For personal use only

ACADEMIESAUSTRALASIA

THE POSSIBILITIES ARE INFINITE

ACADEMIES AUSTRALASIA GROUP LIMITED

ANNUAL REPORT 2025

ACN 000 003 725

ACADEMIES AUSTRALASIA GROUP LIMITED

ANNUAL REPORT 2025

CONTENTS **Page**

Report of the Chairman and the Group Managing Director and CEO	2
Directors' Report	4
Information on the Directors and Company Secretaries	8
Information on Senior Company Executives	10
Remuneration Report - Audited	10
Corporate Governance Statement	12
Auditor's Independence Declaration	13
Consolidated Financial Statements	
Statement of Comprehensive Income	14
Statement of Financial Position	15
Statement of Changes in Equity	16
Statement of Cash Flows	17
Notes	18
Directors' Declaration	51
Independent Auditor's Report	52
Additional Information for a Company listed on the ASX	56
Corporate Information	58
Glossary	59

For personal use only

For personal use only

Dear Shareholder

FY25 was another difficult year. The turmoil in Australia's international education sector that we referred to in our report for FY24 continued in FY25. Indeed, there were significant provider closures in FY25. The year was fraught with challenges.

In the circumstances we are not unhappy with the Company's performance:

- Revenue grew 1.5%.
- EBITDA of $7.2 million was $9.7 million better than the negative $2.5 million in FY24.
- Adjusted EBITDA was $7.5 million, double that of FY24.
- After adjustments, FY25 profit before tax was $1.0 million compared to a loss of $2.6 million in FY24.
- Net operating cashflow of $3.8 million was more than eight times that in FY24 ($441,000).
- Costs were carefully controlled:
    - Expenses from ordinary activities decreased by $3.2 million (6.5%) to $46.5 million.
    - Student acquisition and teaching costs decreased by $2.8 million (11%) to $22.4 million.
    - Personnel and other administrative expenses decreased by $565,000 (3.8%) to $14.3 million.
    - Total occupancy costs were $10.7 million – an increase of only $129,000 or 1.2% over FY24.

It was the commitment of our management team as well the careful diversification of the education business we built that took us through this difficult year. Certain areas did well. Others not. HE revenue grew by $9.5 million (145%) to $16.1 million. Revenue from our Singapore operations, unaffected by high student visa fees and difficult to understand restrictions on international students, went up by 26% to $7.6 million. Senior high school revenue grew by 44% to $754,000. Our revenue from international students studying English language and VET courses in Australia dropped by $10 million – a staggering 36% drop in the revenue they contributed in FY24. High student visa fees and other restrictions had the biggest impact on our English language and VET operations in Australia.

The position on student visa fees in FY26 is not yet clear, though there appears to be signs of some let up in the visa fees for students studying English language and non-award courses of less than 12 months. This would help improve English language enrolments.

The Directors' Report addresses NOSC allocations on pages 6 and 7. To be eligible for a maximum average of only 101 commencements per college is very disappointing. Especially when calendar 2026 allocations are based on only a 3% increase on calendar 2023 actuals. The more relevant reference should be calendar 2024 actuals. But this is for another forum.

We will continue growing our operations overseas – especially in Singapore where we have been operating for many years and now offer honours degrees on behalf of a university in the United Kingdom. And, to minimise the influence of difficult to understand policies towards international students, we will devote more resources to domestic operations.

We are continuing to take steps to reduce occupancy costs further.

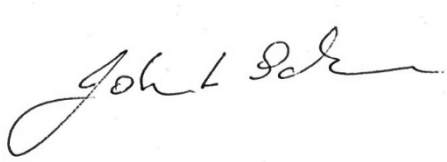
The acquisition of the shares in CSF that we did not already own is significant. Now all our colleges and other subsidiaries are wholly owned. More specifically, we can now proceed with further growth of CSF solely in the interests of CSF and the Group.

Our three English language colleges, especially DE, have done us proud. AOE, DE and LLI have been recognised by International Development Program (IDP) for their commitment to excellence in English language education and IELTS preparation. DE recently won the English Australia 2025 Award for Innovation. On 5 September 2025, at the PIEoneer Awards 2025 ceremony celebrating innovation and achievement in global education at Guildhall in London, it was announced that DE won the PIEoneer 'Language training provider of the year' award for 2025. The finalists were from Australia, Myanmar, New Zealand, Taiwan and the United Kingdom. This was no mean feat.

Academies Test Center which we own, has been selected to run LanguageCert test centres operating in Melbourne, Sydney and Perth. The Australian Department of Home Affairs now recognises LanguageCert for all visa applications requiring proof of English proficiency.

We would like to record our thanks to all directors who extended loans to the Company.

On behalf of our colleagues on the Board, and ourselves, we would like to thank all shareholders, students, clients, partners, associates and other stakeholders for their loyalty, contribution and support. Thank you.



Dr John Lewis Schlederer
Chairman

Christopher Elmore Campbell
Group Managing Director and CEO

8 September 2025

For personal use only

For personal use only

DIRECTORS' REPORT

Your Directors present their report on the Group for FY25.

DIRECTORS

The names of Directors in office at any time during, or since the end of, the financial year are:

Dr John Lewis Schlederer
Christopher Elmore Campbell
Chiang Meng Heng
Gabriela Del Carmen Rodriguez Naranjo
Sartaj Hans

All Directors have been in office from the start of the financial year to the date of this report.

Details on the Directors and Company Secretaries are set out on pages 8 and 9.

PRINCIPAL ACTIVITY

The principal activity of the Group during the financial year was the provision of training and education services.

CONSOLIDATED RESULT

The consolidated loss before tax for the Group in FY25 was $1,777,000 (FY24: loss $11,009,000). The consolidated loss for the Group, after providing for income tax, was $1,282,000 (FY24: loss $9,653,000).

REVIEW OF OPERATIONS

Compared to FY24, FY25 revenue from ordinary activities increased by 1.5% from $46,831,000 to $47,537,000. The increase was not consistent throughout our operations. HE revenue more than doubled from $6,530,000 to $16,048,000, mainly the result of significant expansion in our operations in Perth. Our operations in Singapore, through AAC, grew by 26% from $6,055,000 to $7,648,000 and our senior high school (AIHS) by 44% from $523,000 to $754,000.

On the other hand, our English language operations from DE, LLI and AOE declined by a substantial nine million dollars or 46% from $19,381,000 to $10,425,000.

VET revenue declined 12% from $13,882,000 to $12,155,000: International VET was down $1,004,000 to $7,013,000; Domestic VET down $723,000 to $5,142,000.

The reduction of about ten million dollars from English language and International VET operations can be attributed to the fall in international student enrolments because of Australian government policy changes regarding student visas, including substantial increases in fees for student visas.

FY25 student acquisition and teaching costs of $22,436,000 were $2,844,000 (11%) lower than in FY24. Personnel and other administration expenses were reduced by $565,000 (3.8%) to $14,284,000 in FY25.

Total occupancy costs in FY25 of $10,692,000 was only 1.2% ($129,000) more than in FY24 ($10,563,000).

Net operating cash flow in FY25 was $3,820,000 - more than eight times the $441,000 in FY24

Material factors impacting net loss

In FY25 the lease for the Goulburn Street premises contributed $2,463,000 to the result (FY24: $2,353,000), comprising depreciation and amortisation and finance costs. Renovation works associated with 9B-approval plans have been deferred pending greater clarity on Federal Government policy settings towards international students.

A provision for impairment of $370,000 (FY24: $1,150,000) was made against the non-recourse loans of $2,000,000 that secure the 5,000,000 shares issued at 40 cents each under the employee incentive plan. The share price at 30 June 2025 was 9.6 cents compared to 17 cents at 30 June 2024. This provision is adjusted according to the share price while the loans are in place. At 30 June 2025 the total provision was $1,520,000.

Profit / (loss) before tax after adjustments

	FY25 $000	FY24 $000
Loss from ordinary activities before tax	(1,777)	(11,009)
Add back impairments / provisions		
- goodwill	-	4,408
- right of use assets	-	575
- loans secured for the issue of shares in the employee incentive plan	370	1,150
Add back Goulburn Street		
- depreciation and amortisation	1,568	1,568
- finance costs	714	771
- other costs (outgoings, facilities etc)	181	14
Add back relocation and make good STA	64	-
Deduct Government grants	(110)	(91)
Adjusted profit / (loss) before tax	1,010	(2,614)

Earnings before interest, tax, depreciation and amortisation (EBITDA)* after adjustments

	FY25 $000s	FY24 $000s
EBITDA	7,173	(2,496)
Add back impairments / provisions		
- goodwill	-	4,408
- right of use assets	-	575
- loans secured for the issue of shares in the employee incentive plan	370	1,150
Add back relocation and make good STA	64	-
Deduct Government grants	(110)	(91)
EBITDA after adjustments	7,497	3,546

** [Note: 'EBITDA' is not a term prescribed by the Australian Accounting Standards ('AAS').]*

For personal use only

Acquisition of the remaining interest in CSF

On 30 June 2025, AKG3 Investment Holdings Pty Limited, a wholly owned subsidiary of AKG, acquired the remaining 32.46% of CSF which it did not own, for a consideration of $100,000 to be paid in three instalments. The first instalment of $40,000 was paid on 30 June 2025. The second and third instalments of $30,000 shall be paid by 30 September and 31 December 2025.

Directors' and Director-related loans

On 17 December 2024 Christopher Campbell extended a one-year loan of $1.0 million to AKG. A loan of $0.2 million for one-year was extended by his wife, Sarah Campbell, on 17 June 2025.

On 12 February 2025, AKG accepted a loan of $800,000 from Dr John Schlederer. This loan was repaid on 2 May 2025.

The loans totalling $1.0 million in April 2024 from Dr John Schlederer ($200,000), Chiang Meng Heng ($700,000), Gabriela Rodriguez ($50,000), and Sartaj Hans ($50,000) were repaid as scheduled on the due dates.

The one-year $4.0 million loan extended by Chiang Meng Heng on 29 June 2024 has been extended to a date to be mutually agreed by Mr Heng and AKG. Apart from the revised repayment date all the other terms remain the same.

Generally, the material features of each of the above loans are:

- The interest rate applicable to each loan is 9% per annum calculated on a simple interest basis.
- Interest on each loan is paid quarterly.
- The principal must be paid within 12 months of the advance date.
- The loans are unsecured.
- The loan agreements contain warranty and covenant clauses standard for agreements of this nature.
- The loan agreements do not include any right to convert the loans to AKG shares.

The total balance of all Directors' and Director-related loans at the end of FY25 was $5.2 million (FY24: $5.0 million)

NOSC allocations

The operating environment in FY25 continued to be challenging. While the proposed 'caps' announced by the government in August 2024 did not eventuate, on 19 December 2024 the Australian Government announced a Ministerial Direction for a new prioritisation system for processing offshore visa applications from students wishing to study VET or HE courses in Australia. The priority processing, which took effect from that day and is in place until the end of this year, is based on the provider's indicative 2025 NOSC allocation. This prioritisation system does not apply to visa applications lodged in Australia.

Refunds

Visa rejections in FY25 were significantly lower than in FY24. Refunds paid to students in FY25, mainly because of visa rejections, totalled $1.9 million (FY24: $6.2 million).

DIVIDENDS

There were no dividends paid or declared during the year.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the Company's state of affairs during the financial year.

