$0.00	125,409	-	(125,409)	-	-	-
FY22 digital campus award	4-Oct-21	1.0-2.0	\$0.00	7,496	-	(7,496)	-	-	-
FY22 deferred STI	5-Sep-22	0.8	\$0.00	31,295	-	(31,295)	-	-	-
FY23 LTI	19-Sep-22/ 13-Feb-23	2.6-3.0	\$0.00	158,618	-	-	-	158,618	-
FY23 IDP plan award	19-Sep-22/ 01-Nov-22	2.8-3.0	\$0.00	122,342	-	-	(10,047)	112,295	-
FY23 Intake Award	01-Nov-22	1.8	\$0.00	9,729	-	-	-	9,729	-
FY23 Digital Campus Award	05-Dec-22	1.0-2.0	\$0.00	14,751	-	(5,990)	-	8,761	-
FY23 CEO Sign On Award	13-Feb-23	1.0-2.0	\$0.00	8,722	-	(4,361)	-	4,361	-
FY23 deferred STI	18-Oct-23	0.7	\$0.00	-	23,028	-	-	23,028	-
FY24 Digital Campus Award	18-Oct-23	0.9-1.9	\$0.00	-	20,459	-	-	20,459	-
FY24 IDP plan award	18-Oct-23	2.9	\$0.00	-	165,994	-	(5,870)	160,124	-
FY24 LTI	18-Oct-23	2.9	\$0.00	-	200,432	-	-	200,432	-
Total Performance Rights				926,482	409,913	(393,183)	(52,026)	891,186	
Weighted average exercise price			-	-	-	-	-	-	

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Notes to the consolidated financial statements for the year ended 30 June 2024

23. Share-based payments (continued)

23.2 Movements during the year (continued)

2023

	Grant date	Vesting period (years)	Exercise price	Number of performance and service rights					Vested and exercisable at balance date	
				Opening balance	Granted during the year	Exercised during the year	Forfeited during the year	Closing balance		
Performance right plans										
FY20 LTI	1-Oct-19	3.0	\$0.00	135,086	-	(56,629)	(75,048)	3,409*	-	
FY20 IDP plan award	1-Oct-19	3.0	\$0.00	92,460	-	(40,083)	(52,377)	-	-	
FY21 LTI	7-Sep-20	3.0	\$0.00	116,577	-	-	-	116,577	-	
FY21 IDP plan award	7-Sep-20	3.0	\$0.00	130,154	-	-	(5,475)	124,679	-	
FY21 deferred STI	9-Sep-21	1.0	\$0.00	24,981	-	(24,981)	-	-	-	
FY22 LTI	4-Oct-21/ 27-Oct-21	3.0	\$0.00	113,177	-	-	-	113,177	-	
FY22 IDP plan award	4-Oct-21	3.0	\$0.00	93,661	-	-	(3,383)	90,278	-	
FY22 recognition award	4-Oct-21	2.0	\$0.00	125,409	-	-	-	125,409	-	
FY22 digital campus award	4-Oct-21	1.0-2.0	\$0.00	10,225	-	(2,729)	-	7,496	-	
FY22 deferred STI	5-Sep-22	0.8	\$0.00	-	31,295	-	-	31,295	-	
FY23 LTI	19-Sep-22/ 13-Feb-23	2.6-3.0	\$0.00	-	158,618	-	-	158,618	-	
FY23 IDP plan award	19-Sep-22/ 01-Nov-22	2.8-3.0	\$0.00	-	122,342	-	-	122,342	-	
FY23 Intake Award	01-Nov-22	1.8	\$0.00	-	9,729	-	-	9,729	-	
FY23 Digital Campus Award	05-Dec-22	1.0-2.0	\$0.00	-	14,852	-	(101)	14,751	-	
FY23 CEO Sign On Award	13-Feb-23	1.0-2.0	\$0.00	-	8,722	-	-	8,722	-	
Total Performance Rights				841,730	345,558	(124,422)	(136,384)	926,482	-	
Weighted average exercise price				-	-	-	-	-	-	

*Performance rights of 3,409 in FY20 LTI plan was vested but restricted as of 30 June 2023.

