

## ASX announcement

17 October 2023

### IDP Education Limited 2023 AGM

Please find attached the Chair and Chief Executive Officer addresses and presentation slides to shareholders ahead of IDP Education Limited's 2023 Annual General Meeting, which will be held in Melbourne this morning.

The meeting will be webcast at <https://meetings.linkgroup.com/IEL23>.

Authorised for lodgment by:

Ashley Warmbrand

Company Secretary

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## IDP EDUCATION ANNUAL GENERAL MEETING

### CHAIRMAN'S ADDRESS

17 October 2023

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Thank you for joining us at today's Annual General Meeting.

As a company with operations in many countries around the world we are always respectful of local customs and traditions. I begin today by acknowledging the Wurundjeri Woi-wurrung and the Bunurong Boon Wurrung people, Traditional Custodians of the land on which we are meeting today, and pay my respects to their Elders past and present. I extend that respect to Aboriginal and Torres Strait Islander peoples here today.

The 2023 financial year was a very successful one for your company. In fact, it was a record year across all of our key operational and financial metrics.

It was one in which we welcomed a new CEO and Managing Director, Tennealle O'Shannessy.

It was also a time during which the world continued to open up following the pandemic. Increasingly we have seen our customers pursuing their life-long aspirations to study and work abroad.

Our strong performance reflects our position as a leader in the international education services sector. We achieved record revenue of \$982 million, a 24 per cent increase on FY22, driven primarily by our student placement business.

From a profitability perspective, we recorded \$228 million in Adjusted Earnings Before Interest & Tax this year, a 40 per cent increase from FY22. Our Adjusted Net Profit After Tax reached \$154 million, a new company record, and 45 per cent higher than FY22.

And we declared total dividends for the year of 41 cents per share, up 52 per cent over the prior year.

The business has a long track record of delivering strong earnings, and generating strong free cash flows, supported by balance sheet flexibility to fund disciplined reinvestment whilst delivering ongoing shareholder returns.

We have a leading market position in large and structurally growing markets where positive macro drivers continue to underpin long term growth. There remains ongoing demand for international study and migration, and a generally supportive policy environment.

Our diversified business model across both business lines and geographies supports sustainable performance through-the-cycle.

We remain focused on executing a compelling strategy that is delivering results, with an extensive runway for continued growth.

Over the past 10 years we've delivered 16 per cent CAGR in revenue and a 22 per cent CAGR for EBIT – a great track record of strong long-term growth. These results demonstrate that our strategy is compelling, and we are executing it well.

At IDP, we open doors to life-changing opportunities, helping people get into their ideal course, improve their English skills or learn English in our schools. We aim to transform the global education services industry for our customers, clients and teams. We pride ourselves on delivering exceptional experiences and providing fair and equitable access to our products and services.

It is important to us that our operations have a positive impact on the people we do business with and the communities we serve. We have been evolving our corporate responsibility activities for several years now. In the past 12 months, we have established a sustainability framework that integrates our strategy and actions across our network, and addresses the most significant topics for our business, meeting stakeholder expectations and contributing to the UN Sustainable Development Goals.

IDP has made significant progress in its commitment to gender equality, and was delighted to be recognised by the Workplace Gender Equality Agency as an Employer of Choice for Gender Equality in Australia. This citation recognises employers who are committed to making positive, measurable improvements in this area.

Furthermore, we are proud to be officially recognised as a Great Place to Work in Australia, India and Sri Lanka by the Great Place to Work® organisation, recognising our outstanding workplace culture.

Our strategy has been working for us, and it is one that we will continue to deliver against, under the leadership of IDP's new CEO and Managing Director Tennealle O'Shannessy. This is Tennealle's first AGM for IDP, and I would like you to give her a warm welcome.

As I said last year, Tennealle was chosen for this role to build on our vision and empower our global teams to help more people achieve their lifelong learning and career goals. Tennealle is an influential leader in global education, with a proven track record of building successful digital businesses with a customer-centric approach. Tennealle has spent her first eight months getting to know and understand IDP's business, meeting with key clients and stakeholders, customers and, of course, IDP's staff.