For personal use only

For personal use only

EVENTS AFTER THE REPORTING DATE

On 4 August 2025, the government announced that Australia's international education sector in 2026 will operate under a National Planning Level (NPL) of 295,000 NOSC allocations in VET and HE courses from 1 January 2026. This represents a 25,000 increase from the NPL in 2025.

Eight of the 18 Academies Australasia colleges are affected by the NOSC restrictions. These colleges are AAHB, AAI, AAPOLY, ACT, CBC, CSF, SBC and STA. Those not affected are our college in Singapore (AAC), our five domestic RTOs (BMC, PTA, RBT, SPT and VOS), our three English language colleges (AOE, DE and LLI), and our senior high school (AIHS). The latter four colleges are registered on CRICOS, meaning that they are able to enrol international students.

The total indicative NOSC allocation for the eight colleges in calendar 2026 is (up to) 811*. Although that's an increase of (up to) 220 or 37% on the 2025 total of 591, the average of 101 per college is very disappointing. [*602 plus up to 80 each for providers with 100 or less NOSC allocations. Five of our eight colleges come under this category of providers]. The financial impact of the 2026 NOSC allocation and any other regulatory changes to subsequent financial years is not clear. Focusing more on our operations overseas, especially in Singapore, and devoting more resources to domestic operations, should counter any negative impact.

There were no other matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

Please refer to the Report of the Chairman and the Group Managing Director and CEO (Page 2 and 3).

ENVIRONMENTAL ISSUES

The Group's operations are not subject to any significant environmental legislation.

INDEMNIFICATION AND INSURANCE OF OFFICERS

The Company's constitution provides an indemnity to officers of the Company. The Company is required to pay all costs, losses and expenses that an officer may incur by reason of any contract entered into or act or thing done by them in the discharge of their duties except where they act dishonestly.

The Company has paid an insurance premium amounting to $55,000 for a directors and officers liability insurance policy covering the directors' and officers' liabilities as officers of the Company.

OPTIONS

There are no other options over unissued share capital.

ROUNDING OF AMOUNTS

The Director's report is presented in Australian Dollars and rounded to the nearest thousand dollars in accordance with Instrument 2016/191.

INFORMATION ON DIRECTORS AND COMPANY SECRETARIES

Dr John Lewis Schlederer	Non-executive Director, appointed 21 August 2009. Chairman since 1 January 2014.
Qualifications	B.Sc. (Hons), Grad. Diploma, PhD.
Experience	More than 22 years teaching experience at University of New South Wales and TAFE NSW and many years in business.
Interest in Shares	17,036,346 shares (12.85 %)
Special Responsibilities	Chairman of the Board. Chairman of the Remuneration Committee. Member of the Audit and Risk Committee.
Directorships held in other listed entities	None

Christopher Elmore Campbell	Group Managing Director and Chief Executive Officer, appointed 1 July 1996.
Qualifications	B.Soc.Sci. (Hons), FFin, FAICD, FCG (CS, CGP), FGIA.
Experience	Experience in mergers and acquisitions and more than 29 years' experience in managing educational institutions. Previous positions include senior appointments with the Monetary Authority of Singapore and an international bank in Australia. Member of the Advisory Council of Asia Society Australia ('ASA') since November 2020 after 8 years on the Board of ASA.
Interest in Shares	21,430,000 shares (16.16 %)
Special Responsibilities	Member of the Remuneration Committee.
Directorships held in other listed entities	None.

Chiang Meng Heng	Non-executive Director, appointed 15 February 2000.
Qualifications	BBA (Hons).
Experience	Previous positions include Treasurer, Citibank NA, Singapore and Hong Kong; Adviser & Head, Banking Supervision, Monetary Authority of Singapore; EVP, Overseas Union Bank Ltd including secondments as Executive Director, International Bank of Singapore Ltd and President, Asia Commercial Bank Ltd; Managing Director, First Capital Corporation Ltd; Executive Director, Far East Organization and Group Managing Director, Lim Kah Ngam Ltd. Member of Singapore Parliament for 4 terms from 1985 to 2001.
Interest in Shares	51,185,961 shares (38.60%)
Special Responsibilities	Member of the Audit and Risk Committee and Remuneration Committee.
Directorships held in other listed entities	None.

For personal use only

Gabriela Del Carmen Rodriguez Naranjo	Deputy Group Managing Director and Group Chief Operating Officer. Appointed Executive Director, 21 October 2013. Alternate Director, 10 May 2011 to 31 December 2013, (Alternate to Neville Thomas Cleary (Retired 31 December 2013)). Appointed Chief Operating Officer on 15 August 2017 and Deputy Group Managing Director on 1 January 2019.
Qualifications	B. Comp.Sci, B.Sci. Sys. Eng.
Experience	Joined the Group in April 2001. More than 24 years' experience managing educational institutions, including experience in acquisitions, marketing, regulatory compliance, curriculum development and lecturing. Director, IHEA since 17 May 2017. Deputy Chair of IHEA from 29 May 2019 to 27 April 2023.
Interest in Shares	2,600,000 shares (1.96 %)
Special Responsibilities	Group Chief Operating Officer from 15 August 2017. Joint Company Secretary from 14 September 2016.
Directorships held in other listed entities	None

Sartaj Hans	Independent, Non-executive Director, appointed 19 October 2016.
Qualifications	B.E. Honours (Electronics)
Experience	Experience in information technology and superannuation at BT Financial Group, the wealth management arm of Westpac. Played a pivotal role in the development of Goulburn Health Hub, a medical facilities project in Goulburn. Many years' experience in managing investments and financial affairs in private family companies.
Interest in Shares	863,929 shares (0.65%)
Special Responsibilities	Chairman of the Audit and Risk Committee (Appointed 19 October 2016).
Directorships held in other listed entities	None

COMPANY SECRETARIES

Stephanie Noble	Appointed 27 November 2006
Qualifications	BA (Hons) Accounting, FCCA (UK), CPA (Australia).
Experience	More than 18 years as Company Secretary of Academies Australasia Group Limited.
Other Responsibilities	Group Finance Manager.

Gabriela Del Carmen Rodriguez Naranjo	Appointed 14 September 2016 See Information on Directors.

For personal use only

MEETINGS OF DIRECTORS

Director	Directors' Meetings		Audit and Risk Committee		Remuneration Committee	
	A	B	A	B	A	B
Dr John Lewis Schlederer	3	3	2	2	2	2
Christopher Elmore Campbell	3	3	2	2	2	2
Chiang Meng Heng	3	2	2	1	2	2
Gabriela Del Carmen Rodriguez Naranjo	3	3	2	2	-	-
Sartaj Hans	3	3	2	2	-	-

A - Number of meetings held during the time the Director held office during the period
B - Number of meetings attended

INFORMATION ON SENIOR COMPANY EXECUTIVES

Christopher Elmore Campbell	Group Managing Director and Chief Executive Officer. See Information on Directors.
Gabriela Del Carmen Rodriguez Naranjo	Deputy Group Managing Director and Group Chief Operating Officer. See Information on Directors.

REMUNERATION REPORT – AUDITED

Remuneration Policies

The Remuneration Committee reviews and makes recommendations to the Board on remuneration packages and policies applicable to the Group Managing Director and Chief Executive Officer, Senior Company Executives and the Directors themselves. This role also includes responsibility for share option schemes, performance incentive packages, superannuation entitlements, retirement and termination entitlements, fringe benefit policies and professional indemnity and liability insurance policies. Remuneration levels are set to attract appropriately qualified and experienced directors and senior company executives.

During the year, the members of the Remuneration Committee were Dr John Lewis Schlederer, Chiang Meng Heng and Christopher Elmore Campbell.

All executives receive a fixed base salary, which is based on factors such as market factors and experience, and superannuation (as required by law). Executives may sacrifice part of their salary towards superannuation.

The Company's Employee Incentive Plan has 5 million shares issued to eligible participants since adoption on 5 October 2022. The shares issued were fully funded by loans provided by the Company. The shares issued under the Plan were recognised in Share Capital at the issue date. The loan amounts were recognised under the non-current assets at amortised cost. Loans are interest free and unsecured. The recourse under the loans is limited to the shares issued. The loans must be repaid on the earlier of either 3 years from the date of issue or 3 months from when the participant ceases to be an employee of the Group. The repayment amount is the outstanding amount at the repayment date.

The participants are not permitted to sell, transfer or otherwise deal in the shares without the Company's consent. Gabriela Del Carmen Rodriguez Naranjo was issued 2,500,000 shares with an attributed value of $1,000,000.

The Company does not have an employee share option plan.

For personal use only

All remuneration paid to Directors and Executives is valued at the cost to the Company and expensed.

Non-executive Directors' remuneration comprises fixed fees. The maximum aggregate amount of fees that can be paid to Non-executive Directors is subject to approval by shareholders at the Annual General Meeting. The amount approved at the 2009 Annual General Meeting is $250,000 per annum. Fees for Non-executive Directors are not linked to the performance of the Group.

Directors and Senior Company Executives

Details of the Directors and Senior Company Executives holding office at any time during the financial year are set out on pages 8 to 9.

a. Remuneration

FY25 Directors and Senior Company Executives	**Short-term employee benefits**			**Post- employment benefits**	
	Cash, salary and commissions	**Bonus**	**Non-monetary benefits**	**Superannuation**	**Total**
	$000s	**$000s**	**$000s**	**$000s**	**$000s**
Dr John Lewis Schlederer	70	-	-	-	70
Christopher Elmore Campbell	510	-	-	30	540
Chiang Meng Heng	45	-	-	-	45
Gabriela Del Carmen Rodriguez Naranjo	338	-	-	30	368
Sartaj Hans	50	-	-	6	56
	1,013	-	-	66	1,079

FY24 Directors and Senior Company Executives	**Short-term employee benefits**			**Post- employment benefits**	
	Cash, salary and commissions	**Bonus**	**Non-monetary benefits**	**Superannuation**	**Total**
	$000s	**$000s**	**$000s**	**$000s**	**$000s**
Dr John Lewis Schlederer	69	-	-	-	69
Christopher Elmore Campbell	512	-	-	28	540
Chiang Meng Heng	44	-	-	-	44
Gabriela Del Carmen Rodriguez Naranjo	339	-	-	27	366
Sartaj Hans	50	-	-	5	55
	1,014	-	-	60	1,074

None of the remuneration paid to any Director or Senior Company Executive is tied to any specific performance condition.

b. Options issued as part of remuneration for the year ended 30 June 2025

No options were granted as part of remuneration.

For personal use only

For personal use only

c. Employment contracts of Executives

The employment conditions of all executives are formalised in written contracts of employment. Generally, the employment contracts stipulate a one-month notice period. Termination payments are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct the company can terminate employment at any time.

With respect to senior company executives, the expiry date of Christopher Elmore Campbell's fixed term contract of employment has been extended to 31 December 2026. Gabriela Del Carmen Rodriguez Naranjo's fixed term contract has been extended to 31 December 2027.

AUDITORS' INDEPENDENCE DECLARATION

The Auditor's Independence Declaration for FY25 appears on page 13. It forms part of the Directors' Report for the year ended FY25.

NON-AUDIT SERVICES

The Board of Directors, in accordance with advice from the Audit and Risk Committee, is satisfied that the provision of non-audit services by the external auditors, Pilot Partners, during the year is compatible with the general standard of independence of auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the services disclosed below did not compromise the external auditors' independence for the following reasons:

- All non-audit services are reviewed and approved by the Audit and Risk Committee.
- The nature of services provided does not compromise the general principles relating to audit independence.

