



JAN:ASX

FY18 Investor Presentation

September 2018





Janison FY18 Investor Presentation

Overview

FY18 Results

Strategy

Outlook



Janison serves the expanding education technology (“edtech”) market



“ Education technology is becoming a global phenomenon, and as distribution and platforms scale internationally, the market is projected to grow at 17.0% per annum, to **\$252bn by 2020.**

Source: IBIS world

“ Technology can personalize learning, engage the disengaged, complement what happens in the classroom, extend education outside the classroom, and provide access to learning to students who otherwise might not have sufficient educational opportunities.

Source: World Economic Forum

Janison has two divisions focused on these market segments



janison assessment

Robust and scalable digital assessment solutions for online tests and exams.



Schools



Language



Higher
Education



Certifications

92%

Platform Growth
To \$4.5m from \$2.3m in FY17.

janison learning

Online learning solutions integrating platform and content to improve performance and compliance in the workplace.



Performance



Risk

17%

Platform & Content Growth
To \$6.1m from \$5.2m in FY17

Janison invests in services to generate long-term, high margin, recurring income which increased to 61%



Products	Description	Income mix		
			FY17%	FY18%
Platform	<ul style="list-style-type: none"> Licensing and Hosting income Annual user subscription Platform maintenance and support fees 	Recurring Income	46%	52%
Content	<ul style="list-style-type: none"> Janison's online learning library Partner content subscription fees 	Recurring Income	7%	9%
Services	<ul style="list-style-type: none"> Professional services implementation fees Customised software and integration development Bespoke online learning content creation services 	Fees paid per project	47%	39%

Janison is transforming how people learn



- 2018 is the **20th anniversary** of the founding of Janison .
 - Listed on the ASX in December 2017
 - Directors own ~69%.
- **\$17.3 m in Revenue** from online Assessment and Learning solutions
- Education technology market is estimated to **grow at 17% p.a. to \$252bn** by 2020¹
- **40% growth in Platform** and Content income FY18 over FY17
- **Trading EBITDA in FY18 of \$3.2m** and cash at 30 Jun 2018 of \$3.6m





Janison FY18 Investor Presentation

Overview

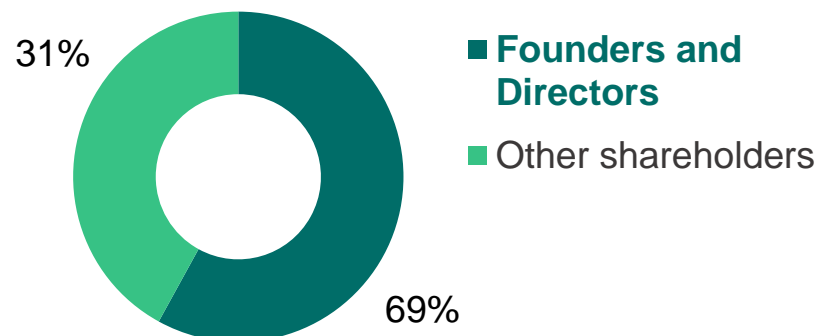
FY18 Results

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We generated profitable growth



FY 2018 Group Revenue

\$17.3m

ASX: JAN	
Share price at listing	\$0.30
Share price as at 30th Aug 2018	\$0.41
Current market cap	\$53.7m
Enterprise value	\$50.1m
FY18A EBITDA multiple	15.7x
FY18A Revenue multiple	2.9x

Earnings summary (AUD\$m)	FY16A	FY17A	FY18A	Growth FY18
Learning revenue	5.4	6.6	7.6	16%
Assessment revenue	5.2	7.8	9.7	25%
Group revenue	10.6	14.3	17.3	21%
Group Trading EBITDA	1.8	3.0	3.2	6%
Operating cash flow	2.1	(0.7)	0.8	+1.5m
Cash in bank	2.9	1.4	3.6	+2.2m

Recurring content and platform income is the engine of profitable growth

Platform &
Content Growth

+40%

to

\$10.6m

from \$7.6m in FY17

International
Income Share

+23%

from 12% in FY17

Average Revenue
per Client (ARPC)

↑ to

\$201k

From \$173k in FY17

Trading EBITDA

↑ to

\$3.2m

From \$3.0m in FY17

Cash at Bank

↑ to

\$3.6m

From \$1.4m in FY17

Assessment platform income increased by 92% to \$4.5 m

FY18 Assessment Result

12 months ended 30 June	FY17 \$000s	FY18 \$000s	% change
License and hosting	1,487	3,318	123%
Platform maintenance fees	855	1,185	39%
Total platform revenue	2,342	4,503	92%
Project services	5,430	5,200	(4)%
Total operating revenue	7,772	9,703	25%
Platform % of Revenue	30%	46%	