23.3 Fair value and pricing model

The fair value of performance rights and options granted under the Plan is estimated at the date of grant using a Monte Carlo Simulation Model taking into account the terms and conditions upon which the performance rights/options were granted. The model simulates the total shareholders return of the Company to the vesting date using the Monte Carlo Simulation technique. The simulation repeated numerous times produce a distribution of payoff amounts. The performance rights fair value is taken as the average payoff amount calculated, discounted back to the valuation date.

In valuing the performance rights, a number of assumptions were used as shown in the table below:

	FY24 Performance Rights
Exercise price	-
Share price at grant date	22.53
Expected volatility	40%
Expected dividend yield	1.80%
Risk free interest rate	4.17% - 4.32%

The expected volatility is a measure of the amount by which the price is expected to fluctuate during a period.

Notes to the consolidated financial statements for the year ended 30 June 2024

23. Share-based payments (continued)

23.4 Total share-based payment expenses for the year

The following expenses were recognised in employees benefit expenses during the year relating to share-based payments described above:

	Note	2024 \$'000	2023 \$'000
LTI performance and service rights plans	4.4	3,172	7,573
		3,172	7,573

24. Related party transactions

<u>Transactions with key management personnel</u>	30 June 2024 \$	30 June 2023 \$
Short-term employee benefits	6,000,935	5,672,836
Post-employment benefits	206,621	180,923
Other long-term benefits	130,181	105,174
Share-based payments	1,508,137	2,024,105
Total compensation paid to key management personnel	7,845,874	7,983,038

Refer to the Remuneration Report, which forms part of the Directors' Report for further details regarding KMP's remuneration.

25. Remuneration of auditors

The auditor of IDP Education Limited is Deloitte Touche Tohmatsu (Australia). During the year, the following fees were paid or payable for services provided by the auditors of the Group or its related practices.

	30 June 2024 \$	30 June 2023 \$
Deloitte and related network firms		
Audit and review of financial statements		
- Group	746,263	565,000
- Subsidiaries	488,038	332,966
Statutory and other assurance and agreed-upon procedures	-	17,348
Tax compliance services	3,719	28,574
Other services	14,250	185,705
Other auditors and their related network firms		
Audit and review of financial statements	443,350	242,431
	1,695,620	1,372,024

2024: Other service related to operating support with an internal control self-assessment tool. The service was discontinued during FY24.

2023: Other service primarily related to IT support services for certain Human Resource Applications, operating support with an internal control self-assessment tool, people experience strategy workshop and foreign exchange control in India. The IT support services company (Presence of IT) for Human Resource Applications was acquired by Deloitte during FY20. Presence of IT services were discontinued in FY23.

Notes to the consolidated financial statements for the year ended 30 June 2024

26. Subsidiaries and Associates

26.1 Subsidiaries

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of voting power controlled by the Group	
			2024	2023
IELTS Australia Pty Limited	Examinations	Australia	100%	100%
IDP World Pty Ltd	Holding company	Australia	100%	100%
IDP Education Pty Ltd (South Korea)	Student Placements & Examinations	Korea	100%	100%
IDP Education Services Co. Ltd (1)	Student Placements & Examinations	Thailand	100%	100%
IDP Education (Vietnam) Co. Ltd	Student Placements & Examinations	Vietnam	100%	100%
Yayasan Pendidikan Australia (2)	Student Placements & Examinations	Indonesia	100%	100%
PT IDP Consulting Indonesia	Student Placements & Examinations	Indonesia	100%	100%
IDP Consulting (Hong Kong) Co. Ltd	Holding company	Hong Kong	100%	100%
IDP Education India Pvt Ltd	Student Placements & Examinations	India	100%	100%
IDP Education (Cambodia) Ltd	Student Placements, Examinations & English Language Teaching	Cambodia	100%	100%
IDP Education (Canada) Ltd	Client Relations, Student Placements & Examinations	Canada	100%	100%
IDP Education Bangladesh Pvt Ltd	Student Placements & Examinations	Bangladesh	100%	100%
IDP Education Egypt LLC	Student Placements & Examinations	Egypt	100%	100%
IDP Education Consulting (Beijing) Co., Ltd	Student Placements	China	100%	100%
IDP Business Consulting (Shanghai) Co., Ltd	Student Placements	China	100%	100%
Beijing Promising Education Limited	Student Placements	China	100%	100%
IDP Education Services New Zealand Limited	Student Placements & Examinations	New Zealand	100%	100%
IDP Education Turkey LLC	Student Placements & Examinations	Turkey	100%	100%
IDP Education Lanka (Private) Limited	Student Placements & Examinations	Sri Lanka	100%	100%
IDP Education Pakistan (Private) Limited	Student Placements & Examinations	Pakistan	100%	100%
IDP Education Nepal Private Limited	Examinations	Nepal	100%	100%
IDP Education Japan Limited	Examinations	Japan	100%	100%
IDP Connect Limited	Digital marketing and online students recruitment	United Kingdom	100%	100%
Complete University Guide Limited	Digital marketing	United Kingdom	100%	100%
IDP Connect Inc.	Client Relations	United States of America	100%	100%
Hotcourses Pty Limited	Client Relations	Australia	100%	100%
Hotcourses India Private Limited	Online services	India	100%	100%
IDP Education India Services LLP	Shared services	India	100%	100%
IDP Education Student Services Nepal Private	Student Placements	Nepal	51%	51%
IDP Education Services Nigeria limited	Student Placements & Examinations	Nigeria	100%	100%
IDP Education Singapore Pte Ltd	Student Placements & Examinations	Singapore	100%	100%
IDP Education Employee Share Scheme Trust	Employee Share Scheme Trust	Australia	100%	100%

