

Study Group

Mid-Year Update to June 2022

Study Group is a **leading provider of international education**, driving success for our university partners and students. Through our work to prepare students for undergraduate and postgraduate study in universities across the world, we play our part with our partners in making a **better world through education**.

Study Group provides on and off-campus pathways to higher education at undergraduate and postgraduate level through International Study Centres (ISCs) in collaboration with leading universities across the UK, Europe, North America, and Australasia. We also enable the delivery of bespoke programmes of executive and medical education by top-ranked universities such as Oxford, ETH Zurich and Johns Hopkins through our intuitive online learning platform Insendi.

Trusted partners in international education and innovation

At the heart of our work is trust, from our university partners and the students and families committed to international education. The universities we work with trust us to increase their international footprint, improve student diversity and provide assured progression, so they can continue to focus on academic excellence. They also trust us to be partners in innovation, engaging with us in strategic discussions about how to enhance digital support or deliver remote learning. This has only deepened in recent years as educators have risen to the challenge of delivering excellent student progression and satisfaction despite travel restrictions in many parts of the world.

The market in 2022 continues to evolve. The universities we work with in the UK, Europe, and North America have now largely returned to on-campus teaching. There has been a more gradual return to campus in Australia, which reopened its borders to international students on 15 December 2021, with New Zealand following on 31 July 2022.

The UK business continued to benefit from the favourable Graduate route visa scheme, which has increased growth and demand for certain of our university partners, whilst there continues to be a variation in source market demand, with China more subdued due to in part continued local Covid-19 lockdowns, and a growth in demand from South Asia.

The Study Group Board continues to actively monitor the operating context and to take a flexible approach to planning, as is required in the current environment, while encouraging the innovation and opportunities for growth.

Organising for success

At the start of 2022 Study Group changed its organisation structure as part of our transition towards becoming a global organisation of specialist, collaborative teams.

Our previous regional operating divisions were replaced by specialist teams responsible for Partner Development, Learning Experience, Student Experience and Product all of which work closely with our functional teams across the business.

Consequently, within our management reporting and financial statements segmental analysis, the primary reportable segments of the Group are now organised by 'clusters' rather than geographic regions.

We believe becoming an integrated global organisation able to draw on specialist expertise across our network will better support us in driving success for our partners and students.

Performance to June 2022

New Student Enrolments (NSE) for the six months to 30 June 2022 showed continued signs of recovery post-pandemic. EBITDA was ahead of Budget as continued cost efficiencies across all regions and functions more than offset lower revenue than planned due to lower than targeted new student volumes.

New partnerships

November 2021 saw the first cohort of students at our new partnership with Teesside University in the North of England, a university with a growing reputation for engagement with business and industry. Teesside is making rapid progress up the university rankings and is seen as one of the best universities in the world amongst international students.

In December 2021 Study Group signed a new ten-year partnership agreement with Florida Atlantic University, ranked as a top public higher education institution, to recruit international students to a range of Direct Admit programs, with the first intake in August 2022.

This half year Insendi signed new contracts with ETH Zurich, Vlerick Business School, and Universidad Torcuato Di Tella, and renewed its partnerships with Imperial College Business School, EDHEC Business School, The University of Stirling, Ivey Business School, and Oxford University's Blavatnik School of Government.

Insendi continues to engage closely with digital delivery and transformation across the Group, which continues to invest in its course development, and in particular the development of its online and blended offerings.

Latest developments in centre closures

In September 2021, Charles Sturt University (CSU) announced its decision to not renew its partnership with Study Group, following an institutional strategy decision to return to its core purpose of being a regional university and focus on its main, regional campus network across New South Wales. After 25 years of a strong partnership, all our Charles Sturt Study Centres (Sydney, Melbourne and Brisbane) are now in teach out, with a shared focus on ensuring a high quality experience for this cohort of students.

Due to changes in international student demand and after a period of consultation which was initiated in January 2022, the Directors took the difficult but necessary decision to close Bellerbys College in Brighton and London with effect from the end of the academic year, on 31 August 2022. For ongoing students enrolled at Bellerbys College, our team supported them to help them to transition to an alternative route or provider of their choice.

Looking ahead

Recent years have required an agile approach to learning delivery, including the use of local study hubs and significant innovations in online learning, assessment and support - just some of the ways in which Study Group has responded rapidly and resourcefully to the on-going challenging environment.

The Group's management is now focused on its exciting future, assessing innovations and developments in the market and aligning those with the changing requirements of the Group's university partners. This is coupled with proactively developing new university partnerships. This approach of greater partnership and collaboration with Universities in meeting changing needs is already bearing fruit with new programmes of international education solutions in development from recruitment through to digital student support.

Changes in the Global Executive Team

Chief Executive Officer

After ten years with Study Group, Emma Lancaster has stepped down from her role as Chief Executive and will continue on the Board in a non-executive role. Emma remains committed to the success of the company and confident of its exciting future.

Study Group was recently pleased to announce that the role of Chief Executive has been taken up by Ian Crichton. Ian is a highly experienced CEO with a diverse international background including leadership roles in blue chip (FMCG) companies, electronics, health, business services and software.

Ian comes to Study Group with a strong commercial track record and experience in driving service transformation through a combination of deep strategic partnering, digital enablement and product development. Having worked in and with the NHS, Ian understands the particular challenges of sectors with significant regulation, the importance of public service and the difference that committed, capable people really can make to other people's lives.

Ian's career has taken him to over 40 countries and most recently saw him serving as Chief Executive of Servelec, a British health informatics company supplying software to the healthcare, social care and education sectors.

Chief Product Officer

Steve Pinches has joined Study Group as Chief Product Officer from a background in digital innovation for organisations. The role has been established to accelerate Study Group's work with university partners on strategic innovation, developing new programmes and services for international students in addition to current pathway programmes.

Steve is a highly experienced leader with an extensive background helping organisations across the publishing, EdTech and media industries to maximise the opportunity of digital and blended approaches to growth, having held key roles at the Financial Times, Pearson, the Hyve Group, and Tes Global.