92%

Growth in Assessment
Platform revenue

46%

Platform revenue as a % of
total Assessment revenue



Learning platform income grew 17% in FY18 to \$6.1m

FY18 Learning Result

12 months ended 30 June	FY17 \$000s	FY18 \$000s	% change
License and hosting	3,925	4,163	6%
Content license fees	1,041	1,577	51%
Platform maintenance fees	261	373	43%
Total platform revenue	5,227	6,113	17%
Project services	1,344	1,489	11%
Total operating revenue	6,571	7,602	16%
Platform % of revenue	80%	80%	

17%

Growth in Learning
Platform & revenue

80%

Platform revenue as a % of
total Learning revenue

Total platform income grew 40% in FY18 to \$10.6m

FY18 Group Result

12 months ended 30 June	FY17 \$000s	FY18 \$000s	% change
Total platform revenue	7,563	10,616	40%
Project services revenue	6,780	6,689	(1%)
Total operating revenue	14,343	17,305	21%
Cost of sales	(8,005)	(10,625)	33%
Gross profit	6,338	6,680	5%
Gross profit %	44%	39%	
Opex & R&D Credit	(3,330)	(3,503)	(5%)
Trading EBITDA ¹	3,008	3,177	6%
Trading EBITDA %	21%	18%	

40%

Increase in Group
Platform revenue

\$3.2m

FY18 Trading EBITDA



(1) Before transaction costs, foreign exchange movements. Inclusive of R&D tax credit income. Prior period amounts are classified to conform to current period presentation.

Janison has \$3.6m in cash

FY18 Group Cash Position

12 months ended 30 June	FY18 (\$000s)
Opening cash	1,358
Customer receipts	16,561
Payments to suppliers and employees	(16,187)
Income taxes refunded	468
Total cash from operations	842
Investing activities	(4,029)
Financing activities	5,448
Net change in cash	2,261
Closing cash	3,619

A large, light gray graphic of an upward-pointing arrow, composed of several concentric, curved segments, serving as a background for the right side of the slide.

\$0.8m

Positive operating cash flows
for FY18

\$3.6m

Closing Cash Balance
as at 30th June 2018

We now have net assets of \$12.7m

Balance Sheet

Period ending	30 Jun-17 (\$000s)	30 Jun-18 (\$000s)
Current assets	5,290	9,327
Non current assets	2,108	8,197
Total Assets	7,398	17,524
Current liabilities	4,060	4,708
Non current liabilities	2,588	71
Total Liabilities	6,648	4,779
Current Ratio	1.3	2.0
Net Assets	750	12,745

2.0

Current Ratio
(Current assets/Current liabilities)

\$12.7m

Net Assets as at
30th June 2018



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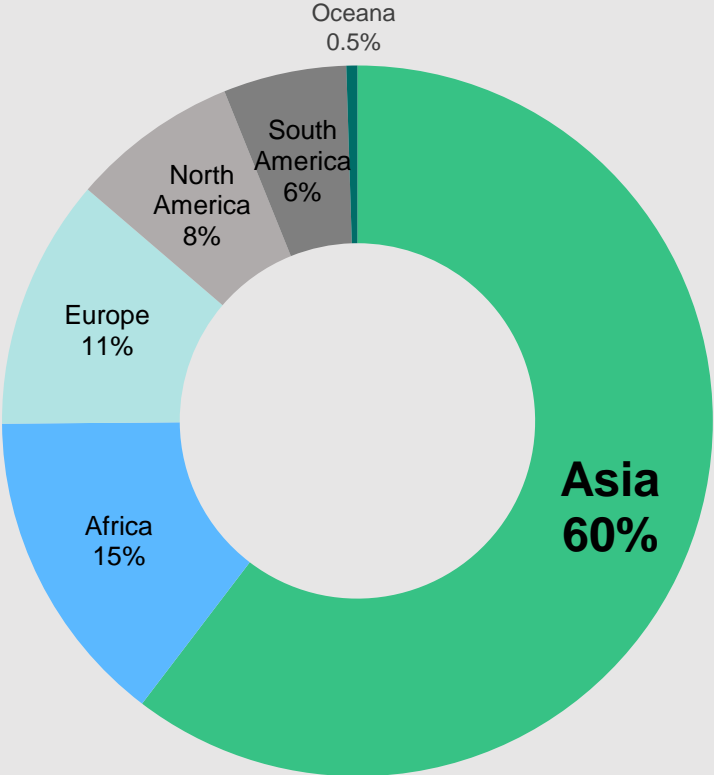
Outlook