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Notes to the consolidated financial statements for the year ended 30 June 2024

26. Subsidiaries and Associates (continued)

26.1 Subsidiaries (continued)

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of voting power controlled by the Group	
			2024	2023
Intake TM Pte Ltd	Holding company	Singapore	100%	100%
Intake Global Pte Ltd	Holding company	Singapore	100%	100%
Intake Global Ltd	Holding company	Taiwan	100%	100%
Intake Education Pte Ltd	Holding company	Singapore	100%	100%
UKEAS Education Consulting Pvt Ltd	Student Placements	India	100%	100%
IDP Education Kenya Ltd (3)	Student Placements	Kenya	100%	100%
Intake Education Nigeria Ltd	Student Placements	Nigeria	100%	100%
Intake Education Philippines Inc	Student Placements	Philippines	100%	100%
Intake Education Ltd	Student Placements & English Language Teaching	Taiwan	100%	100%
Mentor ISC Co., Ltd (4)	Student Placements	Thailand	100%	100%
The Ambassador Platform Ltd	Technology service	United Kingdom	100%	100%
The Ambassador Platform Pty Ltd	Technology service	Australia	100%	100%
The Ambassador Platform Inc. (5)	Technology service	United States of America	-	100%
IDP Education L.L.C	Student Placements & Examinations	UAE	100%	100%
IDP Education Ghana Ltd. (6)	Student Placement	Ghana	100%	-
ACET Language Teaching (Australia) Pty Ltd	Dormant	Australia	100%	100%

(1) IDP Education Limited owns 100% ordinary Class A shares, which represents 49% of total shares of IDP Education Services Co. Ltd. According to the company constitution, ordinary Class A shares holds 100% voting and economic rights of the company. Based on these facts and circumstances, management determined that, in substance, the Group controls these entities with no non-controlling interest

(2) Foundation controlled through IDP Education Limited's capacity to control management of the company

(3) Name changed from Intake Education (Kenya) Ltd to IDP Education Kenya Ltd effective on 9 January 2024

(4) IDP Education Limited owns 49% of total shares of Mentor ISC Co., Ltd but holds 100% voting and economic rights through control agreements. Based on these facts and circumstances, management determined that, in substance, the Group controls these entities with no non-controlling interest

(5) The Ambassador Platform Inc. was dissolved in FY24

(6) IDP Education Ghana Ltd. was incorporated on 18 June 2024

26.2 Associates

Details of the Group's associates at the end of the reporting period are as follows:

Name of associate	Principal activity	Place of incorporation and operation	Proportion of voting power controlled by the Group	
			2024	2023
HCP Limited	English language test preparation and online services	China	19%	19%
IELTS UK Services Ltd	Provision of English language test development	United Kingdom	33%	33%
Speak E.H.A Ltd	Examination services	Israel	20%	20%

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting.