Before I hand to Tennealle to take us through the company's operating performance I would like to acknowledge the great work of Murray Walton, who acted as interim CEO between Andrew Barkla's departure as CEO and Tennealle's commencement. Thank you, Murray, for expanding your responsibilities and leading the company during this period.

During the year, Professor David Battersby decided to retire as a Director, and on behalf of the Board, I would like to thank David for his contribution to IDP over a period of significant growth for the company. David's insight and experience in education was highly valued.

Andrew Barkla joins us here today and is standing for election as a Director of the Board. We are very pleased that Andrew has agreed to join us and that we can continue to benefit from his wisdom and years of experience in international education.

We would like to take this time to thank and acknowledge our teams for rising to the challenge and delivering on our commitments to make every opportunity a success.

To our shareholders, we appreciate your ongoing commitment as we continue to transform IDP into the world's leading provider of international education services. We still have many more ambitious goals to achieve, and we welcome your ongoing support.

## IDP EDUCATION ANNUAL GENERAL MEETING

### CHIEF EXECUTIVE OFFICER'S ADDRESS

17 October 2023

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I'm delighted to be here today to share with you IDP's continued strong progress executing on our corporate strategy.

For the past 50 years, IDP has been committed to putting our customers first. At the heart of our approach lies the trusted human connection.

Today, IDP is leading the transformation of our industry, leveraging our digital capabilities and unique data assets to enhance this human connection. This enables us to offer more tailored recommendations, to fast-track the student application process and to deliver a high-quality experience for test takers, all at an unmatched scale.

We continue to execute strongly on this strategy, and it is delivering results. In FY23, we helped enrol students into 84,600 courses, a 53 per cent increase on FY22. Australia remained our largest market, with Canada, the UK and the USA all growing to their highest-ever volumes.

Even with our growing scale and volume, our customers are increasingly pleased with our service. This is reflected in an increase in our student Net Promoter Score (NPS) of 13 points over the past four years.

IDP administered 1.93 million IELTS tests, a company record, and a one per cent increase on the previous year.

Our English Language Teaching schools in Cambodia and Vietnam conducted more than 94,000 courses and we saw our revenue for our Digital Marketing and Events business line increase by 10 per cent.

Our highly trusted brand, built over decades through local, human connections - is now powered by our global scale and digital capabilities to deliver an experience that is life-changing for our customers.

Looking now at the strategic pillars for each of our business lines. Starting with IELTS.

We are focused on building an unmatched physical and digital footprint, and providing the widest choice of flexible test delivery options.

IDP now administers IELTS across more than 80 countries. We provide choice of paper-based, computer-based and online formats of the test. In FY23, we rolled out IELTS Online, which is now available in more than 50 countries. We also continued to scale our IELTS by IDP app, delivering 815,000 downloads.

We continue to build the most credible, trusted brand, now recognised by 11,500 organisations. We are leveraging industry best brand awareness and are investing to build engagement and conversion through strategic brand campaigns.

IELTS is underpinned by a scalable and flexible technology platform. We are undertaking a complete modernisation of the underlying technology infrastructure that supports test creation and delivery. The new platform will enable us to deliver significant enhancements to our customer experience.

We continue to focus on customer-centric product innovation. An example of this is IELTS One Skill Retake, a new product that allows a candidate to retake one of the four skills, where improvement is needed in just one area. This represents a very strong value proposition for candidates as they are able to retake a component of the test without jeopardising their scores in the other three skills.

Our student placement strategy is focused on delivering differentiated customer experiences on an unmatched digital and physical scale. We are doing this by leveraging our unique customer insights and digital capabilities to create services that allow us to both delight our customers and to increase productivity.

In November we completed the acquisition of Intake Education, expanding and strengthening our student placement operations in the African nations of Ghana, Kenya and Nigeria. It also strengthened our presence in Taiwan, Thailand, India and the Philippines.

In FY23 we added 46 new student placement offices – we now have over 200 Student placement offices in 35 countries.

Secondly, we continue to build out the most comprehensive data set related to international education globally. Today, we leverage data to power proprietary algorithms to drive real time lead scoring and prioritization to improve conversion, as well as next best action recommendations to enhance the productivity of our counsellors. We also provide sophisticated course and content recommendations to enhance the experience for our students.