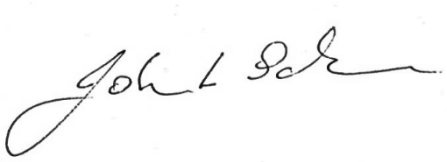
The following fees were paid or payable for non-audit services to the external auditors during the year ended 30 June 2025:

• Taxation services	$66,000	(FY24: $66,000)
• Other services	$5,000	(FY24: $4,000)

CORPORATE GOVERNANCE STATEMENT

The Company's Corporate Governance Statement and its Key to Disclosures, Corporate Governance Council Principles and Recommendations (ASX Appendix 4G) are provided to ASX together with the Company's Annual Report. The Corporate Governance Statement is on the Company's website: www.academies.edu.au/corporate.

Signed in accordance with a resolution of the Board of Directors pursuant to section 298(2)(a) of the Corporations Act 2001.



Dr John Lewis Schlederer
Director

Christopher Elmore Campbell
Director

8 September 2025

PILOT PARTNERS
Chartered Accountants

Level 10, 1 Eagle Street
Brisbane QLD 4000

PO Box 7095
Brisbane QLD 4001

P +61 7 3023 1300
pilotpartners.com.au

AUDITOR'S INDEPENDENCE DECLARATION

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

ACADEMIES AUSTRALASIA GROUP LIMITED

I declare that to the best of my knowledge and belief, during the year ended 30 June 2025, there have been:

i. no contraventions of the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Pilot Partners

PILOT PARTNERS
Chartered Accountants

DANIEL GILL
Partner

Signed on 8 September 2025

Level 10
1 Eagle Street
Brisbane Qld 4000

For personal use only

Member of Nexia
ABN 60 063 687 769 | Pilot is a registered trade mark licensed to Pilot Partners | Liability limited by a scheme approved under Professional Standards Legislation
Nexia International is a worldwide network of independent accounting and consulting firms.

ACADEMIES AUSTRALASIA GROUP LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2025

	Note	FY25 $000s	FY24 $000s
Revenue from services	2	**47,030**	46,371
Student acquisition and teaching costs	3	**(22,436)**	(25,280)
Gross profit		**24,594**	21,091
Personnel expenses	3	**(12,097)**	(12,308)
Premises expenses	3	**(3,007)**	(2,834)
Other administration expenses	3	**(2,187)**	(2,541)
		7,303	3,408
Other expenses – Impairments / provisions	3	**(434)**	(6,133)
		6,869	(2,725)
Other income	2	**304**	229
Earnings before interest, depreciation and amortisation		**7,173**	(2,496)
Depreciation and amortisation expenses	3	**(6,723)**	(6,711)
Loss on disposal of assets		**(23)**	(13)
Finance costs	3	**(2,407)**	(2,020)
Interest income		**203**	231
Loss before income tax		**(1,777)**	(11,009)
Income tax expense	4	**495**	1,356
Loss for the year		**(1,282)**	(9,653)
Other comprehensive income:			
Exchange differences on translating foreign controlled entities		**(85)**	3
Other comprehensive income for the year, net of tax		**(85)**	3
Total comprehensive income for the year		**(1,367)**	(9,650)
(Loss) / profit attributable to:			
Owners of the parent entity		**(1,272)**	(9,779)
Non-controlling interests		**(10)**	126
		(1,282)	(9,653)
Total comprehensive income attributable to:			
Owners of the parent entity		**(1,357)**	(9,776)
Non-controlling interests		**(10)**	126
		(1,367)	(9,650)
Earnings per share (cents per share)			
Basic	7	**(0.96)**	(7.37)
Diluted	7	**(0.96)**	(7.37)
Dividends per share (cents)	8	**-**	-

The accompanying notes form part of these financial statements.

For personal use only

ACADEMIES AUSTRALASIA GROUP LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2025

	Note	FY25 $000s	FY24 $000s
Current Assets			
Cash and cash equivalents	9	**2,715**	5,832
Trade and other receivables	10	**1,515**	1,905
Other current assets	11	**2,178**	2,408
Security deposit	9	**455**	-
Total Current Assets		**6,863**	10,145
Non-Current Assets			
Plant and equipment	13	**1,768**	2,337
Right of use assets	14	**26,245**	31,774
Deferred tax assets	15	**7,384**	6,647
Intangible assets	16	**28,369**	28,372
Other non-current assets		**-**	850
Security deposit	9	**3,141**	3,736
Total Non-Current Assets		**66,908**	73,716
Total Assets		**73,771**	83,861
Current Liabilities			
Tuition fees in advance (Deferred income)	17	**6,772**	10,666
Trade and other payables	17	**6,377**	5,036
Current tax liabilities	4	**292**	219
Borrowings	25	**5,200**	5,000
Lease liabilities	18	**6,952**	7,013
Provisions	19	**3,879**	3,712
Total Current Liabilities		**29,472**	31,646
Non-Current Liabilities			
Lease liabilities	18	**27,747**	34,153
Provisions	19	**357**	400
Total Non-Current Liabilities		**28,104**	34,553
Total Liabilities		**57,576**	66,199
Net Assets		**16,195**	17,662
Equity			
Share capital	20	**44,066**	44,066
Retained earnings		**(27,859)**	(26,482)
Foreign currency translation reserve		**(12)**	73
Non-controlling interests		**-**	5
Total Equity		**16,195**	17,662

The accompanying notes form part of these financial statements.

For personal use only

ACADEMIES AUSTRALASIA GROUP LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2025

	Ordinary Shares	Retained Earnings	Reserves	Non - Controlling Interests	Total
	$000s	$000s	$000s	$000s	$000s
Balance at 1 July 2024	44,066	(26,482)	73	5	17,662
Loss for the period	-	(1,272)		(10)	(1,282)
Exchange differences on translating foreign operations	-	-	(85)	-	(85)
Total comprehensive income for the year	-	(1,272)	(85)	(10)	(1,367)
Acquisition of remaining 32.46% of CSF (Note 12)	-	(105)	-	5	(100)
Balance at 30 June 2025	44,066	(27,859)	(12)	-	16,195
Balance at 1 July 2023	44,066	(17,292)	70	564	27,408
Loss for the period	-	(9,779)	-	126	(9,653)
Exchange differences on translating foreign operations	-	-	3	-	3
Total comprehensive income for the year	-	(9,779)	3	126	(9,650)
Acquisition of remaining 25% of LLI	-	589	-	(685)	(96)
Balance at 30 June 2024	44,066	(26,482)	73	5	17,662

The accompanying notes form part of these financial statements.

For personal use only

ACADEMIES AUSTRALASIA GROUP LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2025

	Note	FY25 $000s	FY24 $000s
Cash Flows from Operating Activities			
Receipts from customers		**44,607**	42,908
Payments to suppliers and employees		**(38,423)**	(42,371)
Interest received		**203**	231
Interest paid		**(2,395)**	(2,007)
Income taxes paid		**(172)**	1,680
Net cash provided by (used in) operating activities	23a	**3,820**	441
Cash Flows from Investing Activities			
Purchase of intangible assets		**(175)**	(117)
Purchase of plant & equipment		**(70)**	(160)
Proceeds from sale of plant & equipment		**-**	14
Expenditure on make good		**(100)**	-
Net cash provided by (used in) investing activities		**(345)**	(263)
Cash Flows from Financing Activities			
Directors' and Director-related loans		**200**	5,000
Acquisition of remaining 25% of LLI		**(64)**	(32)
Acquisition of remaining 32.46% of CSF		**(40)**	-
Lease payments		**(6,828)**	(6,124)
Net cash provided by (used in) financing activities		**(6,732)**	(1,156)
Net increase in cash held		**(3,257)**	(978)
Net cash at the beginning of the financial year		**9,568**	10,546
Net cash at the end of the financial year		**6,311**	9,568
Reconciliation of cash balance			
Cash at bank and on hand	9	**2,715**	5,832
Security deposit	9, 23b	**3,596**	3,736
		6,311	9,568

The accompanying notes form part of these financial statements.

For personal use only

For personal use only

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001.*

The financial report includes the consolidated financial statements of the Group. Details of AKG can be found in Note 27.

AKG is a public listed company, incorporated and domiciled in Australia.

The Group is a for profit entity for financial reporting purposes under Australian Accounting Standards which set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial statements were authorised for adoption on 8 September 2025.

New, revised or amending Accounting Standards and Interpretations

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

Bases of preparation

The financial report has been prepared on the accruals basis and is based on historical costs, modified by the revaluation of certain non-current assets, financial assets and financial liabilities, for which the fair value basis of accounting has been applied. The financial report is presented in Australian Dollars and rounded to the nearest thousand dollars in accordance with Instrument 2016/191.

Accounting Policies

a. Basis of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of AKG and all its subsidiaries (including any structured entities). Subsidiaries are entities AKG controls. AKG controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 12.
The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

For personal use only

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

b. Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination is accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

c. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of one month or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

d. Trade and other receivables (including contract assets)

Trade and other receivables include amounts due from customers for services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 10 for further information on the determination of impairment losses.

For personal use only

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Financial instruments

Recognition and Initial Measurement

All financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.
A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial Assets – Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.
A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

– it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
– its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

For personal use only

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.
The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.
On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the amount of the consideration received and receivable is recognised in profit and loss.
On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Fair value

Fair value is the price the Group would receive to sell an asset in an orderly transaction between independent, knowledgeable and willing parties at measurement date. There are no financial assets or liabilities carried at fair value.

Financial guarantees

Where material, financial guarantees are issued, which require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition. The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 15 *Revenue from Contracts with Customers*. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 15.

The fair value of financial guarantee contracts has been assessed using a probability weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting in a year period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposed if the guaranteed party were to default.

Interest borrowing costs

Interest payable costs are recognised as expenses in the period in which they are incurred.

For personal use only

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f. Right of use assets and lease liabilities

The Group's lease portfolio includes property and equipment.

The Group has adopted AASB 16 *Leases* using the full retrospective restatement approach from 1 July 2019, recognising right of use assets (ROUA) and an equivalent lease liability at the commencement of the lease. The ROUA is initially measured at cost less any lease incentives and the lease liability is measured as the present value of the remaining future lease payments discounted at the Group's incremental borrowing rate at the date of initial application.

A depreciation charge against the leased ROUA replaces the straight line expense payment and an interest expense is recognised against the lease liability. Lease payments are no longer recognised as operating cash flows, but as financing cash flows in the Statement of Cash Flows.

AASB 16 eliminates the distinction between operating and finance leases and brings all leases except short term and low value onto the Statement of Financial Position.

The Group recognises a ROUA, representing its right to use the underlying assets and a corresponding lease liability representing its obligation to make future lease payments. The Group recognises a ROUA and lease liability at the commencement date of the lease.

ROUA are initially measured at cost (present value of the lease liability) and subsequently at cost less any accumulated depreciation, impairment losses and adjustments for re-measurement of the lease liability. The ROUA are depreciated using the straight line method from the commencement date to the end of the lease term.

Short term leases (with a term of less than 12 months) and leases of low value assets are not recognised as ROUA and corresponding lease liability. Lease payments on these assets are expensed to the profit and loss account as incurred.

The lease liabilities are initially measured as the present value of future lease payments expected to be paid over the lease term, discounted using the Group's incremental borrowing rate. The lease liability is re-measured if the future estimated lease payments change as a result of rate changes or the likelihood of exercise of extension. The lease liabilities are subsequently increased by the interest cost on the lease liability and decreased by the lease payments.

