



ASX announcement

15 October 2024

IDP Education Limited 2024 AGM

Please find attached the Chair and Chief Executive Officer addresses and presentation slides to shareholders ahead of IDP Education Limited's 2024 Annual General Meeting, which will be held in Melbourne this morning.

The meeting will be webcast at <https://meetings.linkgroup.com/IEL24>.

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IDP Education

2024 Annual General Meeting – 15 October 2024

Chair Address

Every day, thousands of people around the world connect with IDP for one reason.

They connect with our teams to improve their lives through international education.

They come to IDP because they are looking for a partner to guide them through their decision to study overseas.

So, when government policy in study destinations changes, the impact on our customers' goals is significant.

Yet, while many do not abandon these goals, they often need to change their plans to navigate the changed conditions. At that point, our role as their trusted partner becomes more important.

We know this because, for more than 50 years, IDP has been a supporter of international students, English language test takers and institutions. Our success stems from the fact that our purpose is aligned with our customers' goals: to transform their lives through international education.

We have guided our customers through many temporary shifts in market dynamics – from the Asian economic crisis in the '90s, the Global Financial Crisis in the early two thousands, and most recently, the COVID-19 pandemic.

Throughout these periods, IDP remained committed to our purpose and our customers.

Like our customers, we stayed true to our long-term goals.

This through-the-cycle focus and experience enabled IDP to weather short-term disruptions with prudent management to ensure we could emerge stronger as the environment normalises.

Across the course of today's AGM, Tennealle O'Shannessy, our Chief Executive Officer, and I will share an overview of IDP's performance this financial year. These results were achieved amid shifts in the regulatory environment.

We will discuss our strategic objectives and, most importantly, our determination to continue to improve and evolve the services we deliver for our customers.

While much has been documented about the tightened visa regulations introduced by Australia, Canada and the UK this year, these changes should be considered as part of a longer-term view of our sector.

International education has experienced steady growth for several decades, despite various domestic policy changes within both source and destination markets.

According to UNESCO data, up until 2021, the annual number of globally mobile students had increased by just over seven per cent per annum for more than 20 years.

Looking ahead, international students will continue to come from countries with large, growing youth populations and education systems that do not fully serve community needs.

In contrast, IDP's most popular study destinations all have ageing populations, relying on international students and skilled migrants to support the higher education ecosystem, grow a skilled workforce and maintain a tax base.

With these market dynamics, we remain confident in our industry's long-term trajectory and have built a strategy and business model to take advantage of these growth opportunities.

This strategy provided a compass to guide us through FY24, a year that will be remembered as another mini-cycle that caused short-term disruption to our industry.

Across the second half of this year, regulatory changes in Australia, Canada, and the United Kingdom came into effect.

Consequently, the size of the global market of prospective international students and test takers declined.

I commend Tennealle O'Shannessy and her Global Leadership Team for charting a clear path through uncertainty to guide IDP's people, customers and clients.

Considering these significant headwinds and challenges, we are immensely proud of the results we delivered.

For the first time ever, we surpassed one billion dollars in revenue, earning \$1.037 billion, a six per cent increase on last year.

From a profitability perspective, we delivered \$239 million in Adjusted Earnings Before Tax (EBIT), up four per cent on FY23, and an Adjusted Net Profit After Tax of \$154 million, down one per cent on last year.

Tennealle will share more on the operational highlights in her address.

From a Board perspective, we are proud of the improvements we have made in our Environmental, Social and Governance practices and subsequent reporting.

You will have noted our first Sustainability Report was lodged alongside our Annual Report and broader corporate reporting suite this year.

We will continue strengthening and reporting on our sustainability practices over the years ahead.

In doing so, we are preparing to meet mandatory reporting requirements ahead of the implementation of the Australian Sustainability Reporting Standards next year and, more importantly, managing our impacts to ensure IDP's success in the long term.

This year, the Board continued to focus on ensuring that we have the right skills and experience to lead IDP going forward.