Our comprehensive data set, and data science capabilities, ensures we are well placed to exploit emerging technologies.

We also continue to focus on driving productivity and efficiency, to ensure our counsellors can spend as much time as possible speaking with our students.

And, we are relentlessly focused on transforming the customer experience.

A great example of this is FastLane. We accelerated the scale-up of this service during the year with 4,200 courses live by 30 June and over 17,500 students receiving formal offers after using Fastlane in FY23, up from 3,000 in FY22.

The ability to provide real-time in-principle offers from leading institutions is transformative and provides unique value to students and clients.

However, we are just getting started, with a future pipeline of functionality planned as we build out the student placement ecosystem. An example of this is our acquisition of The Ambassador Platform in May of this year, a technology platform that aligns with our strategic vision to build digital peer communities.

This acquisition is one of many ways we are investing in new technologies and digital innovation to deliver beyond expectations and help students achieve global success. It is also another point of difference we can offer our student customers and university clients.

Trust is at the heart of our relationships. It is our ambition to be the trusted partner that people want to work with and for. For over 50 years, we have been committed to putting students first by providing unbiased advice. At the heart of our approach lies the trusted relationship between our counsellors, students and their families.

I would also like to extend my sincere thanks to our 6,800 team members around the world, who work so passionately to provide excellent service to our customers.

As the world reopens and global mobility is rebounding, new challenges and opportunities will arise. We are confident that our people, customers and industry are ready to embrace them.

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# **IDP Education**

## **FY23 Annual General Meeting**

# Important Notice and Disclaimer

## Disclaimer

The material in this presentation 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 presentation. 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 presentation, 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.

Note: All financial amounts contained in this presentation are expressed in Australian dollars unless otherwise stated. Any discrepancies between totals and the sum of components in tables contained in this presentation are due to rounding.

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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