Notes to the consolidated financial statements for the year ended 30 June 2024

27. Business Combinations

Acquisition of The Ambassador Platform

On 23 May 2023, IDP completed the acquisition of 100% of The Ambassador Platform. The purchase consideration paid was \$12.1m as a cash payment at the settlement date. An additional contingent consideration of \$3.9m was paid in July 2024 after TAP achieved a number of performance conditions in the first-year post acquisition.

As of 30 June 2023, the acquisition accounting for The Ambassador Platform was provisional. The Group were in the process of identifying and measuring the fair value of acquired net assets, including the fair value of the acquired technology platform. Provisional goodwill of \$16.1m was recognised as of 30 June 2023.

During the current financial year, the acquisition accounting for The Ambassador Platform has been finalised. As a result, technology platform assets of \$8.6m, customer relationships of \$0.6m and related deferred tax liabilities of \$2.3m have been recognised with a net reduction in goodwill of \$5.7m. Technology platform is amortised over five years and customer relationships are amortised over three years.

The final goodwill balance of \$10.5m represents the value attributable to synergies from combining operations of the acquiree and the acquirer with respect to the student placement business. Refer to note 13 for details on the allocation of goodwill to CGUs.

Details of the consideration and fair value of assets and liabilities acquired are as follows:

	\$'000
Cash consideration paid on the settlement date	12,115
Present value of contingent consideration payable at acquisition date	3,546
Total purchase consideration	15,661
Less: fair value of net identifiable assets acquired	5,190
Goodwill on acquisition	10,471

The assets and liabilities arising from the acquisition at acquisition date are as follows:

	\$'000
Cash and cash equivalents	357
Receivables and contract assets	302
Property, plant and equipment	13
Technology platform	8,605
Customer relationships	575
Total assets	9,852
Payables and other current liabilities	(2,367)
Deferred tax liabilities	(2,295)
Total liabilities	(4,662)
Net identifiable assets acquired	5,190

Notes to the consolidated financial statements for the year ended 30 June 2024

28. Deed of cross guarantee

The following wholly-owned entities have entered into a Deed of Cross Guarantee.

Company	Financial year entered into agreement
IDP Education Limited	30 June 2017
IELTS Australia Pty Limited*	30 June 2017
IDP World Pty Ltd*	30 June 2017

* These entities are not required to prepare and lodge a financial report and directors' report under ASIC Corporations (Wholly owned Companies) Instrument 2016/785 issued by the Australian Securities and Investments Commission.

The companies that are members of this deed guarantee the debts of the others and represent the "Closed Group" from the date of entering into the agreement. These are the only members of the Deed of Cross Guarantee and therefore these companies also represent the 'Extended Closed Group'.

28.1 Statement of profit or loss, other comprehensive income and a summary of movements in consolidated retained profits of the Closed Group for Deed of Cross Guarantee purposes

	30 June 2024	30 June 2023
Statement of comprehensive income	\$'000	\$'000
Revenue	674,513	609,101
Dividend income	36,576	8,251
Expenses	(502,235)	(421,041)
Depreciation and amortisation	(21,660)	(22,875)
Finance income	1,175	1,078
Finance costs	(17,188)	(10,140)
Share of loss of associates	(109)	(110)
Profit for the year before income tax expense	171,072	164,264
Income tax expense	(45,470)	(41,703)
Profit for the year of the Closed Group	125,602	122,561
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translating foreign operations	(209)	103
Cash flow hedges:		
Fair value gains/(losses) on hedging instruments	653	(3,271)
Cumulative gains/(losses) on hedging instruments reclassified to profit or loss	3,261	4,369
Income tax related to gains/(losses)	(1,174)	(329)
Other comprehensive income for the year, net of income tax	2,531	872
Total comprehensive income for the year of the Closed Group	128,133	123,433
	30 June 2024	30 June 2023
Summary of movements in consolidated retained profits	\$'000	\$'000
Retained profits at 1 July	122,972	96,437
Profit for the year	125,602	122,561
Dividends paid	(125,251)	(96,026)
Retained profits at 30 June of the Closed Group	123,323	122,972