Over the past two years, we have appointed three new directors - Tracey Horton, Michelle Tredenick and Andrew Barkla, each bringing a wealth of knowledge and expertise to our Board.

As stated in the resolutions outlined in the Notice of Meeting, as part of ongoing Board renewal, Chris Leptos, if re-elected today, expects to retire before the end of his three-year tenure.

Speaking for myself, it is a privilege to serve as Chair on the IDP Board and this will be my last term as Chair of IDP.

This proactive approach to succession planning underscores our commitment to maintaining strong leadership and continuity, positioning us for sustained success in the future.

Before I wrap up, I would like to acknowledge Tennealle, our executive team and our people based in 60 countries.

It has been the strategic vision and steady hands of our executives that have positioned IDP to navigate the current challenges facing our sector.

And it will be this team's ability to guide IDP over the years ahead that will deliver ongoing value to you, our shareholders.

The recent addition of Kate Koch, an accomplished international finance leader, as Chief Financial Officer further strengthens this experienced group.

I also take this opportunity to thank you, our shareholders, for your support and ongoing commitment to what we do.

Finally, I would also like to acknowledge our customers. The services IDP provides can help improve their lives.

This is a source of pride and it motivates our IDP colleagues to improve every day. I thank our customers for their trust in our teams, and I congratulate them on the education journeys they are embarking on.

I now invite Tennealle to share her report on the financial year.

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IDP Education

2024 Annual General Meeting – 15 October 2024

Chief Executive Officer and Managing Director Address

To our shareholders and colleagues, good morning.

In the international education industry, the financial year 2024 was a year marked by government policy changes and increased uncertainty for students, test takers and institutions.

However, for IDP - an organisation experienced in adapting to change in dynamic markets - this was a year in which the quality and expertise of our global teams shone through.

It was a year we came together with a clear vision and strategy to navigate the current environment.

In doing so, we maintained our leadership position and prepared our business to thrive in a changed environment in the years ahead.

Despite the challenging conditions, we outperformed the student placement market as more institutions and families chose IDP as their trusted partner.

In this update, I'll discuss our key performance results, the initiatives we delivered, and the evolved strategy guiding our global team.

Before we discuss our operational updates, I want to acknowledge IDP's people.

The work IDP does transforms lives through international education, and we have passionate, dedicated people across 60 countries working towards this common goal – a goal that aligns our objectives with those of our customers, namely our students, test takers and institutions.

So, when I say we doubled down on our quality service offer, I mean our people acted with integrity and purpose to help young people navigate confusion, uncertainty, and challenges so they could achieve their big life aspirations.

And, our customers recognised this.

Despite the increased challenges they faced, IDP delivered our highest-ever increase in our student net promoter score – up seven points from last year. This shows our support is appreciated, and needed, more than ever.

This focus on quality and integrity sets IDP apart and will continue to elevate our industry's global standards moving forward.

Performance results

Turning now to our performance results, as Peter said, we passed the billion-dollar mark for revenue for the first time, which reflects a six per cent increase from the prior year.

Our adjusted EBIT of \$239 million was up four per cent, as we maintain a disciplined approach to costs to reflect short-term market conditions.

We saw exceptional performance in the student placement business line, with placement volumes up 17% reflecting strong market share gains.

Our IELTS volumes were down 18%, due primarily to weakness in India, offset partially by strong growth in the rest of the world.

Our English Language Teaching continued its long track record of solid growth with course volumes up 13%, surpassing 100,000 courses for the first time.

And lastly, an expanding portfolio of student placement-related services was behind a 21% growth in revenue from Other SP services.

Student placement

Focusing on student placement in more detail, this year, we saw a strong flight to quality as customers sought the peace of mind of dealing with the market leader in a time of uncertainty.

Ultimately, the key data point that tells the story of our year in FY24 is this: While industry volumes dropped an estimated 13 per cent this year, IDP achieved a 17per cent volume growth.

This contrast underscores the exceptional efforts of our people and the continued focus on quality I have mentioned.