# FY23 performance summary

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

Revenue

**\$982m**



Up 24%

EBIT (Adjusted)\*

**\$228m**



Up 40%

NPAT (Adjusted)\*

**\$154m**



Up 45%

Final Dividend

**20cps**



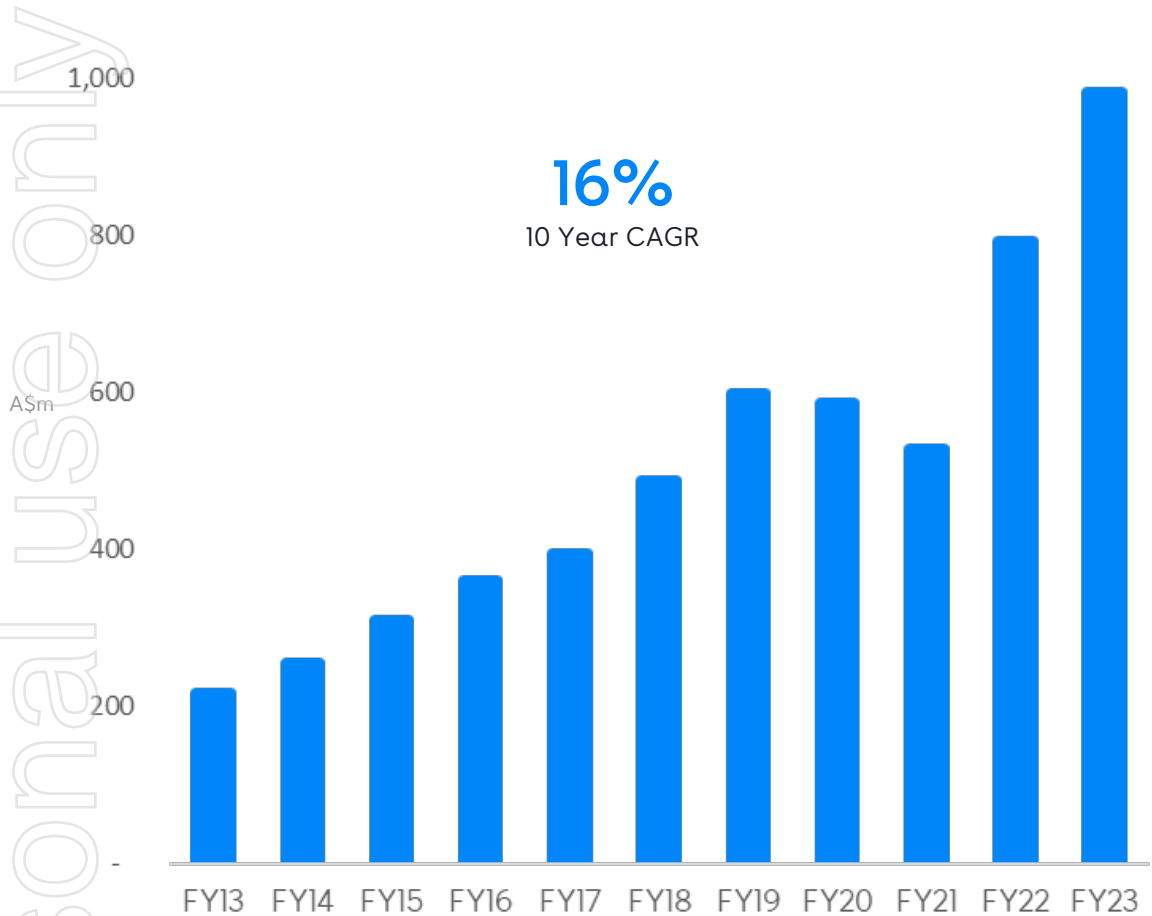
Up 48%

\* EBIT (Adjusted) and NPAT (Adjusted) excludes merger and acquisition expenses which related to the acquisition of Intake Education and The Ambassador Platform in FY23, the acquisition of the British Council's Indian IELTS operations in FY22 and consultancy and professional expenses incurred in shareholders' restructure project in FY22. It also excludes acquired intangible amortisation.