Notes to the consolidated financial statements for the year ended 30 June 2024

28. Deed of Cross Guarantee (continued)

28.2 Consolidated statement of financial position of the Closed Group for Deed of Cross Guarantee purposes

	30 June 2024 \$'000	30 June 2023 \$'000
CURRENT ASSETS		
Cash and cash equivalents	48,551	78,664
Trade and other receivables	140,331	130,854
Contract assets	145,480	96,131
Derivative financial instruments	1,512	4,642
Current tax assets	-	347
Other current assets	9,837	9,993
Total current assets	345,711	320,631
NON-CURRENT ASSETS		
Contract assets	5,762	5,840
Investments in subsidiaries	173,435	173,435
Investments in associates	7,800	8,719
Property, plant and equipment	9,423	8,707
Right-of-use assets	23,629	27,314
Intangible assets	283,317	261,667
Capitalised development costs	22,766	11,784
Deferred tax assets	19,880	14,562
Other non-current assets	1,112	985
Total non-current assets	547,124	513,013
TOTAL ASSETS	892,835	833,644
CURRENT LIABILITIES		
Trade and other payables	168,123	150,074
Lease liabilities	6,580	7,549
Contract liabilities	7,017	6,420
Provisions	11,820	15,571
Current tax liabilities	4,422	8,473
Contingent consideration	3,853	21,155
Derivative financial instruments	860	6,302
Total current liabilities	202,675	215,544
NON-CURRENT LIABILITIES		
Borrowings	277,652	209,004
Lease liabilities	19,979	22,496
Provisions	2,347	1,636
Total non-current liabilities	299,978	233,136
TOTAL LIABILITIES	502,653	448,680
NET ASSETS	390,182	384,964
EQUITY		
Issued capital	280,666	271,467
Reserves	(13,807)	(9,475)
Retained earnings	123,323	122,972
TOTAL EQUITY	390,182	384,964

Notes to the consolidated financial statements for the year ended 30 June 2024

29. Parent entity information

IDP Education Limited is the parent entity of the Group. The financial information presented below represents that of the parent and is not comparable to the consolidated results.

Financial position	30 June 2024 \$'000	30 June 2023 \$'000
Current assets	357,764	302,481
Total assets	682,823	602,004
Current liabilities	87,007	106,026
Total liabilities	386,985	339,162
Equity		
Issued capital	280,666	271,467
Retained earnings	28,982	2,250
Reserves	(13,810)	(10,875)
Total equity	295,838	262,842
Financial performance	30 June 2024 \$'000	30 June 2023 \$'000
Profit for the year	151,983	75,955
Other comprehensive income	3,928	(884)
Total comprehensive income	155,911	75,071

During the year, the parent entity received \$145.3m in dividend income from its subsidiaries (2023: \$78.3m).

Notes to the consolidated financial statements for the year ended 30 June 2024

30. Contingent liabilities

The Group operates in multiple countries with different tax laws and regulations, the most significant of which are Australia and India. The Group regularly undergoes formal and informal reviews by various tax authorities, the outcomes of which are uncertain. As of 30 June 2024, the Group's Consolidated Statement of Financial Position reflects the Group's best estimate of known tax liabilities from completed and ongoing reviews.

The Group has historically been party to an Indian Service Tax matter and currently has open Indian GST matters which are subject to legal proceedings and reviews by Indian tax authorities. The Group is actively working to progress and conclude all open reviews.

The Indian Service Tax matter related to the application of Indian Service Tax for the period 1 April 2014 to 30 June 2017 (the date Service Tax ceased in India). In October 2021, the Indian Federal Customs, Excise & Service Tax Appellate Tribunal adjudicated on this matter for the period 1 April 2014 to 30 September 2015 in IDP's favour and the formal appeal deadline for the tax authority has passed. No review activities have been undertaken by the Indian tax authorities in relation to the remaining period 1 October 2015 to 30 June 2017 since receiving this favourable outcome. As a result, the Group has concluded that a cash outflow for the remaining period is remote and not considered as a contingent liability.

