

**MINUTES OF THE  
ANNUAL STOCKHOLDERS' MEETING  
OF  
STI EDUCATION SYSTEMS HOLDINGS, INC.**

Held on 21 December 2023, 3:00 p.m.  
Conducted virtually via remote communication

<b><u>PRESENT:</u></b>	<b><u>NO. OF SHARES</u></b>
<b>Total Number of Shares Present in Person</b>	<b>1,866,864,977</b>
<b>Total Number of Shares Present by Proxy</b>	<b>5,809,924,026</b>
<b>Total Number of Shares Represented In Person and By Proxy</b>	<b>7,676,789,003</b>
<b>Total Outstanding Shares</b>	<b>9,904,806,924</b>
<b>Attendance Percentage to Total Outstanding Shares</b>	<b>77.51%</b>

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**I. CALL TO ORDER**

The Chairman, Mr. Eusebio H. Tanco, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Arsenio C. Cabrera, Jr., recorded the minutes of the meeting.

**II. CERTIFICATION OF NOTICE AND QUORUM**

The Corporate Secretary certified that:

(a) In accordance with the Securities and Exchange Commission's Notice dated 20 April 2020 and the provisions of the Securities Regulation Code, notice for this meeting was published in the business section of two (2) newspapers of general circulation, namely: The Philippine Star and The Manila Standard, in print and online format, for two (2) consecutive days at least twenty-one (21) days prior to the date of this meeting;

(b) Electronic copies of the Definitive Information Statement and its attachments were also made available on the Corporation's website and the PSE Edge portal;

(c) Accordingly, stockholders of record as of 24 November 2023 were notified of this meeting. The stockholders were also notified of the internal guidelines of the Corporation for participation in this meeting through remote communication in accordance with applicable rules; and

(d) Present in person and represented in proxy are 7,676,789,003 shares or 77.51% of the total issued and outstanding capital stock of Nine Billion Nine Hundred Four Million Eight Hundred Six Thousand Nine

Hundred Twenty Four (9,904,806,924) shares of the Corporation, and that a quorum existed for the valid transaction of business.

The Affidavit of Publication dated 1 December 2023 executed by The Philippine Star and Affidavit of Publication dated 1 December 2023 executed by The Manila Standard, respectively, attesting the publication of the notice of this meeting are attached hereto as Annexes "A" and "B", respectively.

### **III. RULES OF CONDUCT AND VOTING PROCEDURES**

Since the Corporation is conducting the meeting through remote communication in a virtual format, the Chairman requested the Corporate Secretary to share the rules of conduct and voting procedure for this meeting.

Thereafter, the Corporate Secretary explained that "Guidelines for Participation via Remote Communication and Voting in Absentia and through Proxy" for this meeting were made available in the Corporation's website, the Definitive Information Statement and in the Explanation of Agenda items which forms part of the Notice of the Annual Stockholders' Meeting. He emphasized the following points:

1. Only stockholders whose Letter(s) of Intent or proxy forms have been validated or verified were allowed to cast their votes for this meeting through the voting portal.
2. Resolutions proposed to be approved by the stockholders under the Agenda will be shown on the screen as each resolution is being taken up.
3. Votes cast as of 15 December 2023 for each proposed resolution have been tabulated and results will be announced during the meeting.
4. A detailed result of the tabulation of the votes cast indicating the affirmative votes, negative votes and abstentions will be reflected in the Minutes of this meeting.
5. Relevant questions which have been submitted on or before 15 December 2023 will be addressed accordingly under the Other Matters item in the Agenda. Questions and comments not taken up during the meeting shall be addressed by the Corporation directly to the stockholder via email.

### **IV. DECLARATION OF DIVIDENDS**

The Chairman announced to the stockholders that, at the Meeting of the Board of Directors held earlier that morning, the Board approved the declaration of cash dividends in the amount of Php0.030 per share or an aggregate amount of Two Hundred Ninety Seven Million One Hundred Forty Four Thousand Two Hundred Seven Pesos and Seventy

Two Centavos (Php297,144,207.72) (the "Cash Dividends") from the unrestricted retained earnings of the Company as of 30 June 2023 based on the Parent Company Audited Financial Statements as of 30 June 2023.

The Cash Dividends are payable to stockholders of record as of 10 January 2023 and shall be payable on or before 31 January 2024, upon compliance with all necessary regulations.

**V. APPROVAL OF PREVIOUS MINUTES**

The Corporate Secretary stated that electronic copies of the Minutes of the Annual Stockholders' Meeting held on 19 December 2022 were uploaded for inspection on the Corporation's website.

The Corporate Secretary presented the resolution proposed by Management and, based on the votes received, reported the approval by the stockholders of the following resolution which was shown on the screen:

*"RESOLVED, that the Minutes of the Annual Stockholders' Meeting held on 19 December 2022 as appearing in the Minutes Book of the Corporation be approved."*

As tabulated, the votes for the adoption of the foregoing resolution providing for the approval of the Minutes of the Annual Stockholders' Meeting held on 19 December 2022 are as follows:

	<u>For</u>	<u>Against</u>	<u>Abstain</u>
Number of Voted Shares	7,676,789,003	-	
% of Shares of Shareholders Present	100%	-	

**VI. PRESENTATION OF MANAGEMENT REPORT**

The President, Mr. Monico V. Jacob, rendered the Management Report for Fiscal Year 2022-2023. The Management Report for Fiscal Year 2022-2023 is attached hereto as Annex "C".

Thereafter, the Corporate Secretary presented the resolution proposed by Management and, based on the votes received, reported the approval by the stockholders of the following resolution which was shown on the screen:

*"RESOLVED, that the Management Report for Fiscal Year 2022-2023 be noted and approved."*

As tabulated, the votes for the adoption of the foregoing resolution providing for the approval of the Management Report for Fiscal Year 2022-2023 are as follows:

	<u>For</u>	<u>Against</u>	<u>Abstain</u>
Number of Voted Shares	7,676,789,003	-	
% of Shares of Shareholders Present	100%	-	

**VII. APPROVAL OF PARENT AND CONSOLIDATED AUDITED FINANCIAL STATEMENTS AS AT AND FOR THE FISCAL YEAR ENDED 30 JUNE 2023**

The Corporate Secretary stated that copies of the Corporation's Parent and Consolidated Audited Financial Statements for the fiscal year ended 30 June 2023 were included in the Definitive Information Statement which were uploaded on the Corporation's website.

Thereafter, the Corporate Secretary presented the resolution proposed by the Audit and Risk Committee and Management and, based on the votes received, reported the approval by the stockholders of the following resolution which was shown on the screen:

*"RESOLVED, that the Parent and Consolidated Audited Financial Statements of the Corporation as at and for the fiscal year ended 30 June 2023 as discussed in the Annual Report be noted and approved."*

As tabulated, the votes for the adoption of the foregoing resolution providing for the approval of the Parent and Consolidated Audited Financial Statements of the Corporation for the fiscal year ended 30 June 2023 are as follows:

	<u>For</u>	<u>Against</u>	<u>Abstain</u>
Number of Voted Shares	7,676,789,003	-	
% of Shares of Shareholders Present	100%	-	

**VIII. RATIFICATION OF LEGAL ACTS, PROCEEDINGS AND RESOLUTIONS OF THE BOARD OF DIRECTORS AND OF MANAGEMENT**

The Corporate Secretary stated that a summary of the acts, proceedings, and resolutions to be ratified by the stockholders since the 19 December 2022 Annual Stockholders' Meeting up to today's meeting has been included in the Definitive Information Statement which was uploaded on the Corporation's website.

Thereafter, the Corporate Secretary presented the resolution proposed by Management and, based on the votes received, reported the approval by the stockholders of the following resolution which was shown on the screen:

*“RESOLVED, that all legal acts, resolutions and proceedings of the Board of Directors and of Management, done in the ordinary course of business, since the 19 December 2022 Annual Stockholders’ Meeting up to 21 December 2023, be approved, confirmed and ratified.”*

As tabulated, the votes for the adoption of the foregoing resolution providing for the approval of all legal acts, resolutions and proceedings of the Board of Directors and of Management, done in the ordinary course of business, since the Annual Stockholders’ Meeting held on 19 December 2022 up to 21 December 2023 are as follows:

	<u>For</u>	<u>Against</u>	<u>Abstain</u>
Number of Voted Shares	7,676,789,003	-	
% of Shares of Shareholders Present	100%	-	

## IX. ELECTION OF DIRECTORS

The Corporate Secretary stated that the Articles of Incorporation of the Corporation provides for eleven (11) directors, three (3) of which are required to be independent directors.