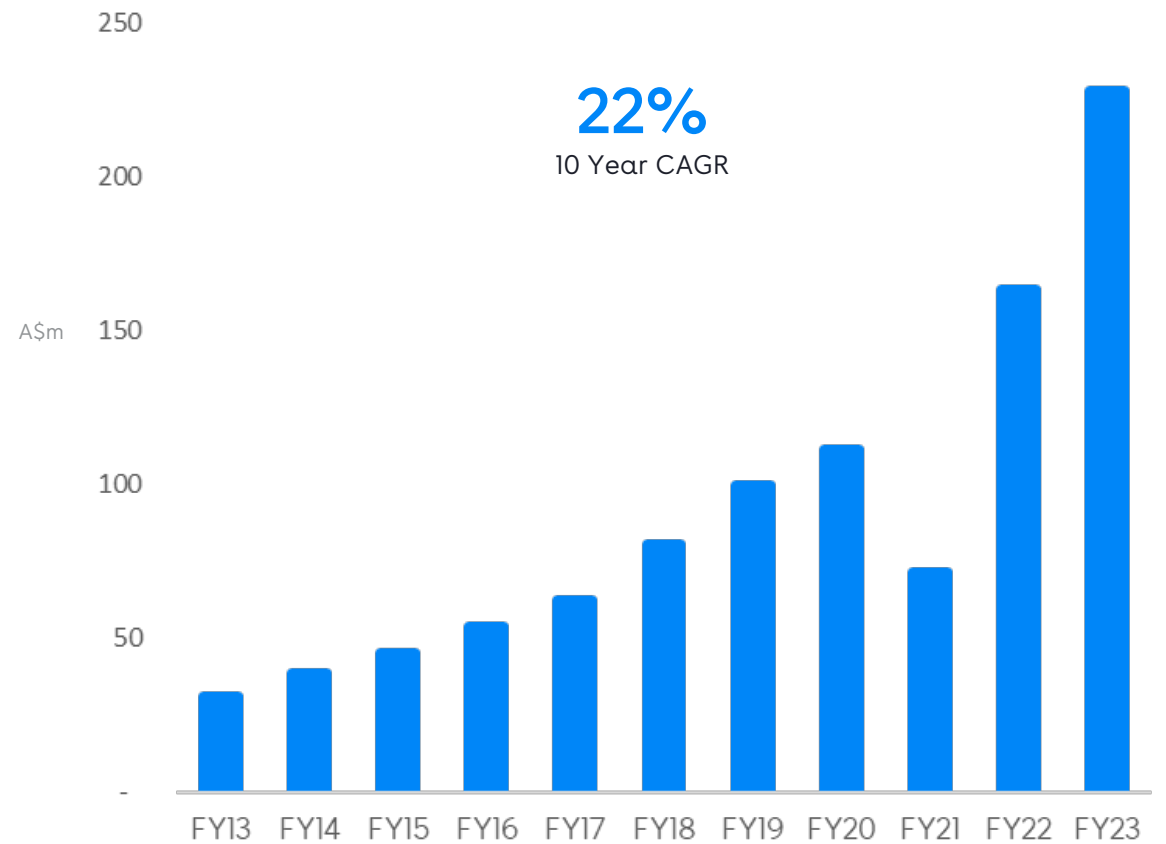


# A track record of strong long-term growth

## Revenue

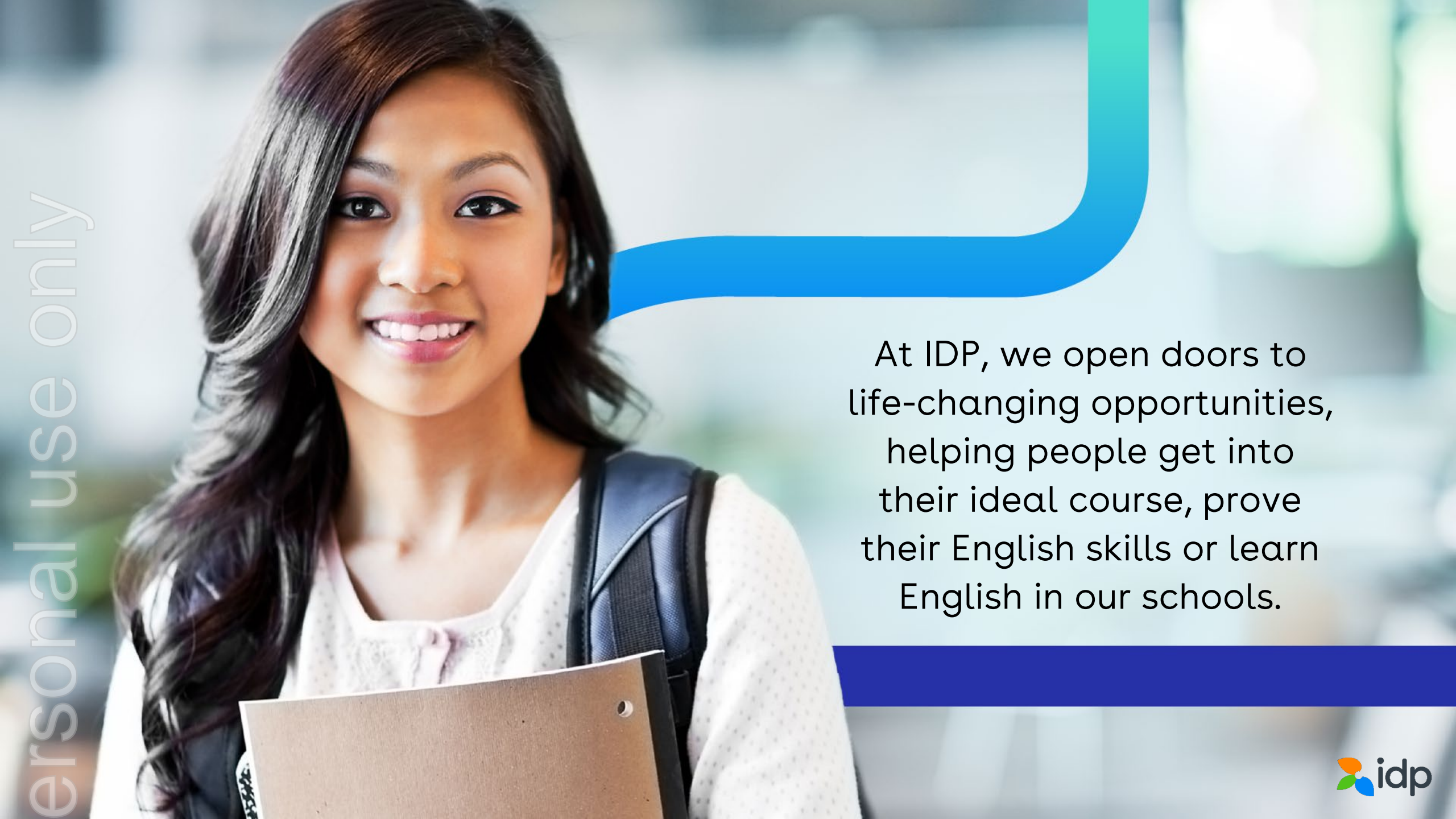


## EBIT (Adjusted)\*



\* EBIT (Adjusted) excludes merger and acquisition expenses which related to the acquisition of Intake Education and The Ambassador Platform in FY23, the acquisition of the British Council's Indian IELTS operations in FY22 and consultancy and professional expenses incurred in shareholders' restructure project in FY22. It also excludes acquired intangible amortisation.

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At IDP, we open doors to life-changing opportunities, helping people get into their ideal course, prove their English skills or learn English in our schools.

# Recognition

Workplace Gender Equality  
Agency Employer of Choice  
for Gender Equality in  
Australia

Great Place to Work

- Australia
- India
- Sri Lanka





Introducing

**Tennealle O'Shannessy**

Chief Executive Officer  
and Managing Director

# Board changes



**Professor David Battersby**  
Non-Executive Director  
Retired March 2023



**Andrew Barkla**  
Non-Executive Director  
Standing for Election



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**Tennealle O'Shannessy**  
CEO and MD's address

# FY23 performance summary

Student  
Placement

**84,600**



APFs\*\*,  
up 53%

English Language  
Testing

**1,932,500**



IELTS tests,  
up 1%

English Language  
Teaching

**94,300**



Courses,  
up 35%

Digital Marketing  
& Events

**\$47.8m**



Revenue,  
up 10%

\*\* APF is Application Processing Fee, being the fee IDP Education receives from its client education institutions for placing students into a course



# Our strategy guides the priorities across our global business lines

## Our Vision

The global platform and connected community to guide people with global ambitions on their journey to achieve lifelong learning and career aspirations

## Our Strategy



### Student Placement

Reimagining the Student Placement model by delivering differentiated customer experiences at scale



### English Language Testing

Enhancing the world's best and most trusted English language test