Janison is focused on regional growth in Asia which represents 54% of the global edtech market by 2020¹



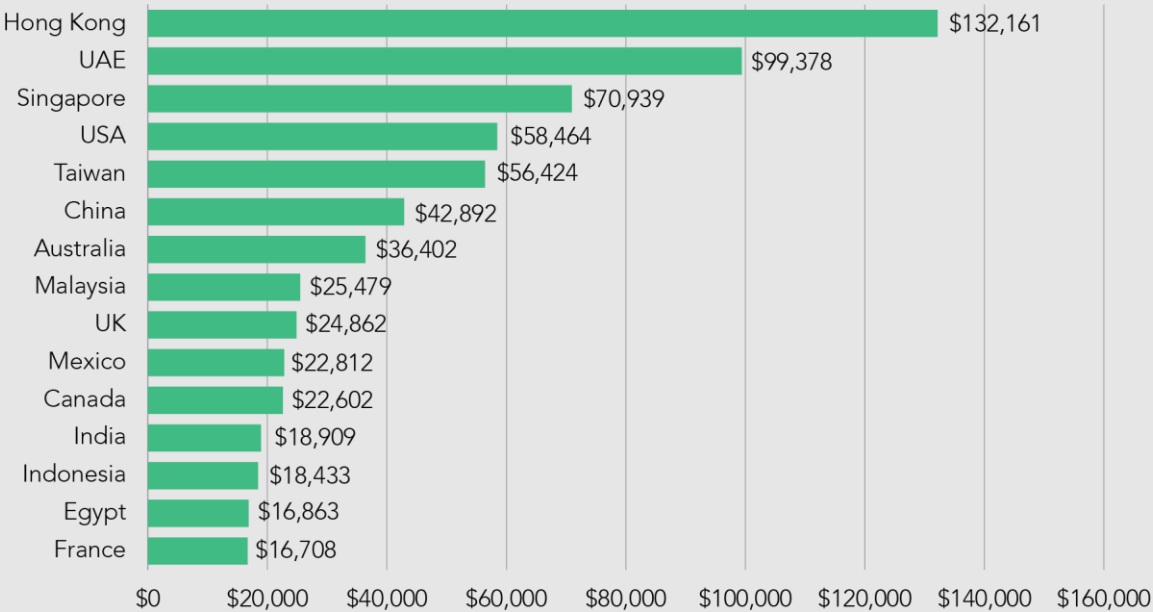
Asia has over 600 million students in K-12