Under the Corporation’s By-Laws and 2020 Manual on Corporate Governance, the nomination of the Corporation’s directors shall be conducted by the Corporate Governance Committee prior to the annual stockholders’ meeting. All recommendations shall be signed by the nominating stockholders together with the acceptance and conformity of the would-be nominees and shall be submitted to the Corporate Governance Committee and the Corporate Secretary at least forty-five (45) days before the date of the actual meeting.

The Corporate Governance Committee shall pre-screen the qualifications and prepare a Final List of all Candidates for directors. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as directors.

The Final List of Candidates for directors as determined by the Corporation’s Corporate Governance Committee, and as disclosed in the Corporation’s Definitive Information Statement, are:

1. Eusebio H. Tanco
2. Monico V. Jacob
3. Joseph Augustin L. Tanco
4. Ma. Vanessa Rose L. Tanco
5. Martin K. Tanco
6. Paolo Martin O. Bautista
7. Jesli A. Lapus

For Independent Directors:

8. Robert G. Vergara
9. Ma. Leonora Vasquez-De Jesus
10. Raymond N. Alimurung
11. Justice Antonio T. Carpio (Ret.)

Thereafter, the Corporate Secretary reported the result of the tabulation of the votes cast as follows:

<i>Nominee</i>	<i>Votes</i>
<i>Eusebio H. Tanco</i>	<i>7,676,789,003</i>
<i>Monico V. Jacob</i>	<i>7,676,789,003</i>
<i>Joseph Augustin L. Tanco</i>	<i>7,676,789,003</i>
<i>Ma. Vanessa Rose L. Tanco</i>	<i>7,676,789,003</i>
<i>Martin K. Tanco</i>	<i>7,676,789,003</i>
<i>Paolo Martin O. Bautista</i>	<i>7,676,789,003</i>
<i>Jesli A. Lapus</i>	<i>7,676,789,003</i>
<i>Robert G. Vergara (Independent Director)</i>	<i>7,676,789,003</i>
<i>Ma. Leonora Vasquez-De Jesus (Independent Director)</i>	<i>7,676,789,003</i>
<i>Raymond N. Alimurung (Independent Director)</i>	<i>7,676,789,003</i>
<i>Justice Antonio T. Carpio (Ret.) (Independent Director)</i>	<i>7,676,789,003</i>

The Corporate Secretary certified that the eleven (11) nominees mentioned in the Final List of Candidates for directors prepared by the Corporation's Corporate Governance Committee have received sufficient votes for election to the Board of Directors and they shall serve as such for the ensuing year until the election and qualification of their successors.

#### **X. APPOINTMENT OF EXTERNAL AUDITOR**

The Corporate Secretary stated that the present external auditor of the Corporation is the auditing firm of SyCip Gorres Velayo & Co. ("SGV"). The handling partner of SGV is rotated at least once every 7 years, in compliance with the 7-year limit under the Securities Regulation Code. The Corporate Secretary acknowledged the presence of Ms. Loubelle V. Mendoza, the Partner, at the Annual Stockholders' Meeting:

Thereafter, the Corporate Secretary presented the resolution proposed by the Audit Committee and Management and, based on the votes received, reported the approval by the stockholders of the following resolution which was shown on the screen:

***"RESOLVED**, that the auditing firm of SyCip Gorres Velayo & Co. be, as it is hereby appointed as external auditor of the Corporation for the fiscal year ended 30 June 2024."*

As tabulated, the votes for the adoption of the foregoing resolution providing for the approval of the appointment of SyCip Gorres Velayo &

Co. as the Corporation's external auditor for the fiscal year ended 30 June 2024 are as follows:

	<u>For</u>	<u>Against</u>	<u>Abstain</u>
Number of Voted Shares	7,676,789,003	-	
% of Shares of Shareholders Present	100%	-	

**XI. OTHER MATTERS**

The Corporate Secretary stated that, as of 15 December 2023, the cut-off date for submission of questions and/or queries on the Management report for Fiscal Year 2022-2023, no questions and/or queries were submitted to the Corporation.

**XII. ADJOURNMENT**

There being no other business to transact, the meeting was adjourned upon motion duly made and seconded.

  
**ARSENIO C. CABRERA, JR.**  
*Corporate Secretary*

**ATTEST:**

  
**EUSEBIO INSTANCO**  
*Chairman*

**Annex "A"**

REPUBLIC OF THE PHILIPPINES )  
QUEZON CITY ) s.s.

**AFFIDAVIT OF PUBLICATION**

I, **ARLYN F. SERVAÑEZ**, of legal age, single, Filipino and with office address at c/o **PhilSTAR Daily, Inc.**, Amvel Business Park, A. Santos Avenue, Brgy. San Dionisio, Parañaque City, after being duly sworn to in accordance with law, depose and state:

That I am the **CLASSIFINDER MANAGER** of the **PhilSTAR Daily, Inc.** a domestic corporation duly organized and existing under by virtue of Philippine laws with office and business address at Amvel Business Park, A. Santos Avenue, Brgy. San Dionisio, Parañaque City.

That the said corporation publishes **THE PHILIPPINE STAR**, a daily broadsheet newspaper published in English and of general circulation.

That the order of STI EDUCATION SYSTEMS HOLDINGS


captioned as follows: NOTICE OF ANNUAL STOCKHOLDERS' MEETING

Please see attached printed text which had been published in **The Philippine STAR** in its issues of: November 30 and December 1, 2023

FURTHER AFFIANT SAYETH NAUGHT.  
Quezon City, Philippines

  
**ARLYN F. SERVAÑEZ**  
Affiant

SUBSCRIBED AND SWORN to before me this 1<sup>st</sup> day of December 2023 affiant exhibited to me her Driver's License No. N01-01-259491 issued by LTO on September 19, 2023 which expiry date is September 24, 2033.

  
**ATTY. GARY A. SANCIO**  
Notary Public  
Until December 31, 2024  
Adm. Matter No. 177  
Roll No. 44261

Doc. No. 172  
Page No. 86  
Book No. VII  
Series of 2023

IBP No. 1082447 (LIFETIME) / 06-30-17 / QC  
PTR No. 4029362 / 01-06-2023 / QC  
MCLE Compliance No. VII-0011638 / 03-01-22



Annex "B"



PHILIPPINE MANILA STANDARD PUBLISHING, INC.

**STI EDUCATION SYSTEMS HOLDINGS**

**NOTICE OF ANNUAL STOCKHOLDERS' MEETING**

Please be informed that the Annual Stockholders' Meeting of STI EDUCATION SYSTEMS HOLDINGS, INC. (the "Company") will be held and conducted virtually via remote communication through Microsoft Teams on **Thursday, 21 December 2023, at 3:00 p.m.** for the following purposes:

1. Call to Order
2. Certification of Notice and Quorum
3. Approval of the Minutes of the Annual Stockholders' Meeting held on 19 December 2022
4. Management Report
5. Approval of Parent and Consolidated Audited Financial Statements of the Company as at and for the fiscal year ended 30 June 2023
6. Ratification of all legal acts, resolutions and proceedings of the Board of Directors and of Management, done in ordinary course of business since the 19 December 2022 Annual Stockholders' Meeting up to 21 December 2023
7. Election of Directors
8. Appointment of External Auditor
9. Other Matters
10. Adjournment

The record date for stockholders entitled to notice and vote at the Annual Stockholders' Meeting is set on 24 November 2023 ("Stockholders of Record").

The 2023 Annual Stockholders' Meeting of STI Holdings will be conducted virtually. Stockholders of Record may attend/participate via proxy, remote communication or vote in absentia. For the detailed registration and voting procedures, please visit <http://www.stiholdings.com/2023ASM> and refer to the "Guidelines for Participation via Remote Communication and Voting in Absentia and through Proxy".

Stockholders who wish to participate in the meeting via remote communication and to vote in absentia should notify the Office of the Corporate Secretary through a Letter of Intent to be sent via e-mail to [corsec@stiholdings.com.ph](mailto:corsec@stiholdings.com.ph) on or before 11 December 2023. Validated stockholders will be provided access to the live streaming of the meeting through Microsoft Teams and can cast their votes in absentia on or before 15 December 2023 through the Company's secure online voting facility. All votes cast shall be subject to validation.

