CHAIRMAN'S ADDRESS TO SHAREHOLDERS

118th ANNUAL GENERAL MEETING

11.30 am, 20 November 2026

Good morning

My name is Sartaj Hans. It is my pleasure to welcome you to the 118th Annual General Meeting of Academies Australasia Group Limited.

My colleagues and I appreciate your attendance.

I am standing in for Dr John Schlederer, the Chairman, who is unable to join us today.

Overview

The Annual Report for the year ended 30 June 2026 ('FY26') was released on 9 September 2026.

The drastic changes to Australia's immigration framework in FY26 adversely affected our international education business.

In FY26, compared to the previous year:

- Revenue was 44.3 million – down 6.9%
- Adjusted EBITDA was $6.6 million, down 11.8%.
- Adjusted profit before tax was $0.74 million, down 26.3%.
- Net operating cash flow was $4.8 million, up 26.7%.

While we reduced student acquisition and teaching costs, personnel and administrative expenses and occupancy costs, the reductions were not enough. We are lumbered with the now regarded as expensive leases for quality premises we secured for international students whose entry to Australia is now curtailed.

Higher Education operations were a standout performer, with revenue increasing by 30.7% to $20.97 million. However, revenue declined across our other operations.

July to October 2026

Since July 2026, the Federal Government has continued to make further major changes to Australian student visas to stop people from extending their stay on temporary visas. Following a 25% rise in visa fees on 1 July, rules were introduced on 2 October to stop most temporary visa holders—including current students—from applying for a new student visa while they are still in Australia. Most applicants must now leave the country to apply from offshore and wait for approval (with limited exceptions).

These sudden student visa changes have affected our performance over the first four months of FY27. Compared with PCP*, Revenue is down 20% to $14.4 million, Adjusted EBITDA was $2.2 million (down 38.4%), and Adjusted Profit Before Tax was $0.485 million (down 70.5%). [* unaudited numbers.]

Outlook

The low New Overseas Student Commencements (NOSCs) allocations granted to the eight group colleges in calendar 2027 have only increased very slightly from 2026. The average for each of the eight colleges is only 136 NOSCs.

The very low NOSCs and the continuing restrictions on international students studying in Australia, as well as the discouraging student visa approval rates, point to better business opportunities for us offshore, beyond our operations in Singapore, especially in ASEAN. We have already established ties in a large ASEAN country and are working towards further growth there.

The biggest task being addressed is the reduction in the commitments to property leases in Australia. We have, in the past 12 months, moved out of premises in Collin Street and the Gold Coast. Negotiations are in place in regard to further consolidating our operations in other premises in the Melbourne and Sydney CBDs.

We also continue to diversify our revenue streams. AAC has obtained approval for Postgraduate Diplomas in Artificial Intelligence, Logistics and Supply Chain Management. AAC is also well advanced in obtaining approval to offer two Master Degrees and two Bachelor (Honours) degrees on behalf of another UK university.

Re-Election of Chiang Meng Heng

Mr. Heng joined the Board in 2000. He is a member of the Audit and Risk Committee and of the Remuneration Committee. He is a Director of AAC, Centre for Australian Education Pte. Limited and ACA Investment Holdings Pte. Limited – all companies incorporated in Singapore which are owned by AKG.

Mr. Heng has an interest in 51,185,961 shares in AKG (40.11%). He presently has a loan of $4,000,000 to AKG.

The Board recommends that you vote in favour of Mr. Heng's re-election.

Thank you.

On behalf of the Board, I would like to express our sincere appreciation to all our shareholders, students, clients, partners, associates, management, and staff for their continuing contribution and support.

Thank you.

Sartaj Hans
Director