

*This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.*

**9 February 2023**

**MALVERN INTERNATIONAL PLC**

("Malvern", the "Company" or the "Group")

**Trading update**

Malvern International plc (AIM: MLVN), the global learning and skills development partner, is pleased to provide a trading update in respect of its year ended 31 December 2022 ("FY22"), and current trading.

**FY22**

The preliminary unaudited assessment of the Group's trading for the full year indicates that revenues have increased 170% to circa £6.5 million (FY21: £2.4 million) that the loss before tax for the year will be significantly reduced at circa £1.1 million (FY21: £1.6 million, pre-adjustment for Singapore disposal). Unaudited net debt as at 31 December was £4.4 million (FY21: £5.8 million) including lease liabilities of £3.1m. This is approximately £0.7 million better than management were expecting due to the late invoicing to the company of summer accommodation costs for Juniors.

H2 saw significant growth compared with H1 2022 and H2 2021 which were both impacted by Covid-19 and limitations on international travel. As borders opened and travel restrictions relaxed, we saw a return to pre-pandemic levels of student numbers in our adult language schools and our first cohorts of junior students since 2019. This resulted in growth in H2 revenue year on year from £1.0m in FY21 to c£4.2m in FY22.

Adult ELT revenue increased c150% to c£3.1m, mainly coming from the MENA and Latin America markets. This was helped by the Government's announcement in early May 2022 that Saudi Arabia nationals can apply to travel to the UK for tourism, business, study or medical treatment for up to six months with an electronic visa waiver from 1 June 2022. This was also supported by all our schools being approved by the Kuwait Cultural Office ("KCO") in December 2021 and students from this region traveling again.

Juniors ran for the first time since 2019 with c£1.4m in revenue. The bulk of the students coming from Italy.

University Pathway revenue continued to grow up c50% year on year to c£2.0m with a big increase in students from South Asia.

**Current trading and outlook**

*University Pathways*

January's student intake for University Pathways are up over 200% on last year's intake with c.245 students enrolled (January 2022:80, January 2021:45), significantly ahead of management's expectations. Of the c245 students have enrolled, c230 of the students are studying at University of East London. In addition, we currently have c475 students enrolled in University Pathways courses for the 2022-23 academic year, up 230% on the 2021-22 academic year compared which had 144 students.

The growth in the university student numbers bears strong testimony to the strategic investment by the Group over the last two years in sales and marketing, management team and collaborative processes within our University Partnerships structure.

*English Learning Training ("ELT") and Juniors*

The Board is confident for the outlook for ELT in 2023 and beyond. Malvern is currently working with the biggest agencies in Brazil, Saudi Arabia, Kuwait and Italy. The pipeline of bookings is strong and our focus for the Q1 2023 is to capitalise on the Group's momentum, to continue to foster good relations and build Malvern's agent network across other key regions.

As part of our recruitment strategy, we have continued to build our sales and marketing capability. In China, the biggest international student market to the UK for Higher Education and Junior summer camps. To this end we have recently appointed an experienced East Asia Director to oversee our development in that region. The timing of this is significant with the China market predicted to open again in 2023.

Junior summer camps successfully returned at the end of H1 2022 for the first time since 2019. There remains a clear back-log of demand based on pre-bookings, consequently we expect the student numbers and revenues to grow in 2023.

**Mark Elliott, Chairman, said:** "The team has worked hard to grow University Pathway student numbers in 2022. January's intake represents a great start to 2023 and strengthens our revenue visibility for H1 2023 which we expect to be significantly ahead of H1 2022, with a combination of pre-booked income from the University Pathway courses and no COVID-19 restrictions affecting students' ability to travel. The Board is increasingly confident for Malvern's prospects and expects it achieve growth in all divisions in 2023."

For further information please contact:

Malvern International Plc

[www.malverninternational.com](http://www.malverninternational.com)

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Via our website

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**Notes to Editors:**

Malvern International is a learning and language skills development partner, offering international students essential academic and English language skills, cultural experiences and the support they need to thrive in their academic studies, daily life and career development.

*University Pathways* - on and off-campus university pathway programmes helping students progress to a range of universities, as well as in-sessional and pre-sessional courses.

*Malvern House Schools* - British Council accredited English Language Training at English UK registered schools in London, Brighton and Manchester.

*Malvern Online Academy* - British Council accredited online school, offering supported tuition to students from around the world in English language, higher education, and professional education.

*Juniors and summer camps* - fully-immersive summer residential English language camps and bespoke group programmes for 13 to 18 year olds.

For further investor information go to [www.malverninternational.com](http://www.malverninternational.com)

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