

# Study Group

## Mid-Year Update to June 2024

Study Group is a **leading provider of international education**, committed to increasing global participation in international education and driving success for our students and university partners. Our work to prepare students for the educational, language and cultural aspects of undergraduate and postgraduate study in universities across the world helps them succeed in their studies and beyond. The profession and attainment of our students speaks for itself, and we are proud to play an important part with our partners, to increase participation in global education. Building on our reputation for quality and innovation, we are privileged to work with an unparalleled and diverse portfolio of leading universities, delivering value to them through the global education solutions we provide.

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, Ireland and North America. The company is also working closely with a range of global partners to develop off-shore pathways to meet the changing aspirations of students and universities across the world.

### **Trusted partners in international education and innovation**

At the heart of our work is our expertise in educating international students and the trust of our university partners and the students and families committed to global 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 at degree level. They also have confidence in us as partners in innovation, engaging with us in strategic discussions about how to enhance digital support or deliver remote learning.

Our relationships with university partners are fundamental to our success — many are long-standing partners. We continue to see those contracts being renewed and expanded.

We are proud of the quality of teaching and the attainment of our students, which remains high. Further investment in academic leadership means this success will only increase in the years ahead as we move beyond our traditional geographies.

During 2023, we invested in both our partner and product development teams and in our admission processing capability. This has led to expanded offerings with our current partnerships, renewals and extensions to our existing contracts and, in North

America, new university partnerships being signed. During the first half of 2024, we have been progressing a strong active pipeline of further partnership opportunities which are expected to ensure growth and stability for the foreseeable future.

With our mix of Northern Hemisphere partners and large, diversified global agent network, we are able to manage and respond to political, economic and competitor trends and ensure a strong and stable outlook, whilst continuing to offer students excellent education and ensuing career opportunities.

Our Board continues to actively monitor the operating environment and to take a flexible approach to planning while encouraging innovation and opportunities for growth.

### **Organising for success**

Following the challenges of the pandemic, Study Group returned to growth in the second half of 2023 and our focus for 2024 and beyond is ensuring growth remains sustainable and becomes increasingly profitable, generating the cash we will need to invest in our business while meeting areas of strategic opportunity in global education.

During 2023, we successfully sold our continuing Australian and New Zealand business, and our contract with the University of Auckland concluded in 2024. In line with our wider global strategy and a focus on new markets and study destinations, the Group decided not to seek a renewal or extension to this contract.

In recent years our continued investment in our global admissions capability has allowed us to provide systems that effectively support each stage of the student journey from identifying the right course of study to feedback and progression, benefitting students and our university partners in the process. In addition, this has led to far greater admissions discipline resulting in a much-improved conversion performance from applicant to student.

### **Performance to June 2024**

Whilst we are investing in long term growth, strategic partnerships and improved systems and processes, the H1 trading environment has been challenging. Uncertainty around visa policy, changing governments in the UK & US and political rhetoric have created a number of micro factors that have affected student applications. Despite this, and thanks to the investment in our admissions processes and systems, our relationships with our vast agent network and our broad portfolio of partners we were able to increase conversion rate (from applications to arrived students) by 38% against the prior year.

Additionally continuing students increased year-on-year from 3,563 to 3,673. This, along with a more favourable student mix, means that in the first half of 2024 revenue, contribution and EBITDA were all ahead of plan.

### **New partnerships**

In January, we signed a contract embarking on a new chapter for Bellerbys with United International College in China who will be utilising the brand and teaching their students using the Bellerbys syllabus, with over 20 signed articulation partners in the UK. This initiative will provide students the opportunity to study authentic Bellerbys programs in their home countries. In April, we established our first partnerships in China with Falcon Education who are hosting the programme at Beijing Normal University & Hong Kong Baptist University United International College (UIC) in Zhuhai. As the year has progressed, we have since established partnerships with New Oriental Vision Overseas, launching two campuses in Beijing and Nanjing for the first year and will expand to more locations in the upcoming years. Additionally, we partnered with Xi'an Eurasia University on Bellerbys to serve the northwest region of China with a campus in Xi'an. The journey begins in China but we plan to expand further in East Asia and Southeast Asia, providing more students with access to authentic Bellerbys programs.

We are also currently at advanced stages of discussions with several new UK university partners, and we plan to announce these new partnerships before the end of the calendar year. Our existing partnerships are also the focus of deepening collaboration and innovation. At Cardiff University we have launched a new Business Management International Year 1 product and at Leeds Beckett University we have taken on the responsibility for the teaching of International Year 1 students.

Our focus on globalising our delivery is one also shared by a number of our partners, and we are delighted to have announced a recently signed partnership with the University of Strathclyde to be the sole provider of pathway provision at its new Bahrain campus. The University of Strathclyde has a well-established reputation in the Middle East and has been teaching MBAs at its international centre in Bahrain since 1995. Study Group will now deliver two Undergraduate Foundation Programmes there — Engineering and Science, and Business — teaching, supporting and assessing students who will be recruited by the university. This marks a new and ambitious chapter for us as a global company and the beginning of expansion into the Middle East.

All existing partner renewals due this year have been signed.

## **Looking ahead**

Given sustained high levels of international demand for quality international education and the strength of our partner portfolio and extensive agent networks, we are extremely well-positioned to succeed in a new era of global education which is marked by an ongoing commitment of families around the world to the life-changing opportunities of education but a far greater range of opportunities and options in how to pursue this.

We are increasing the value of our business. We will continue to achieve this through delivering our strategy, growing the business with the right organisation and cost base, thereby ensuring sustainable growth and cash generation. That, in turn will enable investment in key business drivers and ultimately a solid return for shareholders. This strategy will also support long term revenue and profit growth, at the same time increasing the number of students who successfully engage with global education through us.

## **Changes in the Global Executive Team**

### **Chief Academic Officer**

In December 2023, Study Group were pleased to appoint Professor Elena Rodriguez-Falcón into the role of Chief Academic Officer. With over 20 years of experience in higher education (HE), Elena is a nationally and internationally recognised expert and leader in enterprise and engineering education, inclusive and international learning and teaching, and change management.

Elena has a distinguished record of achievements and recognitions, including being a Fellow of the Royal Academy of Engineering, one of the first twelve Principal Fellows of the Advance HE/HEA in the UK, and the 2020 Woman of the Year in Technology. She is also a Fellow of the Institute of Engineering and Technology, the Chartered Management Institute, and the Women's Engineering Society. Elena is passionate about engaging and empowering students, staff, and stakeholders through innovative and impactful global educational initiatives and programmes.

Before joining Study Group, Elena was also Deputy Vice Chancellor at the University of Wales Trinity Saint David (UWTSD), where she had oversight of the academic portfolio and strategy of the institution. She was also a founding President and Chief Executive at the New Model Institute for Technology and Engineering which was recently given degree-awarding powers by the higher education regulator. Elena's mission is to drive change and innovation in global education, to support and empower international students, and to inspire the next generation of socially aware change makers.