This commitment to quality is evident in our strategy, where we are building a unique proposition centred on valued human connections, enhanced by digital innovation.

An example is FastLane, our product that streamlines the application process for students and institutions, allowing students to receive an in-principle offer from their chosen institution. Last year we helped over 32,000 students receive formal enrolment offers through this service—an 80% increase compared to FY23.

Leveraging our recent acquisition of the Ambassador Platform, we also launched a new student ambassador solution to drive peer-to-peer engagement and create the definitive international student community.

And, as part of our focus on long-term strategic opportunities, this year, we added 15 new offices in high-growth areas, allowing us to reach more people with our life-changing services and bolstering our unrivalled physical footprint.

Finally, we were pleased to welcome 50 new higher education providers to our client portfolio. This included 23 quality institutions in the US, a market with strong growth potential.

The underlying message here is that as market conditions shift towards an increased focus on quality and conversion – IDP’s differentiated and highly trusted business model outperforms the market, creating unique opportunities to strengthen our leading position.

This is important as we anticipate international education student volumes in our markets will decline 20-25% in the year ahead. However, with the combination of our expert people and leading technology, we stand ready to grow our share.

Language testing

Turning to our other key business line, language testing.

Last year, almost four million IELTS tests were taken globally. IELTS remains the world’s leading high-stakes English language test. It’s recognised by over 12,500 organisations, including educational institutions, employers, professional associations and governments, in 140 countries worldwide.

While we had strong performances for IELTS in many markets, we saw significant declines in India, a market impacted by policy uncertainty. We believe many students in India are deferring their international study and career plans until the environment stabilises.

Throughout the year, we continued to innovate IELTS and differentiate our product offer in language testing.

From a technology perspective, we completed the roll-out of the new IELTS testing platform, providing additional scalability and flexibility for future product delivery.

Notably, we focused on increasing acceptance of IELTS One Skill Retake, a unique product that meets our test takers most important needs in showcasing their English language skills through allowing them to retake just one of the four skills modules, where improvement is needed in only one area.

1,800 organisations worldwide, including the Australian, UK and New Zealand governments, now accept IELTS One Skill Retake, following its launch less than two years ago.

A final point on language testing; in October, we launched Envoy, IDP's first AI-powered English language proficiency test.

While it is in its early stages, Envoy demonstrates IDP's focus on combining AI and our human expertise to help our customers achieve their goals.

Our key message for language testing again centres on quality.

As more institutions focus on attracting students with the right language skills they need to succeed, our tests' attributes of quality, trust, and reliability will become increasingly valued.

A clear global strategy

Looking at the broader company, as will be apparent by now, it was a focus on quality that underpinned every aspect of our global strategy that we refreshed this year.

We know that over the coming years, our customers will need our support more than ever.

The strategy we launched will guide IDP through this period and keep the focus on what is important: our students, test takers, clients and people.

Our strategy is centred on our purpose: to transform lives through international education.

With this at our core, we built a strategy focusing on reach, trust and innovation: we will engage with more people in more places, as their trusted partner, to deliver exceptional outcomes.

Our key enablers support our strategy – our diverse and talented people, leading innovation data and technology, outstanding customer experiences, and respected global brands.

We align our investment with these enablers and track performance against key short-term and long-term metrics that measure our success.

Leading this strategy is a global executive team with a remit to drive market share gains, innovate our products, increase customer satisfaction and manage investment in a disciplined manner.

Acknowledgements

I would like to conclude today with a note of thanks to you, our shareholders.

As an owner of IDP, you are part of an Australian success story that is helping tomorrow's generation of global learners achieve their goals.

Our customers and their families spend years planning their international education. Current challenges do create obstacles, but they do not extinguish the spark our customers have to improve their lives.

This means IDP's role in creating a quality experience that enables them to thrive becomes even more crucial, wherever and however they choose to study.

Thank you for your support of IDP, our people, and our customers.