The Indian GST matters relate to the application of GST from the date of its introduction in India on 1 July 2017 to the current balance date. The matters are similar in nature to the matter adjudicated for Indian Service Tax, as discussed above. The GST matters are at various stages of review by State-based tax authorities. During the current financial year, the Group also received notices in relation to this matter from Directorate General of GST Intelligence (DGGI), India's central board for indirect taxes and customs, covering the period 1 July 2017 to 31 December 2022. The Group expects to achieve a favourable outcome in relation to the GST matters, with reference to advice from external tax advisors and legal counsel in India, guidance issued by the Indian Central Tax Authority and the favourable adjudication received for the Indian Service Tax matter. The GST matters are deemed contingent liabilities with no provision recognised as at 30 June 2024.

The Group's best estimate of potential exposure, in the event that IDP were to be unsuccessful in relation to the GST matters in all States, including potential interest and penalties, is estimated at \$73.6m (June 2023: \$41.0m).

The increase of \$32.6m since June 2023 is due to the continuation of ordinary business operations, including an additional 12 months of potential interest (\$17.2m) and, as a result of the notice issued by the DGGI, the inclusion of amounts related to States who have previously accepted IDP's position on the application of GST (\$15.4m).

As at 30 June 2024, the Group holds tax deposits of \$20.5m (June 2023: \$21.3m), which are recorded as a non-current asset. The Group expects these amounts to be refunded by relevant Indian State tax authorities or used to meet any possible future tax obligations. The Group expects to receive these amounts as a refund from relevant State tax authorities or, in the event IDP is unsuccessful, use these amounts to satisfy any possible future obligation applied by relevant tax authorities.

31. Events after the reporting period

There has been no matter or circumstances occurring subsequent to the balance date that has significantly affected, or may significantly affect, the operation of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Consolidated entity disclosure statement

As of 30 June 2024

Entity name	Entity type	Body corporates		Tax residency	
		Place formed or incorporated	% of share capital held	Australian or foreign	Foreign jurisdiction
IDP Education Limited (Parent entity)	Body Corporate	Australia	N/A	Australia	N/A
IELTS Australia Pty Limited	Body Corporate	Australia	100%	Australia	N/A
IDP World Pty Ltd	Body Corporate	Australia	100%	Australia	N/A
IDP Education Pty Ltd (South Korea)	Body Corporate	Korea	100%	Foreign	Korea
IDP Education Services Co. Ltd	Body Corporate	Thailand	49%	Foreign	Thailand
IDP Education (Vietnam) Co. Ltd	Body Corporate	Vietnam	100%	Foreign	Vietnam
Yayasan Pendidikan Australia	Body Corporate	Indonesia	N/A(1)	Foreign	Indonesia
PT IDP Consulting Indonesia	Body Corporate	Indonesia	100%	Foreign	Indonesia
IDP Consulting (HongKong) Co. Ltd	Body Corporate	Hong Kong	100%	Foreign	Hong Kong
IDP Education India Pvt Ltd	Body Corporate	India	100%	Foreign	India
IDP Education (Cambodia) Ltd	Body Corporate	Cambodia	100%	Foreign	Cambodia
IDP Education (Canada) Ltd	Body Corporate	Canada	100%	Foreign	Canada
IDP Education Bangladesh Pvt Ltd	Body Corporate	Bangladesh	100%	Foreign	Bangladesh
IDP Education Egypt LLC	Body Corporate	Egypt	100%	Foreign	Egypt
IDP Education Consulting (Beijing) Co., Ltd	Body Corporate	China	100%	Foreign	China
IDP Business Consulting (Shanghai) Co., Ltd	Body Corporate	China	100%	Foreign	China

(1) Yayasan Pendidikan Australia is a foundation formed under Indonesian law. It is a non-membership legal entity.

Consolidated entity disclosure statement (continued)

