

ASX announcement

26 February 2026

**Strong execution of strategy and transformation agenda
Upgraded FY26 Adjusted EBIT guidance**

IDP Education Limited (IDP) (Company) (ASX: IEL) today announced results for the 2026 financial half year (H1 FY26) and updated the market on its progress on the transformation program.

H1 FY26 Financial Results

IDP is delivering on the commitments made at the FY25 results with clear operational, productivity and financial improvements, as the business continues to navigate dynamic market conditions.

- Revenue of \$462.2 million, down 6 per cent¹ as profitable growth focus drove strong yield performance, partly mitigating lower volumes
 - Student Placement yield increased 15 per cent, Language Testing yield increased 8 per cent
 - Student Placement volumes declined 25 per cent, Language Testing volumes declined 7 per cent, Language Teaching volumes increased 3 per cent
- Cost control delivered direct costs down 6 per cent and adjusted overhead costs down 2 per cent; on track for \$25m net reduction in cost base² in FY26
- Adjusted earnings before interest and tax (EBIT)³ of \$87.5 million, down 14 per cent
- Simplified balance sheet, working capital discipline and good cash conversion
 - Reported net leverage of 2.5x, banking group net leverage of 2.0x⁴
 - Cash conversion of 59 per cent⁵
- Ongoing commitment to quality and trust
 - Maintained student NPS above 70⁶, 90+ per cent of students surveyed highly trust IDP
 - Partnered and upgraded contracts with 30 quality education institutions
- Upgrading FY26 Adjusted EBIT guidance to \$120 million - \$130 million
 - Earnings heavily weighted to H1 – reflects the FY26 intake and destination mix, and a one-off benefit from working capital improvements in the first half

Transformation Program

The Company also provided an update on progress made towards building a simpler, more agile and technology-enabled IDP.

Phase one of the transformation program is focused on strengthening and simplifying the business and delivering a significant reduction in cost. Strong progress has been made in the first half, with the business on track to deliver \$25m net reduction in the cost base in FY26. Operating model simplification is a priority for the second half of the year, as the business continues to strengthen the foundations for investment in technology and AI to drive long term profitable growth.

Commenting on the results announcement, Tennealle O'Shannessy, Chief Executive Officer and Managing Director, said:

"We are pleased with the first half performance, with the team executing well across the business whilst also progressing our transformation program at pace. We continue to reinforce

our position as a quality partner for universities and students, and this commitment is evidenced by our strong yield performance as we continue to focus on delivering valued outcomes.

“We are delivering on our commitment to reset the cost base, simplify and strengthen our operating model and accelerate digital and AI adoption.

“Our investment in digital and AI-enabled tools is already delivering tangible benefits. We are expanding our reach, increasing conversion, improving student engagement, experience and outcomes, and improving productivity across our counsellor network and broader organisation.

“The work to reduce cost and focus on cash and working capital discipline will provide a good platform for reinvestment in future phases of the transformation to support profitable growth and shareholder returns.”

FY26 outlook

IDP's focus in FY26 is on managing financial performance and delivering our transformation and broader strategic priorities.

IDP is upgrading FY26 Adjusted EBIT guidance to \$120 million - \$130 million (from \$115 million - \$125 million)

Underlying assumptions:

- Continued challenging industry conditions, planning for FY26 market volumes⁷ down 20 per cent – 30 per cent versus FY25
- Within this context IDP expects revenue outperformance driven by a focus on profitable growth and yield improvements
 - Student Placement yield to grow low double-digit percentages
 - English Language Testing yield to grow at mid-single digits percentages
- Transformation program on track to deliver \$25 million net reduction in cost base in FY26⁸, weighted to H2
- Earnings heavily weighted to H1 – reflects the FY26 intake and destination mix, and a one-off benefit from working capital improvements in the first half

Dividend

The Board of Directors declared an interim dividend of 3.0 cents per share which will be paid on 26 March 2026 with a record date of 5 March 2026.

This announcement was authorised for release by the Board of Directors of IDP.

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About IDP Education

IDP is a global leader in international student placement and a proud co-owner of the world's most popular high-stakes English language test, IELTS.

We specialise in combining human expertise with digital technology to help people get accepted into their ideal course, take an English language test or learn English in our schools. Our teams work side-by-side with our customers through every step, from course search to starting their dream course or career.

We partner with more than 1000 quality universities and institutions across Australia, Canada, Ireland, New Zealand, the UK and the US. Our data insights are relied upon by organisations around the world to help ensure policies are informed by the diverse needs, challenges and motivations of students.

Disclaimer

The material in this announcement has been prepared by IDP Education Limited (ASX: IEL) ABN 59 117 676 463 ("IDP Education") and is general background information about IDP Education's activities current as at the date of this announcement. The information is given in summary form and does not purport to be complete. In particular you are cautioned not to place undue reliance on any forward looking statements regarding our belief, intent or expectations with respect to IDP Education's businesses, market conditions and/or results of operations, as although due care has been used in the preparation of such statements, actual results may vary in a material manner. Information in this announcement, including forecast financial information, should not be considered as advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities. Before acting on any information you should consider the appropriateness of the information having regard to these matters, any relevant offer document and in particular, you should seek independent financial advice.

Non-IFRS Financial Information

IDP Education uses certain measures to manage and report on its business that are not recognised under Australian Accounting Standards. These measures are collectively referred to as non-IFRS financial measures. Although IDP Education believes that these measures provide useful information about the financial performance of IDP Education, they should be considered as supplemental to the measures calculated in accordance with Australian Accounting Standards and not as a replacement for them. Because these non-IFRS financial measures are not based on Australian Accounting Standards, they do not have standard definitions, and the way IDP Education calculates these measures may differ from similarly titled measures used by other companies. Readers should therefore not place undue reliance on these non-IFRS financial measures.

¹ Percentage changes are on a constant currency basis. Results relate to H1 FY26, compared to the prior corresponding period adjusted for the change in revenue recognition policy announced on 18 December 2025.

² Adjusted overhead cost savings net of budgeted annual cost inflation related to staff cost and currency.

³ EBIT (Adjusted) excludes specific credit loss provision for customers in countries subject to foreign exchange control, costs associated with customer remediation, costs associated with restructuring, unrealised and/or volatile FX impact, merger, acquisition and integration expenses, intangible asset amortisation generated from business combinations, and intangible asset amortisation generated from acquired technology assets

⁴ The Reported Net Leverage Ratio divides reported net debt as at 31 December of \$192.6m by pre-AASB16 reported EBITDA for the twelve months to 31 December 2025 of \$76.1m. Borrower Group Net Leverage Ratio divides borrower group net debt as at 31 December 2025 of \$193.9m by pre-AASB16 reported EBITDA for the twelve months to 31 December 2025 of \$76.1m plus add back of Transformation Costs of \$22.4m

⁵ Cash conversion is Gross Operating Cash Flow (GOCF) divided by Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA). GOCF calculated as Operating Cash Flow less Net Interest less Income Tax paid.

⁶ Source: IDP's Student NPS Program July to December 2025 (n=14,164).

⁷ Market volumes are the total number of new international students commencing study in IDP's six key destination markets. Based on no further change in key immigration and visa policy settings.

⁸ Estimated FY26 one-off restructuring costs of \$35 million - \$45 million.