The Company is not soliciting for proxies. Stockholders who are unable to join the meeting but wish to vote on items in the agenda by proxy must submit their duly accomplished proxy forms via email to [corsec@stiholdings.com.ph](mailto:corsec@stiholdings.com.ph) not later than 15 December 2023.

Stockholders of record may send their queries and comments to the Management Report and other items in the Agenda to [corsec@stiholdings.com.ph](mailto:corsec@stiholdings.com.ph) on or before 15 December 2023.

The Definitive Information Statement containing the attendance/voting (via remote communication) and election procedures, along with the Notice, Agenda, Proxy, Management Report, SEC Form 17-A, and other information related to the Annual Stockholders' Meeting can be accessed at <http://www.stiholdings.com/disclosures.php> and the PSE Edge portal.

Very truly yours,  
**(SGD.) ARSENIO C. CABRERA, JR.**  
Corporate Secretary

**AFFIDAVIT OF PUBLICATION**

I, Mario R. Policarpio Jr., Chief Accountant of Manila Standard, with office address at 6<sup>th</sup> Floor Universal Re Building, 106 Paseo de Roxas, Makati City, hereby depose and state that:

**Manila Standard** is a newspaper of general circulation and is distributed nationwide;

**Manila Standard** at the same time, publishes its online version through its website <https://manilastandard.net>;

**Manila Standard** is qualified to publish all kinds of judicial notices.

**Manila Standard** published on  
November 30, 2023 & December 1, 2023

a Notice:  
**STI EDUCATION SYSTEMS HOLDINGS INC.**

**RE: NOTICE OF ANNUAL STOCKHOLDERS' MEETING**

IN WITNESS WHEREOF, I hereby affix my signature this 1ST day of DECEMBER 2023 in Makati City.

**MARIO R. POLICARPIO JR.**  
Authorized Signatory

SUBSCRIBED AND SWORN to before me this 1ST day of DECEMBER, 2023 in Makati City, affiant exhibiting to me his SSS No. 33-0476897-7.

Doc. No.: 93 **ATTY. SHERLYN JUN G. VELGAS**  
Notary Public for Makati City  
Page No.: 2 **Appt. No. M-274 exp'd Dec. 31, 2024**  
Book No.: 4 **Unit 3C LTA Building, 118 Perra St.**  
Series of 2023. **Legaspi Village, Makati City**  
**Roll No. 70942**  
IBP No. 180229/11-22-2022/ Pasig City  
PTR No. 9583991 / 01-17-2023/ Makati City  
MCLE Compliance No. 111-0020869/April 14, 2025



**STI** EDUCATION SYSTEMS  
HOLDINGS

**Report to the Shareholders  
21 December 2023**

Good afternoon, ladies and gentlemen, and thank you for joining us for the annual stockholders' meeting of STI Education Systems Holdings.

We would like to start by updating you with a highlight from each of the schools:



STI Education Services Group signed a partnership with international cruise company Carnival Cruise Line (CCL) in November 2022.

The agreement aims to add an avenue for aspiring Filipino seafarers to pursue maritime studies. It will also allow Carnival to operate a portion of the STI College Pasay-EDSA campus as their recruitment center in cooperation with Carnival's recruitment agency United Philippine Lines (UPL).

STI ESG will also provide facilities oriented to Carnival's standard such as kitchens and state-of-the-art lobby & lounge areas.

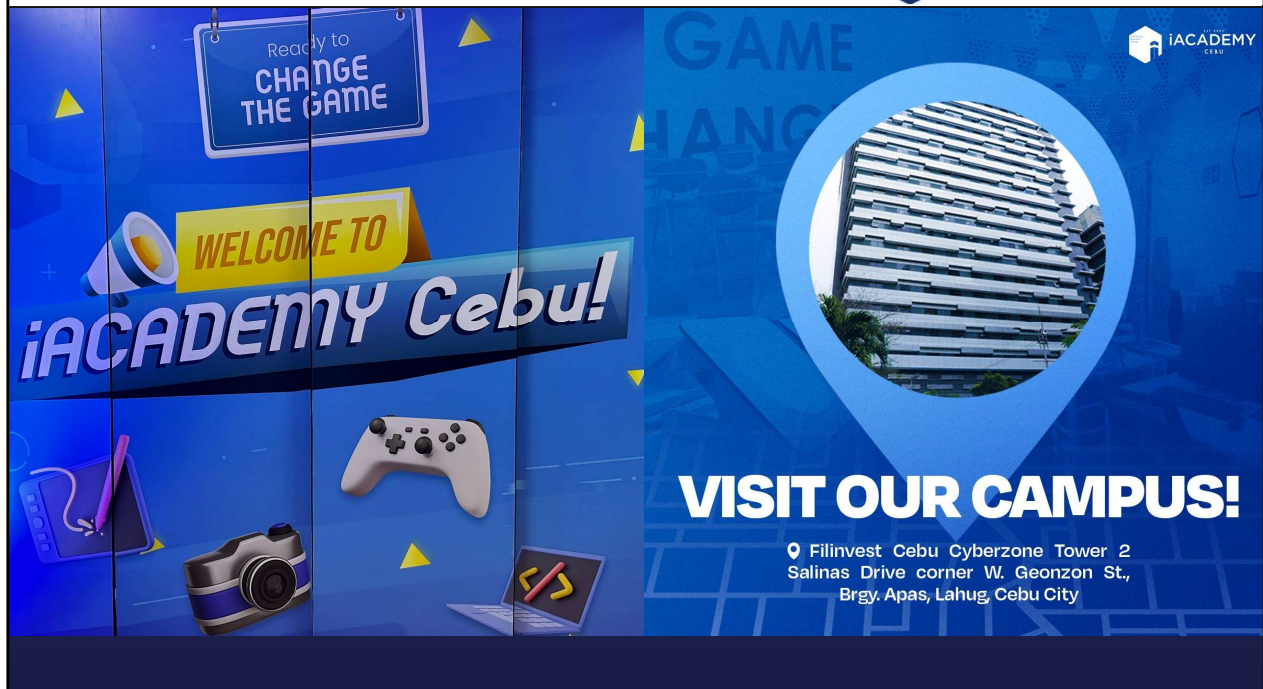


**STI WNU:  
Most Awarded and Accredited  
Educational Institution in Region VI-Western Visayas**

For STI West Negros University, we are proud to report that during the 49th Founding Year of the Philippine Association of Colleges and Universities Commission on Accreditation or PAASCU, the University was awarded as the Institution with the highest number of accredited programs in Region 6 with 11 accredited programs.

The university was also given four special awards for being the first institution in Region 6 to reach Level 4 accreditation for its Liberal Arts, Business Administration, Secondary Education, and Elementary Education programs.





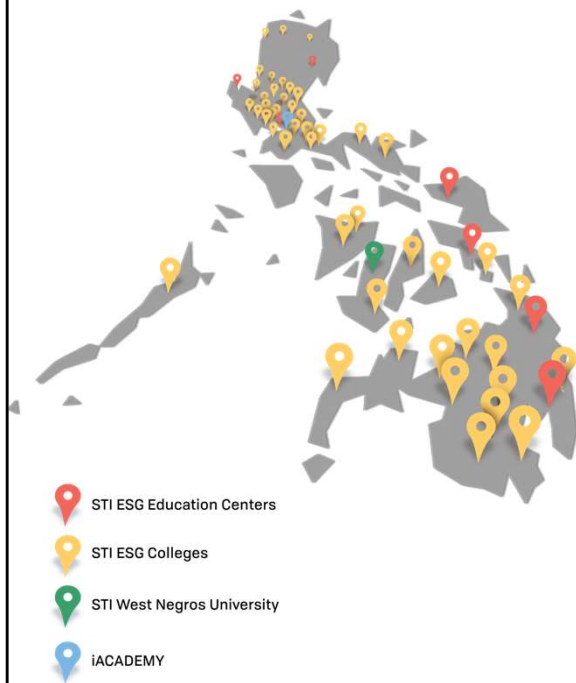
And last but not least, for iACADEMY, we are also proud to share that it has opened its first regional campus in Cebu City located in the Cebu I.T. Park, and has received permits for some of its programs in time for school year 2022-2023.