As of 30 June 2024

Entity name	Entity type	Body corporates		Tax residency	
		Place formed or incorporated	% of share capital held	Australian or foreign	Foreign jurisdiction
Beijing Promising Education Limited	Body Corporate	China	100%	Foreign	China
IDP Education Services New Zealand Limited	Body Corporate	New Zealand	100%	Foreign	New Zealand
IDP Education Turkey LLC	Body Corporate	Turkey	100%	Foreign	Turkey
IDP Education Lanka (Private) Limited	Body Corporate	Sri Lanka	100%	Foreign	Sri Lanka
IDP Education Pakistan (Private) Limited	Body Corporate	Pakistan	100%	Foreign	Pakistan
IDP Education Nepal Private Limited	Body Corporate	Nepal	100%	Foreign	Nepal
IDP Education Japan Limited	Body Corporate	Japan	100%	Foreign	Japan
IDP Connect Limited	Body Corporate	United Kingdom	100%	Foreign	United Kingdom
Complete University Guide Limited	Body Corporate	United Kingdom	100%	Foreign	United Kingdom
IDP Connect Inc.	Body Corporate	United States of America	100%	Foreign	United States of America
Hotcourses Pty Limited	Body Corporate	Australia	100%	Australia	N/A
Hotcourses India Private Limited	Body Corporate	India	100%	Foreign	India
IDP Education India Services LLP	Body Corporate	India	100%	Foreign	India
IDP Education Student Services Nepal Private Limited	Body Corporate	Nepal	51%	Foreign	Nepal
IDP Education Services Nigeria limited	Body Corporate	Nigeria	100%	Foreign	Nigeria

Consolidated entity disclosure statement (continued)

As of 30 June 2024

Entity name	Entity type	Body corporates		Tax residency	
		Place formed or incorporated	% of share capital held	Australian or foreign	Foreign jurisdiction
IDP Education Singapore Pte Ltd	Body Corporate	Singapore	100%	Foreign	Singapore
IDP Education Employee Share Scheme Trust	Trust	Australia	100%	Australia	N/A
Intake TM Pte Ltd	Body Corporate	Singapore	100%	Foreign	Singapore
Intake Global Pte Ltd	Body Corporate	Singapore	100%	Foreign	Singapore
Intake Global Ltd	Body Corporate	Taiwan	100%	Foreign	Taiwan
Intake Education Pte Ltd	Body Corporate	Singapore	100%	Foreign	Singapore
UKEAS Education Consulting Pvt Ltd	Body Corporate	India	100%	Foreign	India
IDP Education Kenya Ltd	Body Corporate	Kenya	100%	Foreign	Kenya
Intake Education Nigeria Ltd	Body Corporate	Nigeria	100%	Foreign	Nigeria
Intake Education Philippines Inc	Body Corporate	Philippines	100%	Foreign	Philippines
Intake Education Ltd	Body Corporate	Taiwan	100%	Foreign	Taiwan
Mentor ISC Co., Ltd	Body Corporate	Thailand	49%	Foreign	Thailand
The Ambassador Platform Ltd	Body Corporate	United Kingdom	100%	Foreign	United Kingdom
The Ambassador Platform Pty Ltd	Body Corporate	Australia	100%	Australia	N/A
IDP Education Ghana Ltd.	Body Corporate	Ghana	100%	Foreign	Ghana
IDP Education L.L.C	Body Corporate	UAE	100%	Foreign	UAE
ACET Language Teaching (Australia) Pty Ltd	Body Corporate	Australia	100%	Australia	N/A

Consolidated entity disclosure statement (continued)

Basis of preparation

This consolidated entity disclosure statement has been prepared in accordance with *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statement*.

Determination of tax residency

Section 295 (3A) (vi) of the *Corporate Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

- Australian tax residency: The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR2018/5.
- Foreign tax residency: The consolidated entity has applied current legislation and judicial precedent in the determination of foreign tax residency.

In addition, where necessary, the consolidated entity has used independent tax advisers to assist in its determination of tax residency.

Directors' declaration

In the Directors' opinion:

- (a) the consolidated financial statements and notes of IDP Education Limited and its controlled entities (the Group) set out on pages 47 to 92 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Regulations 2001*, and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the year ended on that date.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (c) at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group identified in note 28 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the Deed of Cross Guarantee described in note 28.
- (d) the consolidated entity disclosure statement set out on pages 93 to 96 is true and correct.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

The declaration is made in accordance with a resolution of the Directors made pursuant to s.295(5) of the *Corporations Act 2001*.