Make good liability

A liability is recognised for the present value of expected costs for future restoration of the leased premises. The liability considers the costs associated with the removal of fittings, fit-out, furniture, signage, and other structures, as well as the cost of restoration of the premises to its original condition by reconditioning or repainting the walls, replacing, or cleaning the surfaces including carpets, tiles, vinyl, wallpaper and so on. The calculation of the make good liability involves assumptions such as lease end dates and cost of make good. The liability recognised for each lease is reviewed at the end of report date and the liability amount is updated based on the information available at the time. Changes to the estimated future make good obligation for leases are recognised in the financial statements by adjusting the lease liabilities account. The make good liability will be carried forward after the lease end date until the make good obligations are fully discharged. The initial estimate of the future make good liability is recognised as part of lease liabilities and the right-of-use assets. The right-of-use asset component is depreciated across the lease term on a straight-line basis. The interest on the make good liability is recognised as part of finance costs.

For personal use only

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g. Leasehold improvements and plant and equipment

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

h. Depreciation

The depreciable amount of all fixed assets including capitalised lease assets is depreciated on a straight-line or a diminishing value basis over their useful lives to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Leasehold improvements	2.5 – 30%
Plant and equipment	5 – 67%
Leased plant and equipment	5 – 25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

i. Goodwill

Goodwill is carried at cost less accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

- the consideration transferred;
- any non-controlling interest; and
- the acquisition date fair value of any previously held equity interest

over the acquisition date fair value of net identifiable assets acquired.

For personal use only

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of comprehensive income. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

The amount of goodwill recognised on acquisition of each subsidiary in which the Group holds less than a 100% interest will depend on the method adopted in measuring the non-controlling interest.

The Group can elect in most circumstances to measure the non-controlling interest in the acquiree either at fair value (*full goodwill method)* or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets (*proportionate interest method*). In such circumstances, the Group determines which method to adopt for each acquisition and this is stated in the respective notes of these financial statements disclosing the business combination.

Under the full goodwill method, the fair value of the non-controlling interest is determined using valuation techniques which make the maximum use of market information where available. Under this method, goodwill attributable to the non-controlling interests is recognised in the consolidated financial statements.

Goodwill on acquisitions of subsidiaries is included in intangible assets.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

j. Intangible assets

Intangible assets include course development costs and other intangible assets.

Course development costs are capitalised where they can be related to the development of an identifiable and separable resource and which yields particular streams of future economic benefits. They are only capitalised when technical feasibility studies identify that the project is expected to deliver future economic benefits and these benefits can be measured reliably. These capitalised costs are amortised over their useful lives starting from the time the development of a particular resource is complete and available for use. The period of amortisation is up to 5 years.

k. Impairment of assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

For personal use only

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Collectibility of trade and other receivables and contract assets are reviewed on an ongoing basis. Debts are written off when they are known to be uncollectible. An allowance for expected credit losses is raised where some doubt as to collection exists and is the difference between the total amount owing and the amount expected to be recovered. The Group also applies the AASB 9 simplified model of recognising lifetime expected credit losses for receivables as these items do not have a significant financing component. An expected credit loss allowance is recognised for the total expected loss from possible default events that may arise over the expected life of the financial asset.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

Recognition of expected credit losses in financial statements
At each reporting date, the Group recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.
The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.
The Group has applied the expected credit loss model based on lifetime expected loss allowance for contract assets.

l. Trade and other payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

m. Provisions and employee benefits

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

n. Issued capital

Ordinary shares are classified as equity, and are recognised at the fair value of the consideration received by the company. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

For personal use only

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o. Revenue

Revenue is recognised over the period of tuition, upon completion of specific performance obligations of each of the contracts. No revenue is recognised prior to a student commencing the tuition phase of delivery. As all student contracts are for the provision of tuition, income for tuition is recognised as training is provided. Payment terms vary from contract to contract but in most cases, cash is received prior to the performance obligation being delivered. International students in particular are required to pay some level of tuition in advance. Monies received in advance are held as unearned income and recognised as revenue as the performance obligations are satisfied. Generally, the Group's obligations in respect of refunds cease after the course commences.

Revenue derived from the provision of education services is measured at the fair value of consideration received or receivable to the extent that economic benefits will flow to the Group and the revenue can be reliably measured.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend revenue is recognised when the right to receive a dividend has been established.

Rental revenue is recognised on a straight line accrual basis over the term of the lease.

All revenue is stated net of the amount of goods and services tax (GST).

p. Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

q. Income tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

AKG and its wholly-owned Australian subsidiaries formed an income tax consolidated group under the tax consolidation regime with effect from 1 July 2003. Each company in the tax consolidated group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

For personal use only

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

r. Foreign currency transactions and balances

Foreign currency transactions are translated into Australian currency (the functional currency) using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Foreign Group Companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at the end of the financial year;
- income and expenses are translated at average rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of comprehensive income.

s. Earnings per share

Basic earnings per share are calculated as net profit attributable to members of the parent divided by the weighted average number of ordinary shares.

t. Comparative figures

When required by Accounting Standards, comparative figures have been restated to conform to changes in presentation for the current financial year.

u. Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group. These estimates and judgements are considered significant items of revenue and expenses relevant in explaining the financial performance.

Key Estimates – Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates. Further details on the key estimates used in impairment can be found in Note 16. For FY25, a provision for impairment of $370,000 has been made against the loans secured for the issue of shares in the employee incentive scheme.

Key Estimates – Revenue

The extent to which performance obligations have been satisfied in respect of revenue is estimated as per the revenue policy (Note 1(o)).

For personal use only

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Key Estimates- Recoverability of Receivables
The extent to which receivables are recoverable is used in estimating any allowance for expected credit losses. Factors considered include:

- the aging profile of receivables;
- the recognition of a corresponding deferred income liability;
- the nature of the debtor (e.g. government, business or individual);
- subsequent recovery of the receivable after date; and
- prior history.

v. Segment reporting

An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);
- whose operating results are regularly reviewed by the entity's Board to make decisions about resources to be allocated to the segment and assess its performance; and
- for which discrete financial information is available.

The Group has only one operating segment: Education.

w. Going Concern

These financial statements have been prepared adopting the going concern assumption, which contemplates the orderly realisation of assets and payment of liabilities in the ordinary course of business.

The appropriateness of this assumption is dependent upon:

- the continued support of the Group's bankers;
- the continued support of shareholders in the event of a capital raising;
- the ability of the Group to return to profitable trading; and
- the orderly realisation of selected assets in the ordinary course of business at values at least equal to their book values.

The financial statements show that the Group had a net loss of $1,282,000 in FY25 (FY24: loss 9,653,000). After adjusting for non-cash impairments/provisions totalling $370,000, the loss was $912,000.

The Board is currently satisfied that there are reasonable grounds to assume that the Group will meet its future financial obligations as and when they fall due.

The Board recognises that the Statement of Financial Position shows that the current liabilities exceed current assets by $22,609,000. Included in the current liabilities are fees paid in advance of $6,772,000. This is not an amount payable in the ordinary course of business and will be recognised as income as tuition is delivered.

The following factors support this assumption:

- Positive cash flow from operations for the year of $3,820,000.
- Substantial cash holdings across the Group of $6,311,000 of which $1,807,000 is required to be held in the TPS controlled accounts.
- Positive net assets of $16,195,000.
- No bank debt.
- Significant efforts made to rationalise the cost structures of the business.

For personal use only

	FY25 $000s	FY24 $000s
2. REVENUE		
Operating activities		
Revenue from services	**47,030**	46,371
Non-operating activities		
Government grants	**110**	91
Rent received /rental rebates	**194**	124
Other income	**-**	14
	304	229
3. PROFIT FOR THE YEAR		
Student acquisition and teaching costs		
- Teaching	**12,836**	15,004
- Acquisition	**8,646**	8,949
- Teaching materials	**954**	1,327
	22,436	25,280
Personnel expenses		
- Wages and salaries	**10,292**	10,510
- Superannuation	**727**	715
- Payroll tax	**585**	651
- Other	**493**	432
	12,097	12,308
Premises expenses		
- Rental	**432**	420
- Outgoings	**1,504**	1,251
- Electricity	**276**	267
- Cleaning	**443**	493
- Other	**352**	403
	3,007	2,834
Other administration expenses		
- Other administration	**2,192**	2,556
- Bad and doubtful debts	**(5)**	(15)
	2,187	2,541
Other expenses – Impairments / provisions		
- Impairment for goodwill - STA	**-**	4,408
- Provision for impairment - ROUA	**-**	575
- Provision for impairment on loans secured for the issue of shares in the employee incentive plan	**370**	1,150
- Relocation and make good - STA	**64**	-
	434	6,133
Depreciation and Amortisation expenses		
- Depreciation plant and equipment	**169**	211
- Amortisation of intangible assets	**627**	600
- Depreciation of right of use assets	**5,905**	5,877
- Depreciation of make good	**22**	23
	6,723	6,711
Finance costs		
- Interest and bank facility fees	**154**	191
- Interest on Directors' and Director-related loans	**495**	-
- Interest recognised on lease liability	**1,746**	1,816
- Interest recognised on make good	**12**	13
	2,407	2,020

For personal use only

4. INCOME TAX EXPENSE

	FY25 $000s	FY24 $000s
a. The components of tax expense comprise:		
Current tax	**(242)**	(232)
Deferred tax	**737**	(368)
Deferred tax – adjustments to FY23 balance *	**-**	1,956
	495	1,356

* The adjustments to the FY23 deferred tax balance relate to the carry back of losses to prior years resulting in a refund of tax.

b. The prima facie tax on loss from ordinary activities before tax is reconciled to income tax as follows:

	FY25 $000s	FY24 $000s
Tax payable on loss from ordinary activities before tax at 25% (FY24: 25%)	**(444)**	(2,752)
Add/(less) tax effect of:		
i. Permanent differences	**126**	1,538
ii. Assumption of tax balances of controlled entities	**(177)**	(142)
Income tax expense attributable to the entity	**(495)**	(1,356)

The effective tax rate is 28 % (FY24: 12%).

c. Current tax payable for the year reconciles as follows:

Opening provision	**219**	270
Add: Current year provision	**242**	232
Less: Prior year adjustments to deferred tax balance	**-**	(1,956)
Add: Prior year	**3**	(7)
Less: Tax paid	**(172)**	1,680
Closing provision	**292**	219

AAC is resident in Singapore for tax purposes.

5. DIRECTORS AND SENIOR COMPANY EXECUTIVES' COMPENSATION

a. Details of Directors and Senior Company Executives, including remuneration, have been set out on pages 8 to 12.

b. Shareholdings

Number of shares in AKG held by Senior Company Executives and parties related to them:

	Balance 1 July 2024	Purchased on ASX	Balance 30 June 2025
Christopher Elmore Campbell	20,703,875	726,125	21,430,000
Gabriela Del Carmen Rodriguez Naranjo	2,600,000	-	2,600,000

For personal use only

6. AUDITORS' REMUNERATION

	FY25 $000s	FY24 $000s
Remuneration of the auditors of the parent entity for:		
- Auditing and reviewing the financial report	**282**	288
- Taxation services	**66**	66
- Other services	**5**	4
	353	358
Remuneration of other auditors of subsidiaries for:		
- Auditing and reviewing the financial report	**41**	29
- Taxation services	**3**	3
- Other services	**4**	4
	48	36

7. EARNINGS PER SHARE

Basic (cents per share)	**(0.96)**	**(7.37)**
Diluted (cents per share)	**(0.96)**	**(7.37)**
Weighted average number of ordinary shares used in calculation of basic earnings per share	**132,614,467**	**132,614,467**

The earnings amount used was a loss on ordinary activities after tax attributable to owners of the parent entity of $1,272,000 (FY24: loss $9,779,000).