Its initial academic offerings are BS Computer Science with major in Software Engineering, Bachelor of Science in Entertainment and Multimedia Computing with specialization in Game Development, Bachelor of Science in Real Estate Management, Bachelor of Arts in Animation, and Bachelor of Arts in Multimedia Arts and Design.

## **Results of Operations**

I will now present the financial highlights of STI Holdings for the fiscal year ended June 30, 2023.

## Campuses



	STI-branded	Non-STI
Owned	37	1
Franchised	26	-
University	1	
<b>Total</b>	<b>64</b>	<b>1</b>

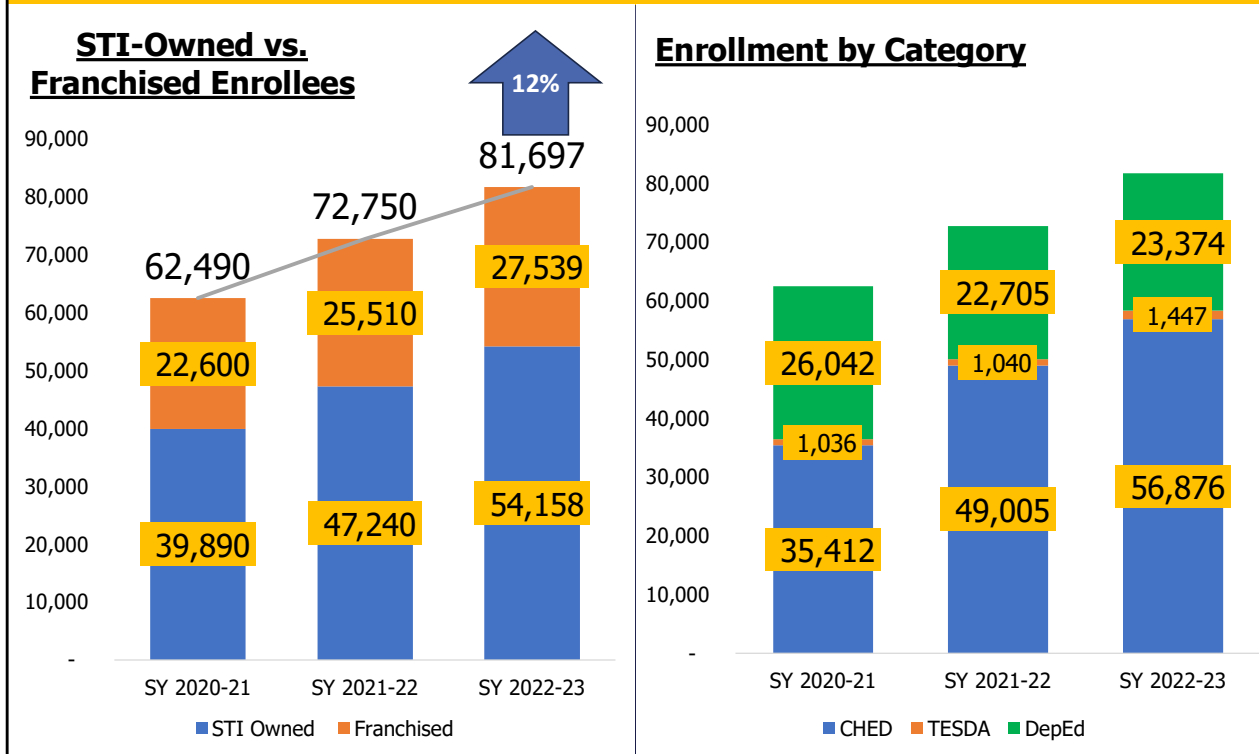
STI Branded	University	Colleges	ECs
Owned	1	36	1
Franchised		24	2
<b>Total</b>	<b>1</b>	<b>60</b>	<b>3</b>

As of June 30, 2023, STI Holdings has a network of 65 operating schools which includes iACADEMY and STI West Negros University.

STI ESG has 63 schools with 37 wholly-owned and 26 franchised, comprising 60 colleges and 3 education centers.

All of the schools under STI Holdings greatly contributed to the success of the group.

## Enrollment Distribution



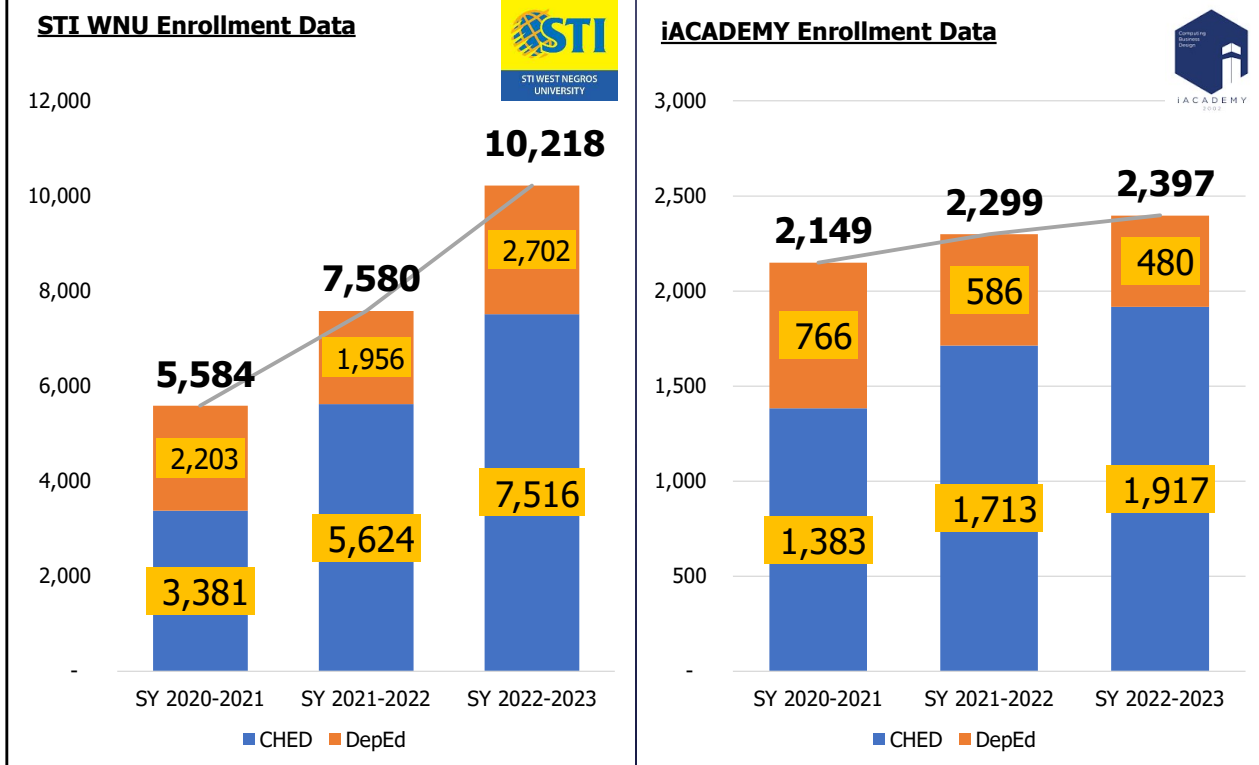
We are proud to present to you the enrollment numbers under each component of STI Holdings.

We start with STI ESG which registered a growth of 12% for the period under review. STI ESG enrollment increased by 8,947 students, or a total of 81,697 from last year’s total enrollment of 72,750.

By category, CHED programs make up the majority of STI ESG enrollees, growing by 16% for the year under review. Senior high school enrollees, meanwhile, increased by 3%.