## Our Enablers

### Service Excellence

Enhancing our human expertise through technology and by leveraging our unique data assets

### Our People

Driving our success through our diverse and connected culture



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# Our IELTS strategy is leveraging our trusted brand, extensive physical and digital distribution, and product innovation to enhance our leading position



## Unmatched Physical & Digital Scale

The widest product range and unmatched global footprint

- IELTS Online available in 51 countries through IDP\*
- 815,000 downloads of IELTS by IDP app
- Enhanced referral partner ecosystem



## The Most Recognised, Trusted Brand

A secure, fair, accurate and reliable test that is the globally recognised

- Recognised by 11,500+ organisations
- Strategic brand campaigns driving strong engagement



## A Scalable and Flexible Technology Platform

Establishing the technology foundation for future product development

- An end-to-end re-platforming enabling new product delivery
- Streamlined operations and scalable long-term architecture



## Customer Centric Product Innovation

Trusted innovation that balances the needs of test takers and industry while maintaining integrity

- One Skill Retake launched
- App providing improved booking experience and access to prep materials

### FY23 Outcomes

\* As at 30 June 2023

# Our student placement strategy is delivering a differentiated customer experience powered by human connection and enhanced by technology



## Unmatched Physical & Digital Scale

A global omni channel footprint that uses technology to enhance human connections

- 46 new offices
- Acquired Intake Education to accelerate growth in Africa
- 300,000 students at IDP events



## Building Unique Data Assets

The definitive data set in the industry that underpins high value products and services

- +4bn customer actions captured
- >56,000 admission rules established in FastLane
- Proprietary algorithms driving real-time lead prioritisation



## Driving Productivity

Leveraging technology to improve productivity, customer experience and operating margins

- 24% increase counsellor productivity\*
- 60% of applications via Centralised Application Processing hubs
- Pilot of digitised application functionality