8. DIVIDENDS PER SHARE

	FY25 $000s	FY24 $000s
Distributions recognised:		
Year ended 30 June 2025: interim ordinary dividend of 0 cents per share, fully franked (FY24: 0 cents per share)	**-**	-
Year ended 30 June 2024: final ordinary dividend of 0 cents per share, fully franked, paid in 2024 (FY23: 0 cents per share)	**-**	-
	-	-
Dividends proposed or declared but not recognised in the financial statements:		
Proposed fully franked ordinary dividend of 0 cents per share (FY24: fully franked 0 cents)	**-**	-
Balance of franking account at year end adjusted for franking credits arising from payment of income tax	**3,315**	2,901

For personal use only

9. CASH AND CASH EQUIVALENTS	FY25 $000s	FY24 $000s
CURRENT		
Cash at bank and on hand	**2,715**	5,832
CURRENT		
Security deposit	**455**	-
NON-CURRENT		
Security deposit	**3,141**	3,736

There is no overdraft balance at 30 June 2025 (FY24: NIL). The net cash position is $2,715,000 (FY24: 5,832,000).

The security deposit is in respect to rental bonds on leased premises. (See note 23b)

Included in the above amounts are tuition fees held in TPS accounts in Australia.

As at 30 June 2025, the Group held $1,807,000 (FY24: $3,166,000) in TPS accounts.

(In 2012 the Education Services for Overseas Student Act 2000 ("ESOS Act") was amended to provide additional protection for international students studying in Australia. With effect from 1 July 2013, the Group is required to maintain, in Australia, separate bank accounts (TPS accounts) for prepaid fees received from international students prior to commencement of their course. Once the students commence their course, the funds may be transferred from the TPS accounts to operating cash reserves. At all times, the Group must ensure that there are sufficient funds in the TPS accounts to repay any prepaid tuition fees to international students who have not yet commenced their course. Fees paid by students who have commenced their course are deposited directly to operating cash reserves. All fees received, whether deposited to TPS or Group cash reserves are initially accounted for as unearned income, being subject to the Group's revenue recognition policy).

10. TRADE AND OTHER RECEIVABLES	FY25 $000s	FY24 $000s
CURRENT		
Trade receivables	**169**	209
Less allowance for expected credit losses	**(22)**	(29)
	147	180
Contract assets	**959**	1,250
Other receivables	**409**	475
	1,515	1,905

a. The ageing analysis of trade receivables is as follows:

0 -30 days	**128**	177
31- 60 days – not impaired *	**14**	6
61- 90 days – not impaired *	**3**	9
Over 90 days – not impaired *	**24**	-
Past due and impaired	**-**	17
	169	209

For personal use only

10. TRADE AND OTHER RECEIVABLES (continued)

* These are debtors that are past due for which no collateral is held and for which no provision for doubtful debts has been made as there has not been a significant change in credit quality and the directors believe that the amounts are still recoverable.

b. The Group has an exposure to credit risk in Singapore and Australia given the Group's operations in those countries. For FY25, an amount of $10,000 is included in trade and other receivables in respect of the business operations in Singapore. All other receivables of the Group are exposures in Australia.

		FY25 $000s	FY24 $000s
c.	Allowance for expected credit losses at the start of the year	**29**	44
	Movement in expected credit losses	**(7)**	(15)
	Allowance for expected credit losses at the end of the year	**22**	29

d. The following factors were considered when assessing credit losses, receivables and contract assets:
   i. A review was performed during the year and credit losses were recognised as impairments
   ii. Government debtors are assessed as low risk
   iii. Significant amounts of debtors were recovered after the year end
   iv. Other than SPT, historical levels of bad debts have been low

Allowance for expected credit losses	FY25 $000s	FY24 $000s
Trade receivables	**169**	209
Contract assets	**959**	1,250
Sub-total	**1,128**	1,459
Lower risk government debtors	**(894)**	(1,214)
Sub- total	**234**	245
Allowance for credit losses	**(22)**	(29)
Credit Loss %	**9.4%**	11.8%

11. OTHER CURRENT ASSETS

Prepayments	**1,312**	2,049
Other current assets	**480**	-
Security deposits	**386**	359
	2,178	2,408

For personal use only

12. CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned/Controlled	
		FY25	FY24
Academies Australasia Group Limited (Ultimate Parent Entity)			
Subsidiaries (controlled directly or indirectly)			
ACA Investment Holdings Pte. Limited	Singapore	100	100
Academies Australasia (Management) Pty Limited	Australia	100	100
Academies Australasia College Pte. Limited	Singapore	100	100
Academies Australasia Hair & Beauty Pty Limited T/A Brisbane School of Hairdressing, Brisbane School of Barbering, Brisbane School of Beauty, Gold Coast School of Hairdressing and Gold Coast School of Barbering	Australia	100	100
Academies Australasia Institute Pty Limited	Australia	100	100
Academies Australasia Polytechnic Pty Limited	Australia	100	100
Academies Australasia Pty Limited	Australia	100	100
Academy of English Pty Limited	Australia	100	100
AKG Investment Holdings Pty Limited	Australia	100	100
AKG2 Investment Holdings Pty Limited	Australia	100	100
AKG3 Investment Holdings Pty Limited	Australia	100	100
AKG4 Investment Holdings Pty Limited	Australia	100	100
AKG5 Investment Holdings Pty Limited	Australia	100	100
AKG6 Investment Holdings Pty Limited	Australia	100	100
AKG7 Investment Holdings Pty Limited	Australia	100	100
AMC Training Pty Limited	Australia	100	100
AMI Education Pty Limited	Australia	100	100
Australian College of Technology Pty Limited	Australia	100	100
Australian Institute of Professional Studies Pty Limited	Australia	100	100
Australian International High School Pty Limited	Australia	100	100
Australian Trades Institute Pty Limited	Australia	100	100
Benchmark Resources Pty Limited T/A Benchmark College	Australia	100	100
Centre for Australian Education Pte. Limited	Singapore	100	100
Clarendon Business College Pty Limited	Australia	100	100
CLB Training & Development Pty Limited as trustee for the CLB Unit Trust T/A Spectra Training Australia	Australia	100	100
Discover English Pty Limited	Australia	100	100
International College of Capoeira Pty Limited T/A College of Sports & Fitness	Australia	100	67.54
Humanagement Pty Limited T/A Print Training Australia	Australia	100	100
Kreate Pty Limited T/A RuralBiz Training	Australia	100	100
Language Links International Pty Limited	Australia	100	100
Live. Laugh. Learn. Pty Limited	Australia	100	100
Newco CLB Training & Development Pty Limited	Australia	100	100
Skilled Placements Pty Limited	Australia	100	100
Supreme Business College Pty Limited	Australia	100	100
Transformations – Pathways to Competence and Developing Excellence Pty Limited T/A Skills Training Australasia	Australia	100	100
Vostro Institute of Training Australia Pty Limited	Australia	100	100

For personal use only

12. CONTROLLED ENTITIES (continued)

Acquisition of controlled entities

The following schedule shows the effect on the equity of the Group on the acquisition of the remaining 32.46% of CSF on 30 June 2025.

	CSF Fair Value $'000s
Recognised in retained earnings	**(105)**
Non-controlling interest acquired	**5**
Effect on total equity of the Group.	**(100)**

Deed of cross guarantee

AKG and the subsidiaries listed below are parties to an ASIC-registered deed of cross guarantee under which AKG guarantees to each creditor payment in full of any debts in the event of winding up of any of the subsidiaries under certain provisions of the *Corporations Act 2001*. The subsidiaries have also given similar guarantees in the event that AKG is wound up.

- CLB Training & Development Pty Ltd ATF the CLB Unit Trust
- Academies Australasia Institute Pty Limited
- Benchmark Resources Pty Limited
- Kreate Pty Limited
- Academies Australasia Hair & Beauty Pty Limited (became a party to the Deed on 2 January 2025 by a Deed of Assumption).

13. PLANT AND EQUIPMENT

	FY25 $000s	FY24 $000s
Plant and equipment		
At cost	**4,672**	4,672
Accumulated depreciation	**(3,932)**	(3,808)
	740	864
Leasehold improvements		
At cost	**6,692**	6,851
Accumulated amortisation	**(5,664)**	(5,378)
	1,028	1,473
Total plant & equipment	**1,768**	2,337

For personal use only

13. PLANT AND EQUIPMENT (continued)

	Plant and equipment $000s	Leasehold improvements $000s	Total $000s
Year ended 30 June 2025			
Balance at the beginning of the year	864	1,473	2,337
Additions	48	22	70
Disposals	(5)	(18)	(23)
Depreciation expense	(169)	(449)	(618)
Net foreign currency difference arising on translation of financial statements of foreign operations	2	-	2
Carrying amount at the end of the year	740	1,028	1,768
Year ended 30 June 2024			
Balance at the beginning of the year	1,007	1,865	2,872
Additions	91	69	160
Disposals	(23)	(1)	(24)
Depreciation expense	(211)	(460)	(671)
Carrying amount at the end of the year	864	1,473	2,337

14. RIGHT OF USE ASSETS

	FY25 $000s	**FY24 $000s**
Right of use assets		
At cost	**57,571**	58,999
Accumulated depreciation	**(31,409)**	(26,755)
Provision for impairment	**-**	(575)
	26,162	31,669
Make good		
At cost	**235**	293
Accumulated depreciation	**(152)**	(188)
	83	105
Total	**26,245**	31,774
Balance at the beginning of the year	**31,669**	32,524
Additions	**-**	5,697
Modifications	**(11)**	(3)
Terminations	**-**	25
Depreciation expense	**(5,905)**	(5,877)
Provision for impairment	**-**	(575)
Net foreign currency difference arising on translation of financial statements of foreign operations	**409**	(123)
Carrying amount at the end of the year	**26,162**	31,669
Make good	**83**	105
Total	**26,245**	31,774

For personal use only

15. DEFERRED TAX ASSETS / LIABILITIES

	FY25 $000s	FY24 $000s
Deferred Tax Asset	**7,384**	6,647

The deferred tax asset is made up of the following estimated tax benefits:
Temporary differences:

- deferred tax assets	**10,551**	12,278
- deferred tax liabilities	**(6,399)**	(7,799)
- losses	**3,232**	2,168
	7,384	6,647

	Opening Balance $000s	Charged To Income $000s	Closing Balance $000s
Deferred Tax Assets			
Plant & equipment	34	29	63
Provisions	1,029	29	1,058
Unearned income	794	(211)	583
Lease liabilities and make good	9,871	(1,564)	8,307
Other	550	(10)	540
	12,278	(1,727)	10,551
Deferred Tax Liabilities			
Right of use assets and make good	(7,528)	1,321	(6,207)
Prepayments and other	(271)	79	(192)
	(7,799)	1,400	(6,399)
Losses	2,168	1,064	3,232
Total	6,647	737	7,384

	FY25 $000s	FY24 $000s
Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(q) occur:		
Tax (operating) losses	**320**	320

For personal use only

16. INTANGIBLE ASSETS

	FY25 $000s	FY24 $000s
Goodwill at cost	**32,758**	32,758
Accumulated impairment losses	**(4,790)**	(4,790)
Net carrying value	**27,968**	27,968
Course development costs and capitalised licences	**3,064**	2,889
Accumulated amortisation	**(2,666)**	(2,488)
Net carrying value	**398**	401
Other at cost	**3**	3
	28,369	28,372

	Goodwill $000s	Course Development Costs and capitalised licences $000s	Other $000s	Total $000s
Year ended 30 June 2025				
Balance at the beginning of the year	27,968	401	3	28,372
Course development costs and capitalised licences additions	-	175	-	175
Course development costs and capitalised licences amortisation	-	(178)	-	(178)
Balance at the end of the year	**27,968**	**398**	**3**	**28,369**
Year ended 30 June 2024				
Balance at the beginning of the year	32,376	423	3	32,802
Impairment of goodwill - STA	(4,408)	-	-	(4,408)
Course development costs and capitalised licences additions	-	117	-	117
Course development costs and capitalised licences amortisation	-	(140)	-	(140)
Balance at the end of the year	27,968	401	3	28,372

Goodwill is assessed by management at the cash generating unit level. The recoverable amount of the cash-generating unit is determined based on a value in use calculation using cash flow projections covering five years. Cash flows beyond the five-year period are estimated using a terminal value calculated under standard valuation principles incorporating a long-term growth rate.