## Enrollment Distribution



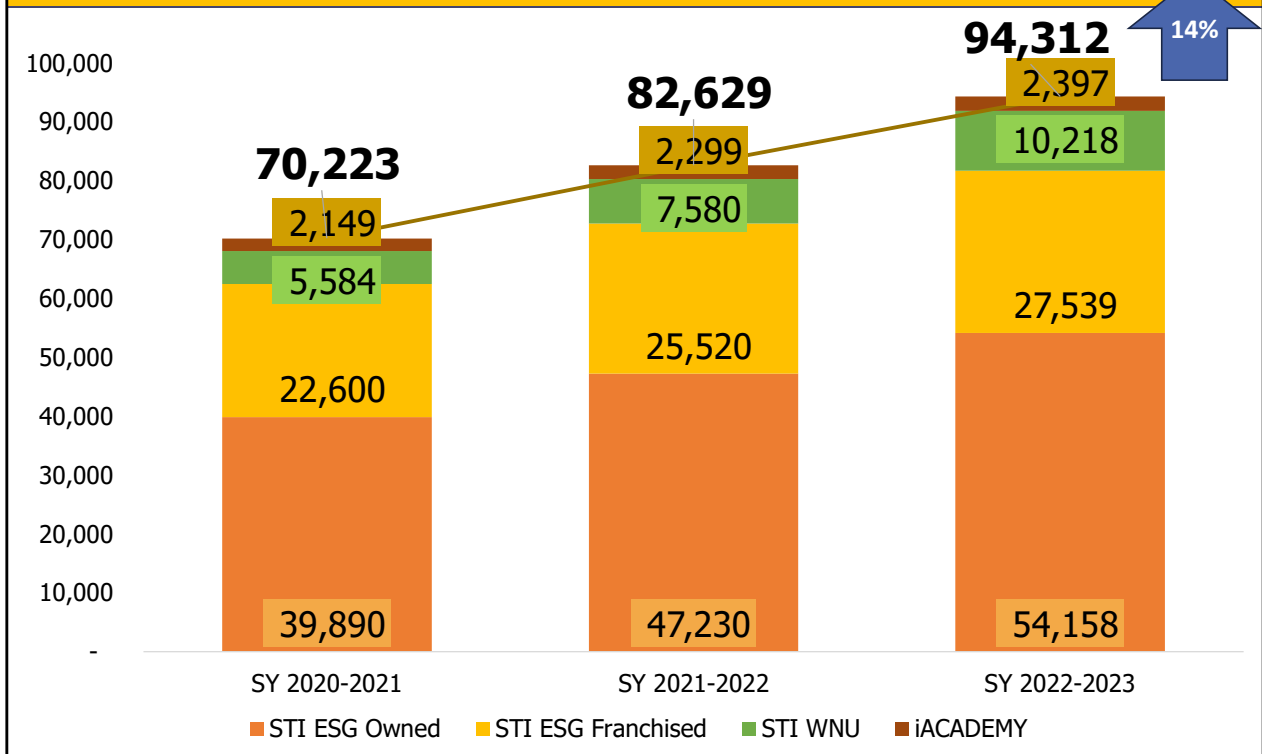
STI West Negros and iACADEMY also registered increases in their student population for the year under review.

STI West Negros has 10,218 students for the year under review versus 7,580 students for school year 2021 to 2022, or a 35% increase.

iACADEMY also recorded a gain for the year under review, registering 2,397 students for the current school year from last year's 2,299, or a 4% increase.



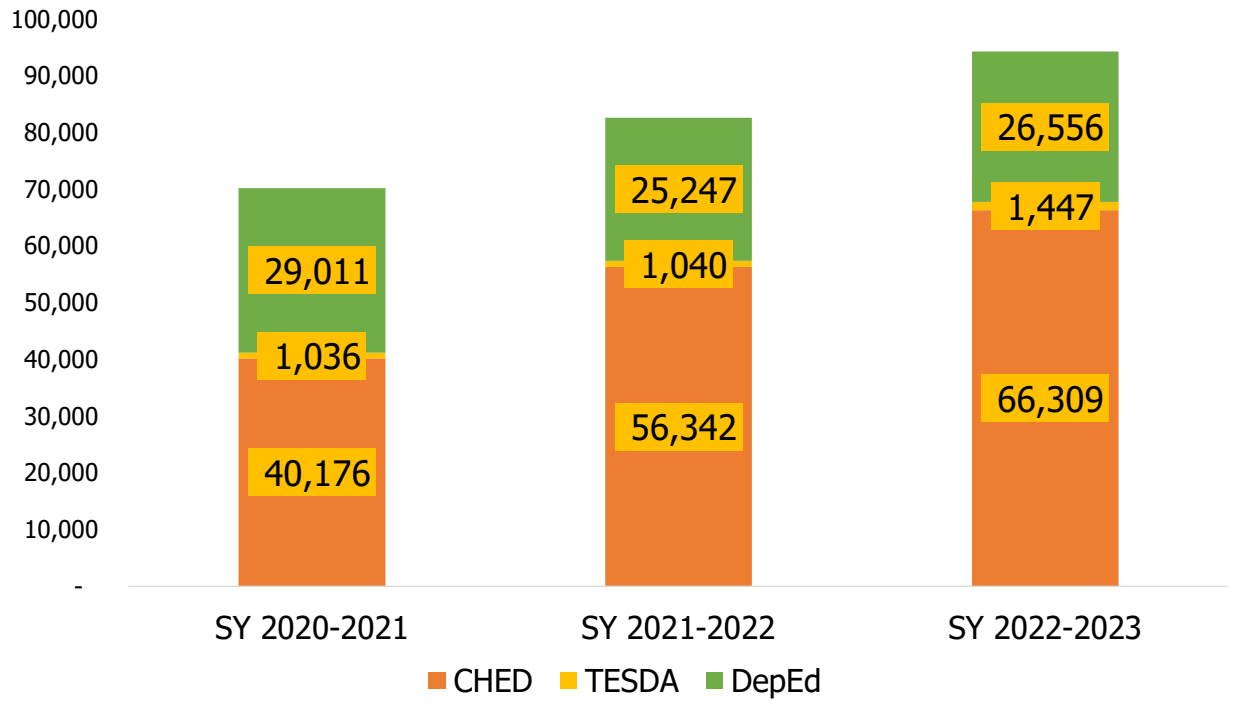
## Combined Enrollment



For the school year 2022-2023, the Group registered a 14% increase in overall enrollment from 82,629 in SY 2021-2022 to this year's 94,312 students. The Group's total number of new students reached 41,565 compared with the 35,566 new students in SY 2021-2022, showing a 17% increase in the total new student population.

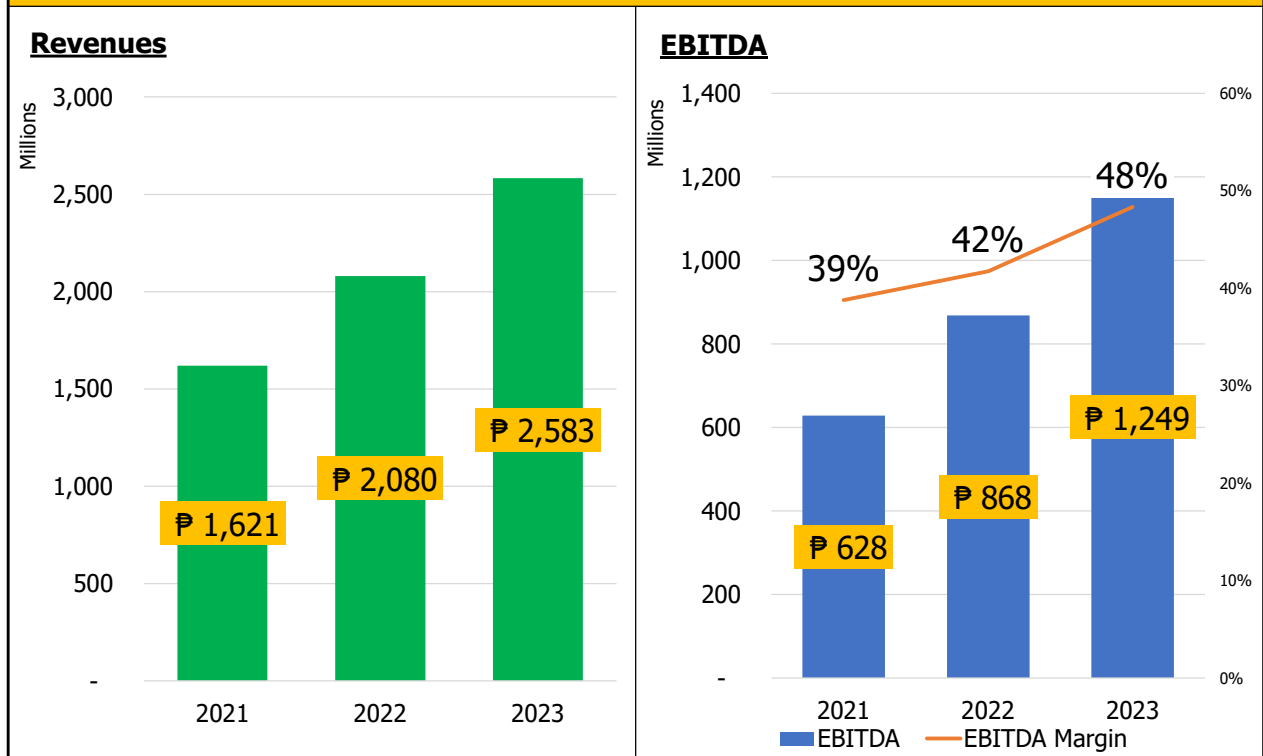


## Enrollment Mix



The total figure was boosted by the number of students in the programs regulated by CHED showing a robust 18% increase from 56,342 students in SY 2021-2022 to 66,309 students in school year 2022-2023.