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Annual General Meeting

FY24



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Peter Polson

Chair

IDP Education Board of Directors



Peter Polson
Non-Executive Director
and Chair



Tennealle O'Shannessy
Managing Director and
Chief Executive Officer



Michelle Tredenick
Non-Executive Director



Ariane Barker
Non-Executive Director



Professor Colin Stirling
Non-Executive Director



Greg West
Non-Executive Director



Chris Leptos AO
Non-Executive Director



Tracey Horton AO
Non-Executive Director



Andrew Barkla
Non-Executive Director

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Peter Polson

Chair's address

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Transforming

lives through

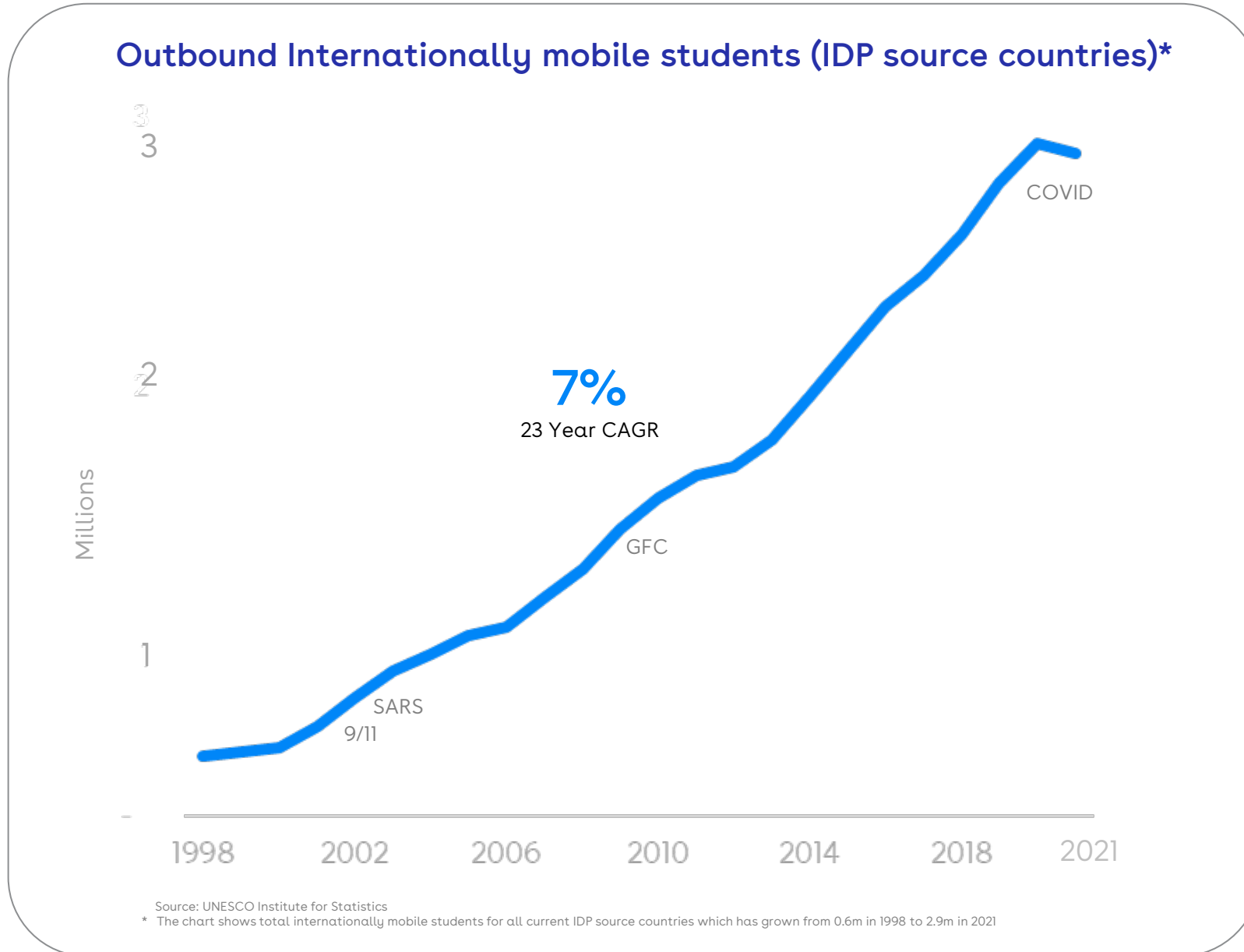
international

education



Unchanged long-term macro drivers in a large addressable market

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FY24 performance summary

Record revenue and EBIT reflect the strength of IDP's business strategy and the resilience of the industry

