31 October 2016

Withdrawal from Vocational Education and Training

The Citadel Group Limited (ASX: CGL) today announced its planned withdrawal from vocational education and training (VET).

Citadel Group’s Deputy CEO Darren Stanley said: “We have been proud to be an award-winning provider delivering quality VET education for over 20 years. But all of the new regulatory changes and reduced student loan caps mean we can no longer differentiate as a quality provider.”

“We will cease accepting new enrolments immediately but, with our current students’ futures in mind, will continue training through until the end of this teaching term (concluding 9 December 2016) to ensure our students have the opportunity to complete their courses successfully,” added Mr Stanley.

Mr Stanley emphasised that Citadel would now be a more focused technology business operating across a range of markets, such as health and government. It would also continue to be significantly engaged in the education sector, albeit through delivering a range of technology and software solutions rather than VET delivery.

In light of this development, there will be one-off closure costs of approximately $1.1 to $2.0 million to cover costs relating to redundancy and outplacement services, some student refunds and asset impairment.

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About The Citadel Group Limited
The Citadel Group is a leader in the development and delivery of managed service solutions to state and federal government departments and the private sector. For these clients, Citadel specialises in managing knowledge in complex environments through integrating know-how, systems and people to provide information on an anywhere-anytime basis.

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