16. INTANGIBLE ASSETS (continued)

The following assumptions were used in the value in use calculations:

Revenue Growth	Revenue Growth	Pre-tax Free Cash Flow – Revenue from Services	Pre-tax Free Cash Flow – Revenue from Services per annum	Pre-tax Discount Rate	Long Term Growth Rate
FY26	FY27-FY30	FY26	FY27-FY30		
12.7%	6.3%	10.4%	10.4%	10.0%	2.0%

An impairment would be triggered if any one of the key assumptions (with all other assumptions held constant) set out below applies over a 5-year period:

- Revenue growth rate is 5.5% or lower.
- Pre-tax discount rate exceeds 11.0%.
- Pre-tax free cash flow – revenue from services per annum FY26-FY30 is 7.9% or lower.
- Long term growth rate is 1.0% or lower

17. TRADE AND OTHER PAYABLES

	FY25 $000s	**FY24 $000s**
CURRENT		
Unsecured Liabilities		
Tuition fees in advance (Deferred income)	**6,772**	10,666
Trade payables	**2,478**	1,331
Sundry payables and accrued expenses	**3,899**	3,705
	13,149	15,702

18. LEASE LIABILITIES

Balance at beginning of year	**40,594**	41,140
Additions – new leases	**-**	5,672
Terminated	**-**	28
Lease modifications	**(22)**	(3)
Lease payments	**(6,828)**	(6,124)
Net foreign currency difference arising on translation of financial statements of foreign operations	**413**	(119)
Balance at end of year	**34,157**	40,594
Make good	**542**	572
Total	**34,699**	41,166

For personal use only

For personal use only

18. LEASE LIABILITIES (continued)

	FY25 $000s	FY24 $000s
Current	**6,952**	7,013
Non-current	**27,747**	34,153
Total	**34,699**	41,166
Lease liability – undiscounted		
Less than one year	**8,802**	9,484
One to five years	**30,636**	36,402
More than five years	**3,073**	6,562
Total undiscounted lease liabilities at end of year	**42,511**	52,448

Short-term lease payments expensed to the profit and loss account in the year $432,000 (FY24: $420,000) (Note 3)

19. PROVISIONS

	FY25 $000s	FY24 $000s
CURRENT		
Employee entitlements	**3,879**	3,712
NON-CURRENT		
Employee entitlements	**357**	400

20. SHARE CAPITAL

	FY25 Share number	FY25 $000s	FY24 Share number	FY24 $000s
Issued Share Capital				
Ordinary shares fully paid	**132,614,467**	**44,066**	132,614,467	44,066
Ordinary share capital				
Balance at the beginning and end of the financial year	**132,614,467**	**44,066**	132,614,467	44,066

i. Shares disclosure.
Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.
At a shareholders meeting each ordinary share is entitled to one vote.
The number of shares authorised is equal to the number of shares issued. Shares have no par value.

For personal use only

20. SHARE CAPITAL (continued)

ii. Capital Management.
Management controls the capital of the Group in order to maintain an acceptable debt to equity ratio, provide the shareholders with adequate returns and ensures that the Group can fund its operations and continue as a going concern. The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets. Management effectively manages the Group's capital by assessing financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.
There were no changes in the Group's capital management procedures during the year.

iii. Employee incentive plan
Shareholders on 18 November 2022 authorised the issue of 2,500,000 ordinary shares to Gabriela Del Carmen Rodriguez Naranjo under the Plan. The shares were issued on 22 November at 40 cents per share, which was the closing price the day before. Under the Plan, the issue was secured by an interest free non-recourse loan of $1,000,000.

On 5 January 2023 2,500,000 shares at 40 cents per share, which was the closing price the day before, were issued under the Plan. The shares were issued to Bibhod Dotel (1,000,000 shares), Joanna Kelly (1,000,000 shares) and Dr Sreekanth Vinnakota (500,000 shares). Under the Plan, the issues were secured by interest free non-recourse loans of $400,000, $400,000 and $200,000 respectively.

A provision for impairment of $370,000 (FY24: $1,150,000) has been made against the non-recourse loans of $2,000,000 that secure the 5,000,000 shares issued at 40 cents each under the employee incentive plan. The share price at 30 June 2025 was 9.6 cents compared to 17 cents as at 30 June 2024. This provision will be adjusted according to the share price while the loans are in place. At 30 June 2025 the total provision was $1,520,000.

21. CONTINGENT LIABILITIES

Corporate Guarantees

There is a corporate guarantee between Group companies as security for bank facilities in effect during the year, other than the following:

Academies Australasia College Pte. Limited
Academies Australasia Hair & Beauty Pty Limited
AKG6 Investment Holdings Pty Limited
AMC Training Pty Limited
Centre for Australian Education Pte. Limited
Humanagement Pty Limited
International College of Capoeira Pty Limited
Kreate Pty Limited
Language Links International Pty Limited

AKG has provided a corporate guarantee to the landlord of the Goulburn Street premises in respect to rental of the premises by Academies Australasia Pty Limited, the lessee. AKG is also a guarantor for leases taken out by BMC and AAHB.

For personal use only

22. SEGMENT REPORTING

Business segments

The Group has determined that it has only one operating segment: Education.

Geographical information

The Group operates in Australia and Singapore. The revenues and non-current assets of the Group for the year ended 30 June 2025 are as follows:

	$000s	$000s
Geographic Location	Australia	Singapore
Revenues from External Customers	39,381	7,649
Non-current assets	57,237	9,671

Accounting Policies

Segment revenues and expenses are those directly attributable to the segments.

23. CASH FLOW INFORMATION	**FY25 $000s**	**FY24 $000s**
a. Reconciliation of cash flow from operations with loss after income tax		
Loss after income tax	**(1,282)**	(9,653)
Non-cash flows in profit		
Amortisation	**627**	600
Depreciation	**6,096**	6,111
Net loss on disposal of plant and equipment	**23**	13
Write-downs to recoverable amounts	**(5)**	(15)
Unrealised foreign exchange movement	**(77)**	(27)
Impairment of goodwill - STA	**-**	4,408
Provision for impairment ROUA	**-**	575
Provision for impairment on loans secured for the issue of shares in the employee incentive plan	**370**	1,150
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	**395**	(52)
(Increase)/decrease in other current assets	**711**	1,258
(Increase)/decrease in deferred tax assets	**(741)**	375
Increase/(decrease) in trade and other payables	**(2,551)**	(4,305)
Increase/(decrease) in tax payables	**73**	(51)
Increase/(decrease) in provisions	**181**	54
Cash flow from operations	**3,820**	441

For personal use only

	FY25 $000s	FY24 $000s

23. CASH FLOW INFORMATION (continued)

b. Borrowing arrangements with banks

Total Facilities

Credit standby facility available	**3,596**	4,032
Amount utilised	**(3,596)**	(4,031)
	-	1
Overdraft facility available	-	100
Amount utilised	-	-
	-	100

Credit standby
Line fee 2.0%. Usage fee 1.10%.
Security deposit for rental bonds on leased premises $3,596,000 (FY24: $3,736,000). Interest rates are variable and subject to adjustment.

Bank overdraft
General terms and conditions apply. Interest rates are variable and subject to adjustment.

The credit standby, bank overdraft and commercial card facilities are due for review on 24 November 2025.

24. EVENTS AFTER THE BALANCE SHEET DATE

On 4 August 2025, the government announced that Australia's international education sector in 2026 will operate under a National Planning Level (NPL) of 295,000 NOSC allocations in VET and HE courses from 1 January 2026. This represents a 25,000 increase from the NPL in 2025.

Eight of the 18 Academies Australasia colleges are affected by the NOSC restrictions. These colleges are AAHB, AAI, AAPOLY, ACT, CBC, CSF, SBC and STA. Those not affected are our college in Singapore (AAC), our five domestic RTOs (BMC, PTA, RBT, SPT and VOS), our three English language colleges (AOE, DE and LLI), and our senior high school (AIHS). The latter four colleges are registered on CRICOS, meaning that they are able to enrol international students.

The total indicative NOSC allocation for the eight colleges in calendar 2026 is (up to) 811*. Although that's an increase of (up to) 220 or 37% on the 2025 total of 591, the average of 101 per college is very disappointing. [*602 plus up to 80 each for providers with 100 or less NOSC allocations. Five of our eight colleges come under this category of providers]. The financial impact of the 2026 NOSC allocation and any other regulatory changes to subsequent financial years is not clear. Focusing more on our operations overseas, especially in Singapore, and devoting more resources to domestic operations, should counter any negative impact.

There were no other matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

For personal use only

25. RELATED PARTY TRANSACTIONS

Directors' transactions with the Company and the Group

Directors' and Director-related loans

On 17 December 2024 Christopher Campbell extended a one-year loan of $1.0 million to AKG. A loan of $0.2 million for one-year was extended by his wife, Sarah Campbell, on 17 June 2025.

On 12 February 2025, AKG accepted a loan of $800,000 from Dr John Schlederer. This loan was repaid on 2 May 2025.

The loans totalling $1.0 million from Dr John Schlederer ($200,000), Chiang Meng Heng ($700,000), Gabriela Rodriguez ($50,000), and Sartaj Hans ($50,000) were repaid as scheduled on the due dates.

The one-year $4.0 million loan extended by Chiang Meng Heng on 29 June 2024 has been extended to a date to be mutually agreed by Mr Heng and AKG. Apart from the revised repayment date all the other terms remain the same.

Generally, the material features of each of the above loans are:

- The interest rate applicable to each loan is 9% per annum calculated on a simple interest basis.
- Interest on each loan is paid quarterly.
- The principal must be paid within 12 months of the advance date.
- The loans are unsecured.
- The loan agreements contain warranty and covenant clauses standard for agreements of this nature.
- The loan agreements do not include any right to convert the loans to AKG shares.

The total balance of all Directors' and Director-related loans at the end of FY25 was $5.2 million (FY24: $5.0 million)

Accrued interest on the loans to 30 June 2025 of $95,548 (FY24: $21,570) is included in accrued expenses (Note 17). The total interest charge for FY25 was $495,000 (FY24: NIL) (Note 3).

