



RNS

Trading Statement

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MALVERN INTERNATIONAL PLC

Released 07:00:07 28 November 2019

RNS Number : 9208U
Malvern International PLC
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MALVERN INTERNATIONAL PLC ("Malvern" or the "Group" or the "Company")

Trading update

Malvern International plc (AIM: MLVN), the global learning and skills development partner, today issues an update on trading for its year ending 31 December 2019.

While revenue in the first half of year was slightly ahead of management expectations, the increase in revenues anticipated in the second half has not been as strong as expected. As a result, full year revenues are now expected to be modestly ahead year on year (with a bigger increase if the Malaysian operation is excluded). The Board expects to report a positive underlying EBITDA for the year (adjusted for one-off integration, restructuring costs and operations in Malaysia).

A number of factors have affected revenues in the second half.

Forward bookings for the university courses have been affected by the late and unexpected delay in the approval process which has resulted in enrolments for the academic year being below expectations. This is the first year that Malvern delivered these courses and although the numbers will be below our expectations, feedback has been very positive. Our university partners have reiterated their commitment to our courses and are working with us to improve the approval process going forward.

While summer bookings were healthy, subsequent trading at the London operation has not been in line with expectations principally due to reduced bookings from Europe and South America. We have been working with our regional sales partners to improve our marketing in these regions and bookings for 2020 from these regions are now improving.

The Manchester and Singapore operations traded satisfactorily in the second half and, after some initial delays, teaching at the new English language school in Brighton is now underway.

Revenue in Malaysia has continued to be below expectations. As indicated in the interim statement the Board is now actively seeking a buyer for this business.

Strategic progress

The Board with its new members believes that it is pursuing the right strategy in diversifying its product offering and locations. The Group now has four established operating channels: language, university pathway, professional courses and junior summer camps.

The restructuring of the Group in 2019 and the bookings for next year to date give the new Board confidence that 2020 will see the further positive development of the Group and deliver a significantly improved financial performance for shareholders.

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Notes to Editors:

Malvern International is a global learning and skills development partner preparing students and learners to meet the demands of a professional life. Courses are delivered on sites in London, Manchester, Singapore, and Malaysia, with the option of studying across multiple campuses over the duration of the same course, and online through the Malvern Online Academy.

Courses include:

- Higher Education: Diploma, University degree and post-graduate programs;
- Pathway: pre-University programs;
- Professional: Professional examinations preparation e.g. ACCA, and corporate training;
- Junior: Tuition services for secondary school students; and
- Language: English language teaching.

Established in the 1980s and admitted to AIM in 2004, Malvern employs approximately 250 people and delivers a wide range of courses. Malvern's growth strategy is driven by organic growth initiatives complemented by strategic acquisitions.

For further investor information go to www.malverninternational.com.

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