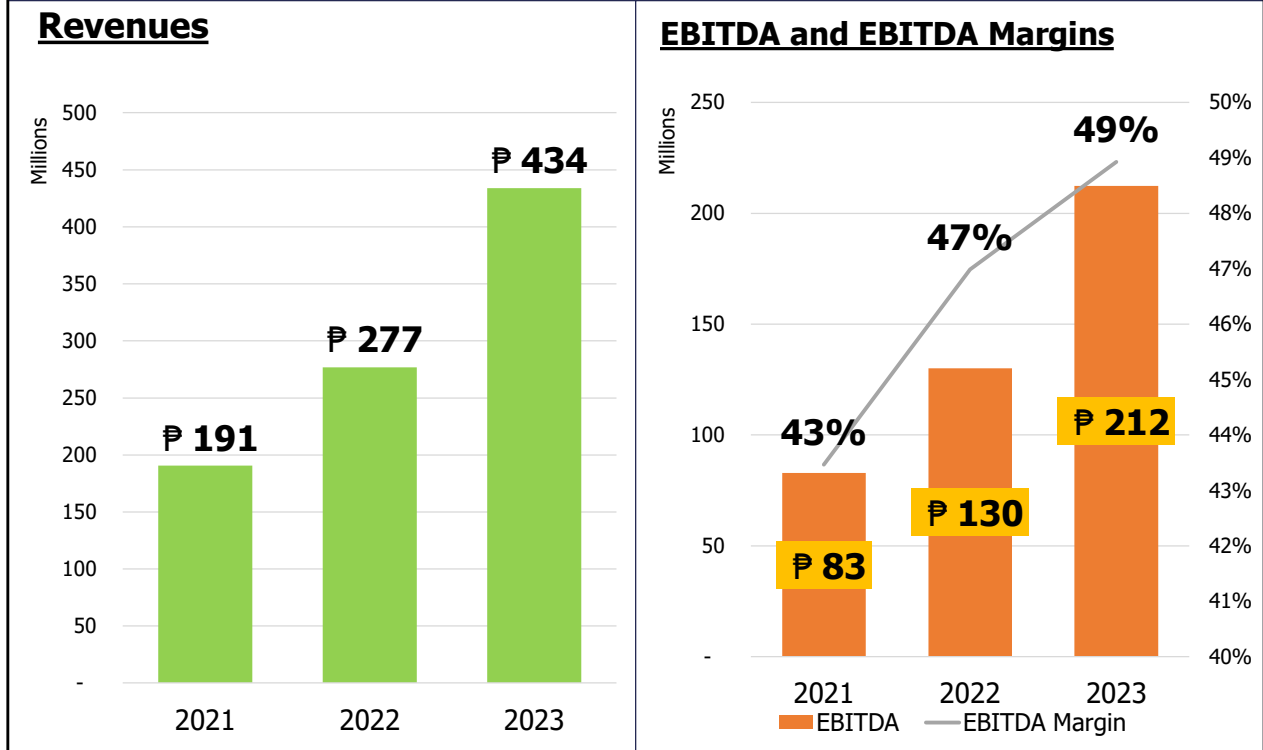
## STI ESG Financials



The high enrollment figures for STI ESG translated to a healthy revenue for the year under review. Gross revenues for the year ended June 30, 2023 amounted to P2,583.2 million marking a significant increase from P2,080 million for the year ended June 30, 2022. This was driven by the 12% growth in enrollees for 2022-2023, as well as increased enrollment in CHED-regulated programs which brings in higher revenues per student.

STI ESG's EBITDA likewise grew from ₱868 Million in 2022 to ₱1,249 Million in 2023. Margins also increased from 42% last year to 48% this year.

## STI WNU Financials



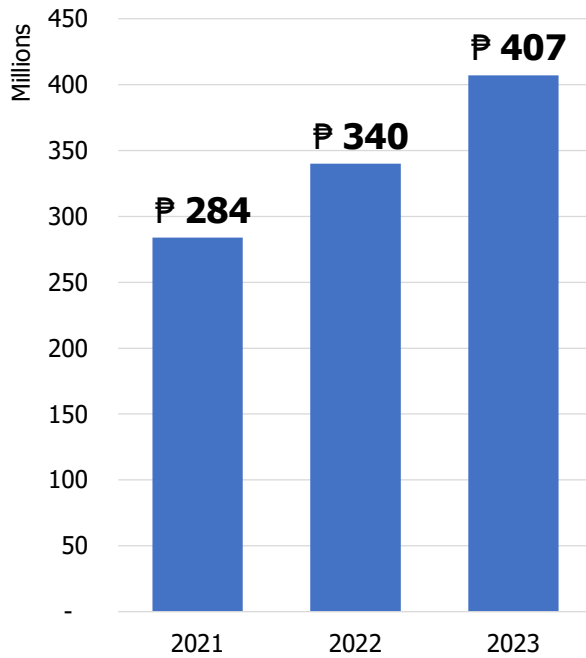
The same is true for STI WNU, increasing its revenues by 57% from last year's ₱277 Million to this year's ₱434 Million.

EBITDA and EBITDA Margins have also increased due to the increase in the total number of students.

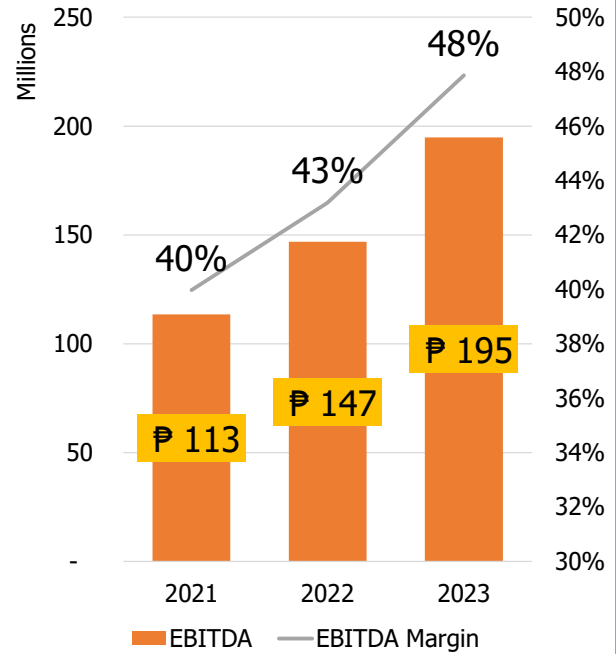


## iACADEMY Financials

### Revenues



### EBITDA and EBITDA Margins



iACADEMY's revenues have likewise increased by 20% from ₱340 Million last year to ₱407 Million this year.

EBITDA has also been steadily increasing at ₱195 Million this year versus ₱147 Million last year.