Peter Polson
Chairman



Tennealle O'Shannessy
Managing Director

Melbourne

28 August 2024

Independent Auditor's Report to the members of IDP Education Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of IDP Education Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the directors' declaration and the Consolidated Entity Disclosure Statement.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Contingent liabilities - Indian Indirect Tax <i>Refer to Note 14 Other Assets and Note 30 Contingent Liabilities</i> The Group has historically been party to an Indian Service Tax matter and has open Indian Goods and Services Tax (GST) matters, which are subject to legal proceedings and reviews by Indian tax authorities. Details on the background to these matters and the potential exposures is set out in Note 30. The Group has concluded that it is not probable that a cash outflow will be required for these matters. As a result, no provision has been recognised at 30 June 2024 for either matter as disclosed in Note 30. As set out in Note 14, the Group holds tax deposits which are presented as a non-current asset in the Statement of Financial Position. The Group expects to receive these amounts as a refund from the relevant tax authorities or, in the event the Group is unsuccessful, use these amounts to satisfy any possible future obligation applied by the relevant tax authorities. The evaluation of these matters is subject to significant judgement by management given the complexity of the tax legislation involved and the potential for material cash outflows depending on the final outcome. We considered this a key audit matter due to the magnitude of the potential exposures and the judgement involved in assessing the likely outcomes.	In conjunction with our tax specialists in India, our procedures included: - Understanding and evaluating management's process to monitor developments in relation to these matters, including inspection of any correspondence with the Indian tax authorities and reports from management's experts to identify any new information relevant to the matters. - Meeting with the Group's Indian tax advisors to understand the effect of any regulatory developments, new information arising in the period, and to assess their competence and objectivity. - Assessing the measurement of the potential exposures, including potential interest and penalties, and the expected form and timing of recoverability from relevant tax authorities. We also assessed the adequacy of the disclosures in the Notes to the Group's financial statements, specifically Note 14 Other Assets and Note 30 Contingent Liabilities.
Revenue recognition – Student Placement Services and English Language Testing <i>Refer to Note 3 Revenue, Note 9 Contract Assets and Note 16 Contract Liabilities</i> The Group's revenue is primarily generated from Student Placement Services and English Language Testing, as detailed in Note 3 to the financial statements. We considered revenue recognition to be a key audit matter due to: - Variability in the timing of enrolment confirmation, which is the point revenue is recognised for Student Placement Services, depending on the location of the education institution, - Judgement required in constraining Student Placement Services revenue for expected student withdrawals and other variations impacting consideration receivable,	Our audit procedures included: - Obtaining an understanding of the revenue recognition processes and evaluating the design and implementation of key controls. - Assessing the Group's revenue recognition accounting policies for compliance with AASB 15 Revenue from contracts with customers. For Student Placement Services: - Developing an independent expectation of revenue based on course details and contractual commission rates, performing sample-based testing on exceptions identified. - Evaluating management's estimate for expected student withdrawals and course variations used to constrain the recognition of revenue. For English Language Testing:

• Existence of significant contract assets and contract liabilities arising from timing differences between service delivery and the timing of invoicing / customer receipts for both revenue streams, • Judgement involved in assessing the cut-off of revenue for English Language Testing at year end.	• Developing an independent expectation of revenue using student numbers, published test fees and examination dates. • Testing the cut-off of revenue recognised for in-progress testing at year end. For a sample of contract assets and contract liabilities, we assessed whether the amounts were recognised in accordance with the Group's revenue recognition policies. We also assessed the adequacy of the disclosures in the Notes to the Group financial statements, specifically Note 3 Revenue, Note 9 Contract Assets and Note 16 Contract Liabilities.
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Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible:

- For the preparation of the financial report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 22 to 44 of the Directors' Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of IDP Education Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



DELOITTE TOUCHE TOHMATSU



Travis Simkin
Partner
Chartered Accountants
Melbourne, 28 August 2024

Corporate Directory

Directors

Peter Polson

Chairman

Tennealle O'Shannessy

Managing Director and Chief Executive Officer

Ariane Barker

Andrew Barkla

Tracey Horton AO

Chris Leptos AO

Professor Colin Stirling

Michelle Tredenick

Greg West

Secretary

Ashley Warmbrand

Principal registered office in Australia

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Share Registry

Link Market Service Limited

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MELBOURNE VIC 3008

Australia

Auditor

Deloitte Touche Tohmatsu

477 Collins Street

MELBOURNE VIC 3000

AUSTRALIA

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Stock exchange listing

IDP Education Limited shares are listed on the Australian

Securities Exchange (Listing code: IEL)

Website

www.idp.com

ABN

59 117 676 463