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Revenue

\$1,037m



Up 6%

EBIT (Adjusted)¹

\$239m



Up 4%

NPAT (Adjusted)¹

\$154m



Down 1%

FY24 Dividends²

34cps



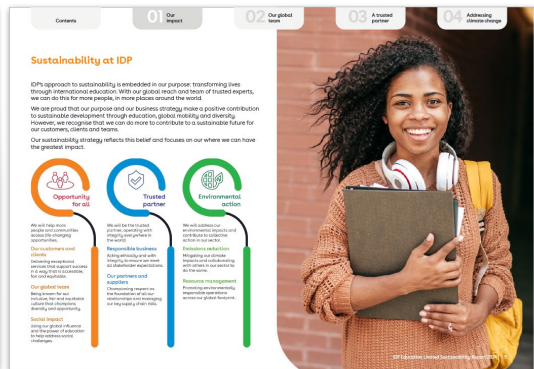
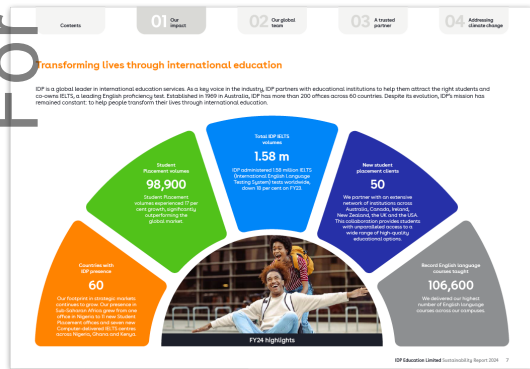
Down 17%

- ¹ EBIT (Adjusted), NPAT (Adjusted) excludes intangible asset amortisation generated from business combinations, M&A related expenses, unrealised FX losses, credit loss provision for customers in countries subject to foreign exchange controls and costs associated with business restructuring
- ² Dividends declared in FY24 includes a 25 cent per share (cps) interim dividend and a 9 cent per share final dividend



Corporate reporting suite

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"I feel proud of my English.

*This is just the start for me, I
can't wait to see where my
English abilities will take me
next."*

Meyliani , IELTS test taker
from Indonesia

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Tennealle O'Shannessy

Chief Executive Officer's
update

FY24 performance summary

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Student Placement

98,900



APFs¹,
up 17%

English Language Testing

1,584,100



IELTS tests,
down 18%

English Language Teaching

106,600



Courses,
up 13%

Other SP Services²

\$58m



Revenue,
up 21%

1 APF is the number of Application Processing Fees, being the fee IDP Education receives from its client education institutions for placing students into a course
2 Other student placement (SP) services includes revenue from Digital Marketing, Events and The Ambassador Platform