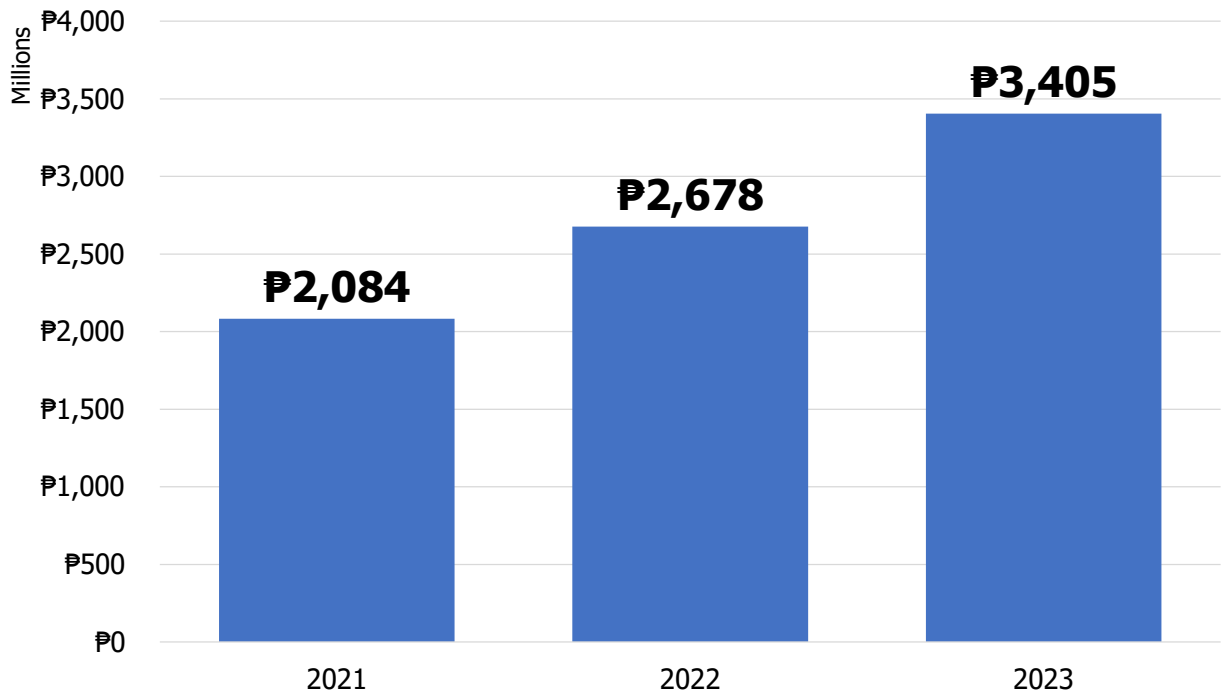


## **FINANCIAL RESULTS** **For the Year Ended June 30, 2023**

I will now present the financial highlights of STI Holdings for the fiscal year ended June 30, 2023.



## Consolidated Gross Revenues

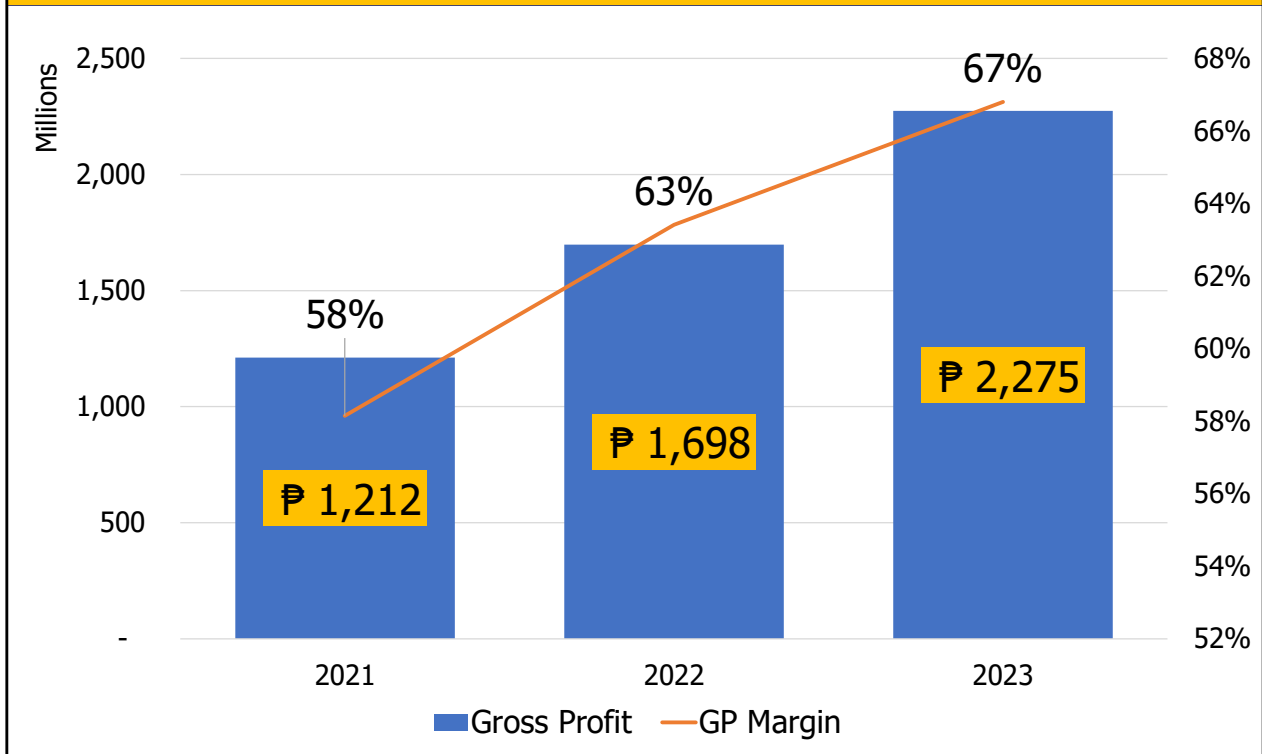


The consolidated gross revenues of the Group for the year ended June 30, 2023 amounted to ₱3,405.5 million, reflecting a 27% increase compared to ₱2,677.6 million generated for the year ended June 30, 2022.



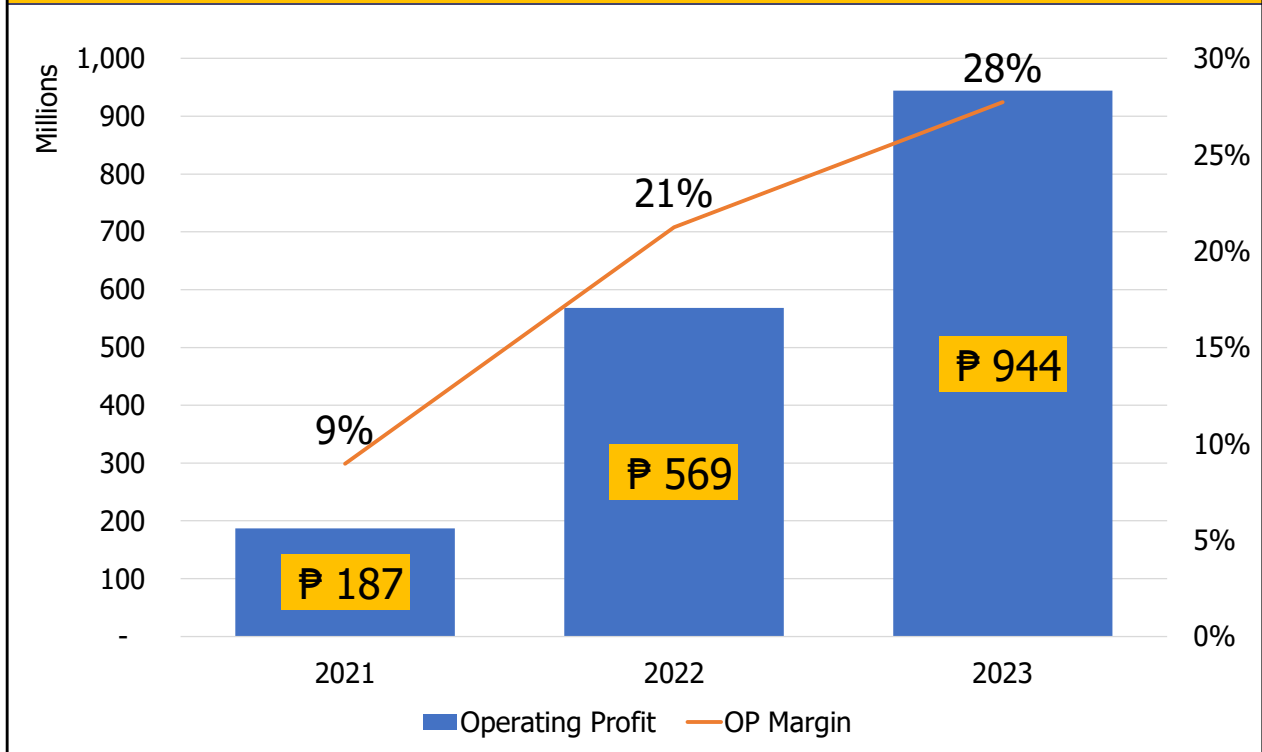


## Gross Profit and GP Margin



Gross profit improved by 34% from ₱1,698.0 million to ₱2,274.9 million for the years ended June 30, 2022 and 2023, respectively, largely due to the increased enrollment.