## Differentiated Customer Experiences

Trusted human connection, enhanced by technology, offering unique insights and services

- 4-point increase in student NPS
- 17,500 students received FastLane offers
- Acquired The Ambassador Platform to strengthen community dynamics

### FY23 Outcomes

\* Counsellor productivity defined as the number of students per counsellor that is enrolled during the period

# FastLane - A unique service delivering higher conversion and a better experience at scale

## Students



**17,500** Students received FastLane offers up from 3,000 in FY22

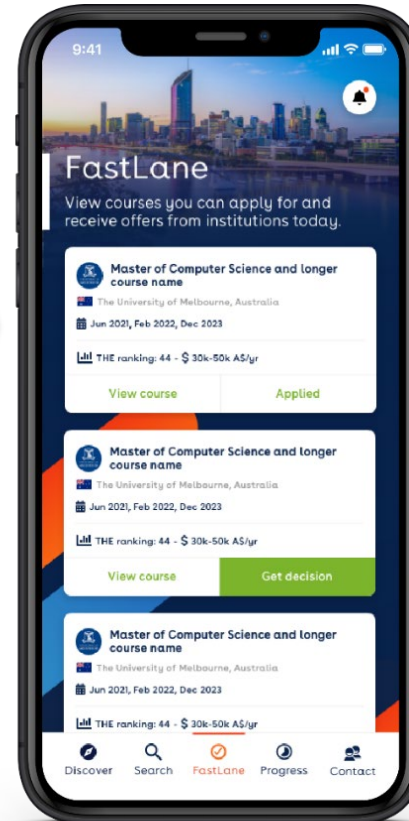
**860,000** IDP Live app downloads in FY23

**50,000** FastLane student profiles created\*

Speed  
Transparency

**11 point**

higher NPS for our students who receive an OiP\*\*



Efficiency  
Diversity

**6.3%**

higher conversion rates versus non-FastLane offers#

## Clients



**93** Clients on FastLane\* up from 61 at 30 June 22

**4,200** courses available\* up from 1,200 at 30 June 22

**56,000** Admission rules established

\* As at 30 June 2023

\*\* OiP = Offer in Principle. NPS compared to NPS for all 51,500 students surveyed for NPS in FY23

# Conversions from full application to enrolment for CY23 intakes

# Well positioned to create significant long-term shareholder value



## Record Performance

A record year on all key operational and financial metrics



## Financial Strength

A financial profile that features rising margins, strong cash flow generation and a balance sheet with significant flexibility



## Industry Dynamics

A leading player in a structurally growing industry with a long runway of growth



## Diversification

A diversified business across business lines and geographies



## Compelling Strategy

A strategy that leverages unique assets to create a differentiated customer offering

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## Formal Business of the AGM



## Item 1 - Financial statements and reports

To consider and receive the Financial Report, the Directors' Report and the Auditor's Report of IDP Education Limited for the financial year ended 30 June 2023.



## Item 2(a) – Re-election of Ms Ariane Barker

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

*“That Ms Ariane Barker, who retires by rotation in accordance with the Company’s constitution and being eligible, be re- elected as a Director.”*



**Ariane Barker**  
Non-Executive Director

## Item 2(b) – Election of Mr Andrew Barkla

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

*“That Mr Andrew Barkla, who was appointed as a Director since the 2022 Annual General Meeting and retires in accordance with the Company’s constitution and being eligible, be elected as a Director.”*



**Andrew Barkla**

Non-Executive Director

## Item 3 - Adoption of the Remuneration Report

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

*“That the Remuneration Report for IDP Education Limited (which forms part of the Directors’ Report) for the financial year ended 30 June 2023 be adopted.”*



## Item 4 - Grant of Performance Rights to the Chief Executive Officer and Managing Director, Ms Tennealle O'Shannessy

To consider, and if thought fit, to pass the following resolution as separate ordinary resolutions:

*"That for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the grant to Ms Tennealle O'Shannessy, Chief Executive Officer and Managing Director (CEO), of up to a maximum of 44,613 Performance Rights under the IDP Employee Incentive Plan and on the terms and conditions described in the Explanatory Memorandum in Notice of Meeting."*



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Thank you