Details of Directors' remuneration are set out in the Remuneration Report on pages 10 to 12. Directors are reimbursed for expenses incurred by them on behalf of the Group.

Other Directors' transactions

Included in sundry payables (Note 17) is an amount owing to Christopher Campbell of $200,000 for expenses paid. There is no interest on this balance.

Directors' and specified executives' relevant interests in shares

See Directors' Report on pages 8,9 and 30.

Other related party transactions

Transactions within the Group comprise loans, management fees and interest and are eliminated on consolidation.

For personal use only

26. FINANCIAL INSTRUMENTS

Financial Risk Management

The Group's financial instruments consist mainly of deposits with banks, investments, accounts receivable and payable, loans to and from subsidiaries, bills and leases.

The main purpose of non-derivative financial instruments is to raise finance for operations.

i. Treasury Risk Management

Senior management meet on a regular basis to review currency and interest rate exposure and to evaluate treasury management strategies where relevant, in the context of the most recent economic conditions and forecasts.

ii. Financial Risks

The main risks the Group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk and credit risk.

Foreign currency risk

The Group is exposed to foreign currency risk on its purchase of products and the sale of training and education courses to international students and on the translation of its foreign subsidiaries. The Group had not hedged foreign currency transactions as at 30 June 2025. Senior management continues to evaluate this risk on an ongoing basis.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. In the education business, credit risk is minimised by, generally, collecting tuition fees in advance.

Interest rate risk

The interest rate risk has been managed by the Group by reducing and in most cases eliminating interest bearing debt. The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Note	Weighted average interest rate	Floating interest rate	Fixed interest maturing in: 1 year or less	Fixed interest maturing in: 1 to 5 Years	Non-Interest bearing	Total
			$000s	$000s	$000s	$000s	$000s
Year ended 30 June 2025							
Financial assets							
Cash and cash equivalents	9	5.72%	2,715	-	-	-	2,715
Security deposit	9	4.12%	3,596	-	-	-	3,596
Trade and other receivables	10		-	-	-	556	556
Contract assets	10		-	-	-	959	959
			6,311	-	-	1,515	7,826

26. FINANCIAL INSTRUMENTS (continued)

	Note	Weighted average interest rate	Floating interest rate	Fixed interest maturing in: 1 year or less	Fixed interest maturing in: 1 to 5 years	Non-Interest bearing	Total
			$000s	$000s	$000s	$000s	$000s
Year ended 30 June 2025							
Financial liabilities							
Trade and other payables	17		-	-	-	6,377	6,377
Lease liabilities	18		-	6,952	27,747	-	34,699
			-	6,952	27,747	6,377	41,076
Year ended 30 June 2024							
Financial assets							
Cash and cash equivalents	9	5.06%	5,832	-	-	-	5,832
Security deposit	9	5.05%	3,736	-	-	-	3,736
Trade and other receivables	10		-	-	-	655	655
Contract assets	10		-	-	-	1,250	1,250
			9,568	-	-	1,905	11,473
Financial liabilities							
Trade and other payables	17		-	-	-	5,036	5,036
Lease liabilities	18		-	7,013	34,153	-	41,166
			-	7,013	34,153	5,036	46,202

iii. Net fair values of financial assets and liabilities

The carrying amounts of financial assets and liabilities approximate their net fair value.

iv. Sensitivity Analysis

The following table illustrates sensitivity analysis to the Group's exposure to changes in interest rates. The table indicates the estimated impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the interest rate that management considers reasonably possible.

	Profit	Equity
	$'000	$'000
FY25		
+/- 2% in interest rates	306	306

For personal use only

27. PARENT INFORMATION

The following information has been extracted from the books of the parent and has been prepared in accordance with Australian Accounting Standards.

	FY25 $000s	FY24 $000s
STATEMENT OF FINANCIAL POSITION		
Assets		
Current	**46,800**	47,693
Non-current	**8,370**	8,516
Total Assets	**55,170**	56,209
Liabilities		
Current	**8,020**	7,437
Non-current	**-**	-
Total Liabilities	**8,020**	7,437
Equity		
Share capital	**44,066**	44,066
Retained earnings	**3,084**	4,706
Total Equity	**47,150**	48,772
STATEMENT OF COMPREHENSIVE INCOME		
Total profit	**(1,621)**	(2,824)
Total comprehensive income	**(1,621)**	(2,824)

For personal use only

For personal use only

28. COMPANY DETAILS

The registered office and principal place of business of AKG is:

Level 6, 505 George Street
Sydney NSW 2000
Australia

Principal places of business of AKG colleges:

NEW SOUTH WALES

Academies Australasia Institute
Academy of English
Australian College of Technology
Australian International High School
Clarendon Business College
Supreme Business College
Level 6, 505 George Street
Sydney, NSW 2000

Benchmark College
Ground Floor, 331 High Street
Sydney, NSW 2750

College of Sports & Fitness
Level 6, 505 George Street
Sydney, NSW 2000

RuralBiz Training
46 Wingewarra Street, Dubbo, NSW 2830

QUEENSLAND

Brisbane School of Hairdressing
Brisbane School of Barbering
Brisbane School of Beauty
Queen Adelaide Building
90-112 Queen Street Mall
Brisbane, QLD 4000

Gold Coast School of Hairdressing
Gold Coast School of Barbering
Pivotal Point Tower
3/2 Nerang Street
Southport, QLD 4215

VICTORIA

Academies Australasia Polytechnic
Skills Training Australasia
Spectra Training Australia
Vostro Institute of Training Australia
Level 7, 628 Bourke Street
Melbourne,VIC 3000

Discover English
247 Collins Street, Melbourne, VIC 3000

SOUTH AUSTRALIA

Print Training Australia
Unit 17, 169 Unley Road, Unley, SA 5061

WESTERN AUSTRALIA

Language Links International
120 Roe Street, Perth, WA 6003

SINGAPORE

Academies Australasia College
45 Middle Road, Singapore 1889954

For personal use only

29. CONTROLLED ENTITY DISCLOSURE STATEMENT

Academies Australasia Group Limited ABN 93 000 003 725 and Controlled Entities Consolidated Entity Disclosure Statement

Name of entity	Type of Entity	% share capital	Country of Incorporation	Australian or foreign resident
Academies Australasia Group Limited	Body Corporate	n/a	Australia	Australian
ACA Investment Holdings Pte. Limited	Body Corporate	100	Singapore	Foreign (Singapore)
Academies Australasia (Management) Pty Limited	Body Corporate	100	Australia	Australian
Academies Australasia College Pte. Limited	Body Corporate	100	Singapore	Foreign (Singapore)
Academies Australasia Hair & Beauty Pty Limited	Body Corporate	100	Australia	Australian
Academies Australasia Institute Pty Limited	Body Corporate	100	Australia	Australian
Academies Australasia Polytechnic Pty Limited	Body Corporate	100	Australia	Australian
Academies Australasia Pty Limited	Body Corporate	100	Australia	Australian
Academy of English Pty Limited	Body Corporate	100	Australia	Australian
AKG Investment Holdings Pty Limited	Body Corporate	100	Australia	Australian
AKG2 Investment Holdings Pty Limited	Body Corporate	100	Australia	Australian
AKG3 Investment Holdings Pty Limited	Body Corporate	100	Australia	Australian
AKG4 Investment Holdings Pty Limited	Body Corporate	100	Australia	Australian
AKG5 Investment Holdings Pty Limited	Body Corporate	100	Australia	Australian
AKG6 Investment Holdings Pty Limited	Body Corporate	100	Australia	Australian
AKG7 Investment Holdings Pty Limited	Body Corporate	100	Australia	Australian
AMC Training Pty Limited	Body Corporate	100	Australia	Australian
AMI Education Pty Limited	Body Corporate	100	Australia	Australian
Australian College of Technology Pty Limited	Body Corporate	100	Australia	Australian
Australian Institute of Professional Studies Pty Limited	Body Corporate	100	Australia	Australian
Australian International High School Pty Limited	Body Corporate	100	Australia	Australian
Australian Trades Institute Pty Limited	Body Corporate	100	Australia	Australian
Benchmark Resources Pty Limited	Body Corporate	100	Australia	Australian
Centre for Australian Education Pte. Limited	Body Corporate	100	Singapore	Foreign (Singapore)
Clarendon Business College Pty Limited	Body Corporate	100	Australia	Australian
CLB Training & Development Pty Limited as trustee for the CLB Unit Trust	Trustee	100	Australia	Australian
Discover English Pty Limited	Body Corporate	100	Australia	Australian
International College of Capoeira Pty Limited	Body Corporate	100	Australia	Australian
Humanagement Pty Limited	Body Corporate	100	Australia	Australian
Kreate Pty Limited	Body Corporate	100	Australia	Australian
Language Links International Pty Limited	Body Corporate	100	Australia	Australian
Live. Laugh. Learn. Pty Limited	Body Corporate	100	Australia	Australian

29. CONTROLLED ENTITY DISCLOSURE STATEMENT (continued)

Name of entity	Type of Entity	% share capital	Country of Incorporation	Australian or foreign resident
Newco CLB Training & Development Pty Limited	Body Corporate	100	Australia	Australian
Skilled Placements Pty Limited	Body Corporate	100	Australia	Australian
Supreme Business College Pty Limited	Body Corporate	100	Australia	Australian
Transformations – Pathways to Competence and Developing Excellence Pty Limited	Body Corporate	100	Australia	Australian
Vostro Institute of Training Australia Pty Limited	Body Corporate	100	Australia	Australian

For personal use only

For personal use only

ACADEMIES AUSTRALASIA GROUP LIMITED
AND CONTROLLED ENTITIES
DIRECTORS DECLARATION

The Directors of AKG declare that:

1. the financial statements and notes, set out on pages 14 to 50, are in accordance with the *Corporations Act 2001* and

   (i) comply with Accounting Standards which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

   (ii) give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date of AKG and the Group; and

2. the Consolidated Entity Disclosure Statement is true and correct (Note 29); and

3. the Chief Executive Officer and Group Finance Manager have each declared that:

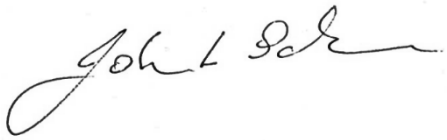
   (i) the financial records of AKG and the Group for the financial year have been properly maintained in accordance with s 286 of the *Corporations Act 2001*; and

   (ii) the financial statements and notes for the financial year comply with Accounting Standards; and

   (iii) the financial statements and notes for the financial year give a true and fair view; and

4. in the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable. (See Note 1w).

This declaration is made in accordance with a resolution of the Board of Directors.



Dr John Lewis Schlederer
Director

Christopher Elmore Campbell
Director

8 September 2025

PILOT PARTNERS
Chartered Accountants
Level 10, 1 Eagle Street
Brisbane QLD 4000
PO Box 7095
Brisbane QLD 4001
P +61 7 3023 1300
pilotpartners.com.au

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ACADEMIES AUSTRALASIA GROUP LIMITED

OPINION

We have audited the financial report of Academies Australasia Group Limited ("the Company") and its subsidiaries (collectively with the Company "the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

BASIS FOR OPINION

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in

Member of Nexia
ABN 60 063 687 769 | Pilot is a registered trade mark licensed to Pilot Partners | Liability limited by a scheme approved under Professional Standards Legislation
Nexia International is a worldwide network of independent accounting and consulting firms.

For personal use only

pilot

forming our opinion thereon, and we do not provide a separate opinion on these matters.