## Operating Profit and OP Margin



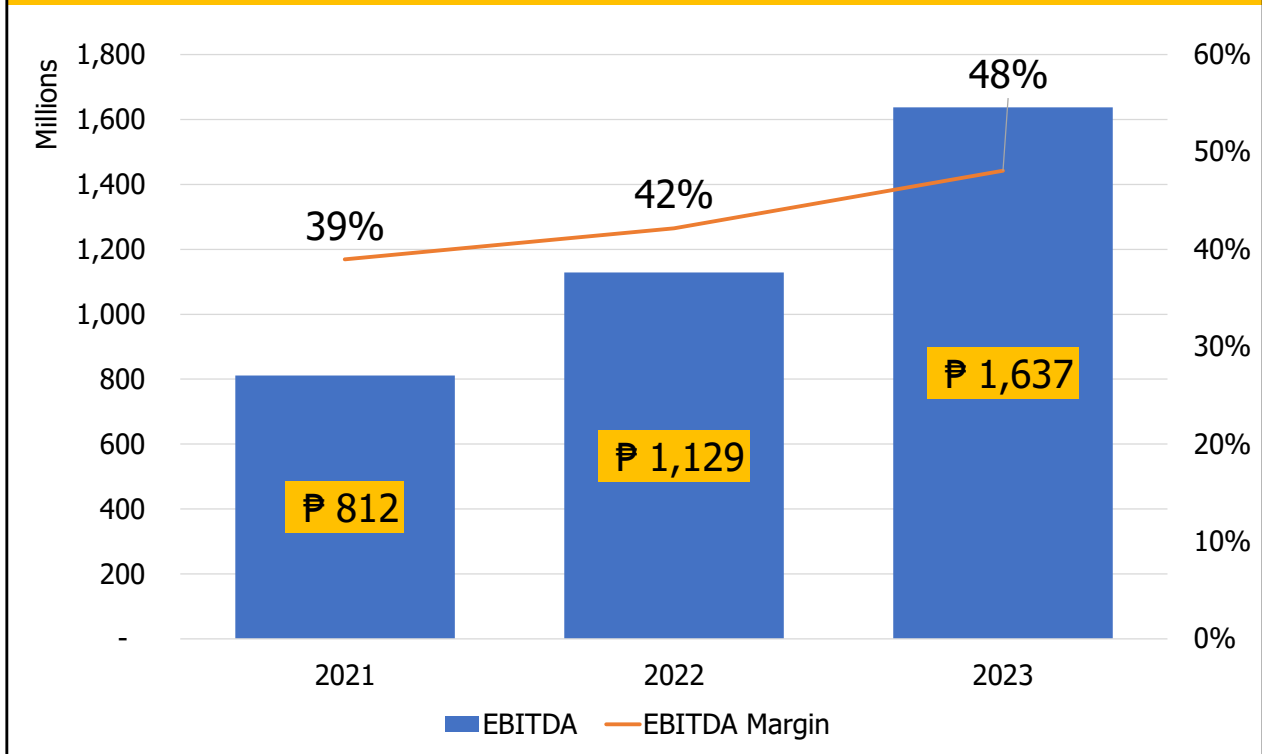
Our operating profit stood at 944 Million this year versus 569 Million last year.

This is an improvement of ₱375 million, or 66%, from the operating income of ₱569 million during the same period last year, due to higher revenues attributed to the increase in the student population and improvement in the enrollment mix with the increase in the number of students enrolled in CHED programs, as well as strict control of direct and administrative expenses.

Operating margins likewise improved from 21% to 28% for the years ended June 30, 2022 and 2023, respectively.



## EBITDA and EBITDA Margin



Our EBITDA likewise increased from ₱1,129 million for the year ended June 30, 2022 to ₱1,637 million for the year ended June 30, 2023.

EBITDA margins stood at 48% this year compared to last year's 42%.

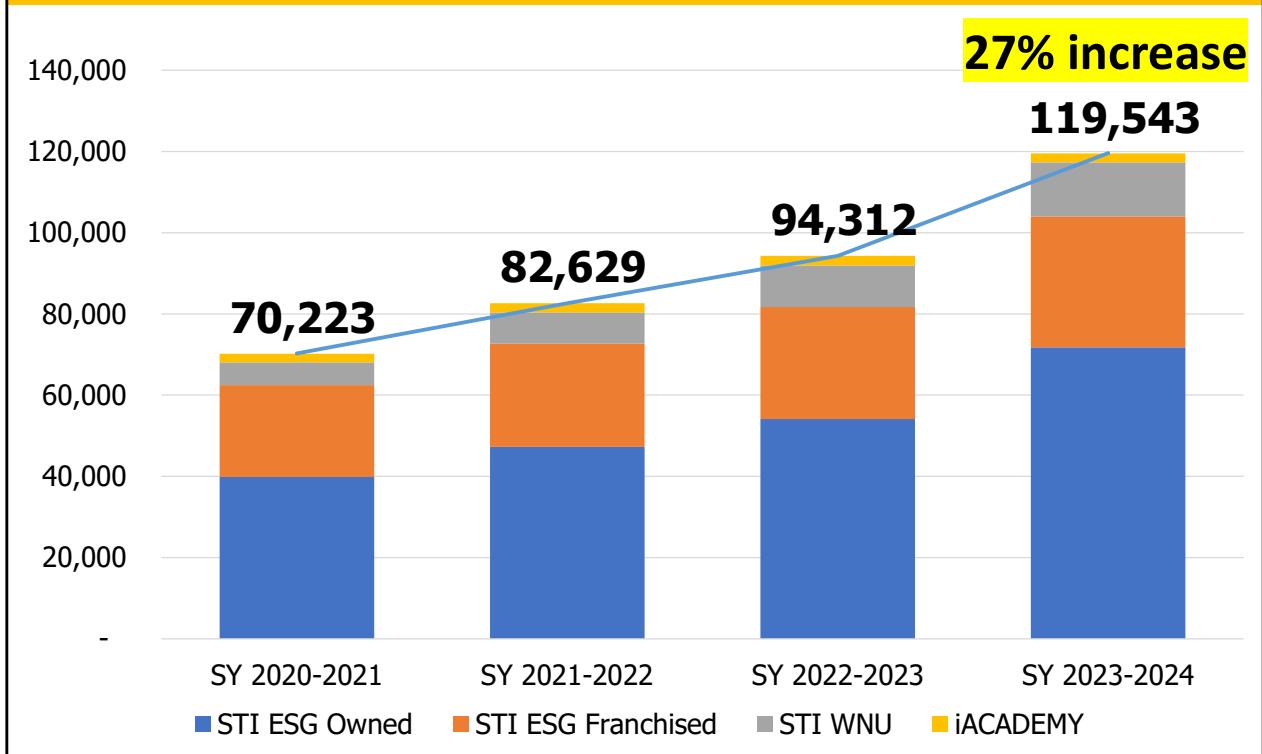
## Key Financial Ratios

Years Ended June 30

	2022	2023
<b>Liquidity Ratios</b>		
Current Ratio	2.85	1.10
<b>Solvency Ratios</b>		
Debt-to-Equity Ratio	0.70	0.62
Asset to Equity Ratio	1.72	1.64
Debt Service Cover Ratio	1.95	0.60

Finally, we would like to show some key financial ratios for the year ending June 30, 2023. Our financial position remains strong, with cash resources generated mostly by operating activities. Moreover, our financial ratios are healthy, and well within the covenants entered into by the subsidiaries of the group with various banking institutions.

## SY 2023-2024 Enrollment



We would also like to update our shareholders on the enrollment results for school year 2023-2024.

While it is not part of the report for the year under review, we are nonetheless very proud to say that we have further increased our total student population by 27%. This means an increase of over 25,000 students over the entire network and represents a banner year for STI Holdings.



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**Thank you for your support**

Thank you and this concludes my report.