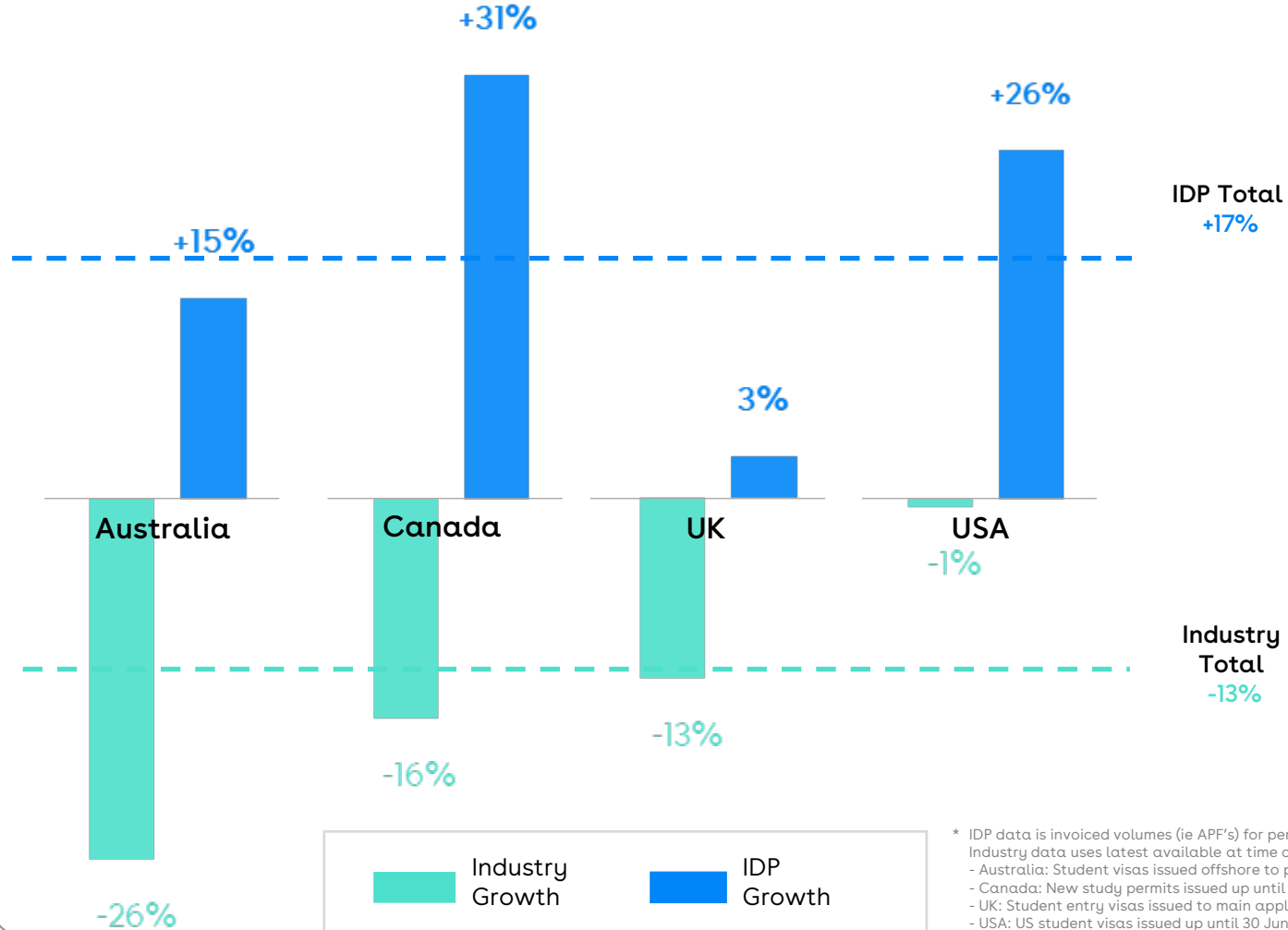


Student placement volumes significantly outperforming the market

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IDP student placement volume growth v industry growth*

FY24* v PCP



* IDP data is invoiced volumes (ie APF's) for period until 30 June 2024
 Industry data uses latest available at time of publication as follows:
 - Australia: Student visas issued offshore to primary applicant up until 30 June 2024 v pcp
 - Canada: New study permits issued up until 31 May 2024 v pcp
 - UK: Student entry visas issued to main applicant located outside up until 30 June 2024 v pcp
 - USA: US student visas issued up until 30 June 2024 v pcp





3.98m

tests taken
globally



12,500

recognising organisations.
Trusted by more organisations
than any other high stakes test



1,800

organisations
recognise
IELTS One Skill Retake

IDP's refreshed 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



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