

Study Group

Mid-Year Update to June 2021

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 higher education through International Study Centres (ISCs) in collaboration with leading universities across the UK, Europe, North America, and Australasia. We also operate our own colleges and through our expert EdTech platform Insendi enable the delivery of bespoke programmes of executive and medical education on behalf of top-ranked universities such as Oxford, ETH Zurich and Johns Hopkins.

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 over these past challenging months as educators have risen to the challenge of delivering excellent student progression and satisfaction despite travel restrictions in many parts of the world.

As expected, the global Covid-19 pandemic has continued to affect our business, with an uneven return to in-person study. In the first six months of 2021, only limited numbers of students were able to study on campus. Sustained border closures in Australia and New Zealand (ANZ) have particularly affect our business in that region, while the demand for in-person study in the U.K. has increased from SE Asia but more subdued in China.

The Study Group Board continues to actively monitor the situation and to take a flexible approach to planning, as is required in the ongoing uncertain environment, while encouraging the innovation and opportunities which have become clear even at a challenging time for international education overall.

Performance to June 2021

New Student Enrolments (NSE) for the six months to 30 June 2021 showed signs of recovery in line with management expectations, albeit lower than the 6 months to June 2020 which was only partly affected by the pandemic. Revenue and EBITDA for the period were also in line with expectations, whilst lower than for the equivalent period in 2020.

Based on the latest information at the date of this report, including the level of confirmed student admissions, NSE in the second six months of 2021 are expected to show significant growth relative to 2020 driven by a strong recovery in the UK. The Australia and New Zealand region continues to be impacted by ongoing border closures, although early pilots of reopening to a limited number of international students are underway and Study Group is actively engaged with these plans as part of a sector wide initiative in Australia. The smaller-scale operation with partner institutions in the United States shows an improved profile which reflects the more welcoming policies for international education announced by the new US administration.

New centres in Wales and the North of England

A key development has been the first year of operations with Cardiff University with progression to a number of highly desirable courses such as medicine, and the opportunity to collaborate on new initiatives in the Welsh capital.

We also signed and prepared to launch a new partnership with Teesside University in the North of England, a university with a growing reputation for engagement with business and industry and which is making rapid progress in the university rankings. Identifying a clear match between Teesside's strategic aims and our own strengths led to a highly-successful collaboration at pace and we are very encouraged by the level of interest from the market. Given the institution's place at the heart of the government's 'levelling up' agenda, Study Group is also in promising discussions with government and partner institutions on how international pathway education can engage with this work.

Leading-edge EdTech innovation

The Group's acquisition of Insendi in February 2020 continues to show positive results. This is true in both academic brand positioning with our university partners and with the signing of a new partnership agreement with the top university globally, The University of Oxford, to support the delivery of executive education through its Blavatnik School of Government in the first half of 2021.

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

A safe return and options for the future

Staff in UK, EU and US International Study Centres are preparing to receive students in a Covid-safe environment, incorporating relevant government guidelines and responding to the concerns of students to enhance student and staff safety for the Autumn 2021 term.

However, for those students still unable to travel or in centres unable to receive them due to ongoing border closures, innovative solutions around transnational education study hubs, with partners such as Sydney University in Shanghai, have demonstrated how responsive Study Group has been to a time of unprecedented challenge. The lessons learned will stand us in good stead to succeed in a post-Covid international education environment.