REASON FOR SIGNIFICANCE	HOW OUR AUDIT ADDRESSED THE MATTER
Risk of impairment of goodwill and intangible assets	
Goodwill and intangible assets comprise a significant portion of the Group's total assets. The impairment assessment made by the Group for its goodwill and intangible assets relies upon significant judgements in respect of factors such as forecast cash flows, growth rates and economic and operational assumptions.	Our audit considered whether the methodology and principles applied by the Group in their discounted cash flow model met the requirements of AASB 136 *Impairment of Assets* ("AASB 136"). Using our understanding of the nature of the Group's business and the environment in which it operates, we assessed and tested the assumptions and methodologies used in the Group's discounted cash flow model. In doing so: (a) We reviewed the Group's impairment test, including an assessment of its arithmetical accuracy and conceptual soundness; (b) We assessed the basis for the Group's expected future performance, including consideration of historical performance; (c) We assessed management explanations against available relevant data; (d) We compared the discount rate to available external data; (e) We assessed growth rates against recent historical rates performance and current actual revenue drivers; (f) We assessed the basis for terminal values and long-term growth rates against generally-accepted techniques and relevant external data; (g) We performed sensitivity analysis and evaluated whether a reasonable change in assumptions could cause the carrying amount of the CGU to exceed its recoverable amount; and *(h)* We also considered the adequacy of the relevant disclosures in the financial report.

For personal use only

Liability limited by a scheme approved under Professional Standards Legislation

pilot

Going Concern	
During the year ended 30 June 2025, the Group incurred a net loss of $1.282m after asset impairments of $0.370m, and as of that date, the Group's current liabilities exceed its current assets by $22.609m. As at 30 June 2025 the Group had cash and cash equivalents of $2.715m (excluding security deposits of $3.596m). For the year ended 30 June 2025, net cash provided by operating activities was $3.820m. The going concern assessment made by the Group relies upon significant judgements in respect of future cash flows as well as economic and operational assumptions.	Using our understanding of the nature of the Group's business and the environment in which it operates, we reviewed detailed information from management on the assumptions made in their assessment of the Group's ability to continue as a going concern. In doing so: (a) We reviewed the Group's cash flow forecast for the next 12 months, including an assessment of its arithmetical accuracy and conceptual soundness; (b) We assessed the reasonableness of the Group's assumptions underlying the forecast against available information; (c) We performed analysis on the forecast to assess whether a reasonable change in assumptions could cast doubt on the Group's ability to continue as a going concern; and (d) We reviewed the adequacy of the disclosures in the financial report in relation to going concern.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL REPORT

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is

For personal use only

Liability limited by a scheme approved under Professional Standards Legislation

pilot

necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL REPORT

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report. A further description of our responsibilities for the audit of the financial report is located at: http://www.auasb.gov.au/Home.aspx. This description forms part of our auditor's report.

REPORT ON THE REMUNERATION REPORT

OPINION ON THE REMUNERATION REPORT

We have audited the Remuneration Report included in pages 10 to 12 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Academies Australasia Group Limited, for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

RESPONSIBILITIES

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Pilot Partners

PILOT PARTNERS
Chartered Accountants

DANIEL GILL
Partner

Signed on 8 September 2025
Level 10
1 Eagle Street
Brisbane Qld 4000

Liability limited by a scheme approved under Professional Standards Legislation

For personal use only

For personal use only

ACADEMIES AUSTRALASIA GROUP LIMITED
AND CONTROLLED ENTITIES
ADDITIONAL INFORMATION FOR A COMPANY LISTED ON THE ASX

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is as follows.

SUBSTANTIAL HOLDERS

Ordinary Shares

The relevant interests of substantial shareholders as at 5 September 2025 were:

Shareholder	No. of Shares Held	%
Mr Chiang Meng Heng [a]	51,185,961	38.60
Mr Christopher Elmore Campbell [b]	21,430,000	16.16
Jilcy Pty Ltd <Jilcy Super Fund A/C>	17,650,000	13.31
Dr John Lewis Schlederer [d]	17,036,346	12.85
Andrew Low [c]	13,656,455	10.29
Eng Kim Low	7,648,232	5.77

[a] Includes 7,648,232 shares held by Eng Kim Low
[b] Includes 17,650,000 shares held by Jilcy Pty Ltd <Jilcy Super Fund A/C> and 1,700,000 shares held by Bankura Pty Ltd <Campbell Family Trust A/C>
[c] Includes 1,529,474 shares held by Paris Pushkin Pty Ltd<Paris A/C> and 1,809,091 shares held by Mutual Trust Pty Limited.
[d] 7,700,001 shares held by J&B Schlederer Pty Ltd <J&B Schlederer Super A/C> and 9,336,345 shares held by Schlederer Nominees Pty Ltd <JLS Family A/C>

VOTING RIGHTS

Ordinary Shares

At 5 September 2025 there were 397 holders of the ordinary shares of the Company. The voting rights attaching to the ordinary shares, set out in Articles 69 and 70 of the Company's constitution, are:

Article 69
"Subject to these Articles and any rights or restrictions for the time being attached to any class or classes of shares:
(a) at meetings of members or classes of members each member entitled to attend and vote may attend and vote in person or by proxy, or attorney and (where the member is a body corporate) by representative;
(b) on a show of hands, every Member present has 1 vote;
(c) on a poll, every Member present has:
(i) 1 vote for each fully paid share; …….."

Article 70
"Where more than 1 joint holder votes, the vote of the holder, whose name appears first in the register of members shall be accepted to the exclusion of the others."

ACADEMIES AUSTRALASIA GROUP LIMITED
AND CONTROLLED ENTITIES
ADDITIONAL INFORMATION FOR A COMPANY LISTED ON THE ASX

20 LARGEST SHAREHOLDERS AS AT 5 SEPTEMBER 2025

	Registered Name	No. Shares	%
1	Mr Chiang Meng Heng	43,537,729	32.83
2	Jilcy Pty Ltd <Jilcy Super Fund A/C>	17,650,000	13.31
3	Andrew Low	10,317,890	7.78
4	Schlederer Nominees Pty Ltd <JLS Family A/C>	9,336,345	7.04
5	J&B Schlederer Pty Ltd <J&B Schlederer Super A/C>	7,700,001	5.81
6	Eng Kim Low	7,648,232	5.77
7	Gotterdamerung Pty Limited <Gotterdamerung Family A/C>	3,724,114	2.81
8	Ms Gabriela Rodriguez Naranjo	2,600,000	1.96
9	Kin Group Pty Ltd	2,595,514	1.96
10	Mr Christopher Elmore Campbell	2,080,000	1.57
11	Mutual Trust Pty Ltd	1,809,091	1.36
12	Bankura Pty Ltd <Campbell Family Trust A/C>	1,700,000	1.28
13	Paris Pushkin Pty Ltd <Paris A/C>	1,529,474	1.15
14	DMX Capital Partners Limited	1,180,056	0.89
15	Salvage Pty Ltd	1,178,351	0.89
16	Vanward Investments Limited	1,020,103	0.77
17	Mr Bibhod Dotel	1,000,000	0.75
18	Ms Joanna Kelly	1,000,000	0.75
19	HSBC Custody Nominees (Australia) Limited	921,090	0.69
20	Sarah Rose Pty Ltd <Wallace Mack Ash Fam S/F A/C>	800,595	0.60
		119,328,585	89.98

HOLDING RANGE (SHAREHOLDERS) AS AT 5 SEPTEMBER 2025

Range	No. Holders	Total No. Shares	%
1 - 1,000	65	33,523	0.03
1,001 - 5,000	139	383,661	0.29
5,001 - 10,000	58	438,250	0.32
10,001 - 100,000	80	3,258,040	2.46
100,001 +	55	128,500,993	96.90
	397	132,614,467	100.00

UNMARKETABLE PARCELS AS 5 SEPTEMBER 2025

	Minimum Parcel Size	No. Holders	Units
Minimum $500 parcel at $0.11 per unit	4,546	190	347,994

For personal use only

CORPORATE INFORMATION

DIRECTORS	Dr John Lewis Schlederer Christopher Elmore Campbell Chiang Meng Heng Gabriela Del Carmen Rodriguez Naranjo Sartaj Hans
COMPANY SECRETARIES	Stephanie Noble Gabriela Del Carmen Rodriguez Naranjo
REGISTERED OFFICE	Academies Australasia Group Limited Level 6, 505 George Street Sydney NSW 2000 Australia Telephone: (02) 9224 5555 Facsimile: (02) 9224 5550 Email: companysecretary@academies.edu.au Web Site: www.academies.edu.au
SHARE REGISTRAR	Computershare Investor Services Pty Limited GPO Box 2975 Melbourne, VIC 3001 Australia Telephone: +61 (03) 9415 4000 Toll Free (Australia only): 1300 855 080
SECURITIES EXCHANGE	The Company is listed on the Australian Securities Exchange. The Home Exchange is Sydney. ASX Code: AKG

For personal use only

GLOSSARY

AAC	Academies Australasia College Pte. Limited
AAHB	Academies Australasia Hair & Beauty Pty Limited
AAI	Academies Australasia Institute Pty Limited
AAPoly	Academies Australasia Polytechnic Pty Limited
AASB	Australian Accounting Standards Board or a numbered Standard issued by it
ACT	Australian College of Technology Pty Limited
AIHS	Australian International High School Pty Limited
AKG	Academies Australasia Group Limited – (ACN 000 003 725)
AOE	Academy of English Pty Limited
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
BIT	Bachelor of Information Technology
BMC	Benchmark Resources Pty Limited - trading as Benchmark College
Board	Board of Directors of AKG
CBC	Clarendon Business College Pty Limited
College	Subsidiary company of AKG that is licensed to operate as an education institution
Company	AKG
Corporations Act	Corporations Act 2001 (Cth)
CRICOS	Commonwealth Register of Institutions and Courses for Overseas Students
CSF	International College of Capoeira Pty Limited - trading as College of Sports & Fitness
DE	Discover English Pty Limited
Directors	Board of Directors of AKG
EBITDA	Earnings before interest, taxation, depreciation and amortisation
EPS	Earnings per share
FVTPL	Fair value through profit and loss
FVOCI	Fair value through other comprehensive income
FY25 to FY31	Financial Year to 30 June 2025 to Financial Year to 30 June 2031, respectively

For personal use only

GLOSSARY

Group	AKG and all its subsidiaries
GST	Goods and Services Tax
HE	Higher Education
IHEA	Independent Higher Education Australia (Previous name: Council of Private Higher Education – COPHE)
LLI	Language Links International Pty Limited
MIT	Master of Information Technology
NOSC	New Overseas Student Commencement
NPL	National Planning Level
OCI	Other Comprehensive Income
PCP	Previous corresponding period
PLAN	Employee incentive plan
PTA	Humanagement Pty Limited – trading as Print Training Australia
RBT	Kreate Pty Limited – trading as RuralBiz Training
ROUA	Right of Use Assets
RTO	Registered Training Organisation
SBC	Supreme Business College Pty Limited
Shares	Fully paid ordinary shares in AKG
SPT	CLB Training & Development Pty Limited as trustee for the CLB Unit Trust - trading as Spectra Training Australia
STA	Transformations – Pathways to Competence and Developing Excellence Pty Limited - trading as Skills Training Australasia
TAFE	Technical and Further Education
TEQSA	Tertiary Education Quality and Standards Agency
TPS	Tuition Protection Scheme
VET	Vocational Education and Training
VOS	Vostro Institute of Training Australia Pty Limited

For personal use only