Source: OECD Data

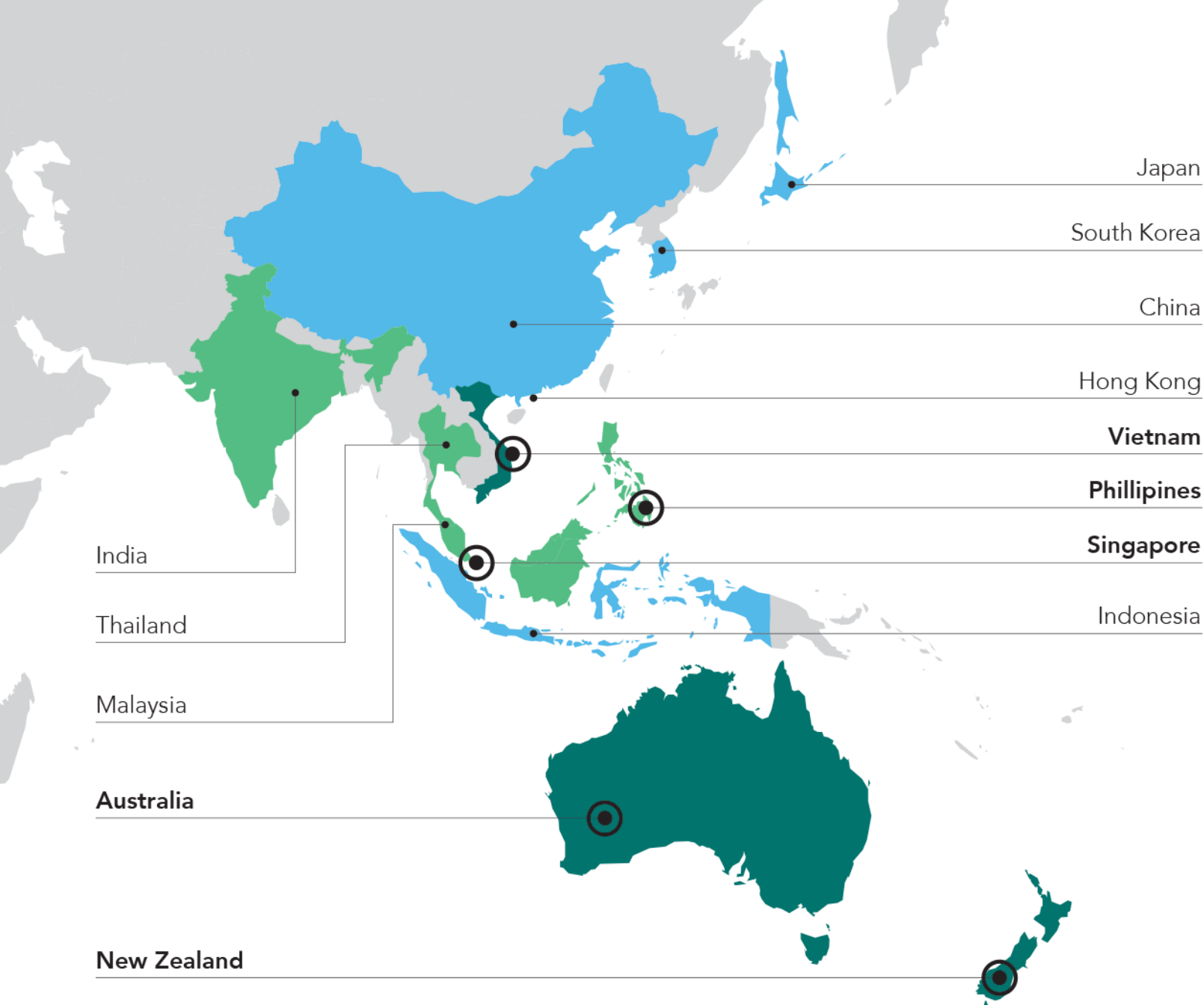
Asian parents invest in education

Average annual spend from primary school to undergraduate level



Source: HSBC

¹ EdTechXGlobal & IBIS Global EdTech Research Report

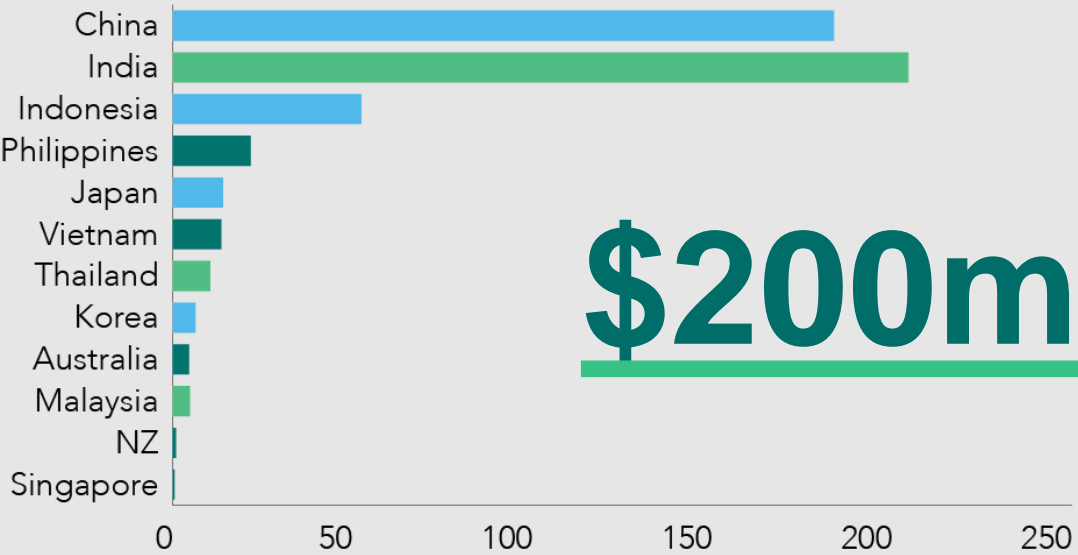


We currently serve **less than 5%** of the region and are aggressively expanding into neighbouring countries

- Current presence**
Singapore, Vietnam, Philippines, Australia, NZ
- Primary markets**
Thailand, Malaysia, Hong Kong, India
- Secondary markets**
China, Japan, South Korea, Indonesia

The emerging market for online education in the region is immense

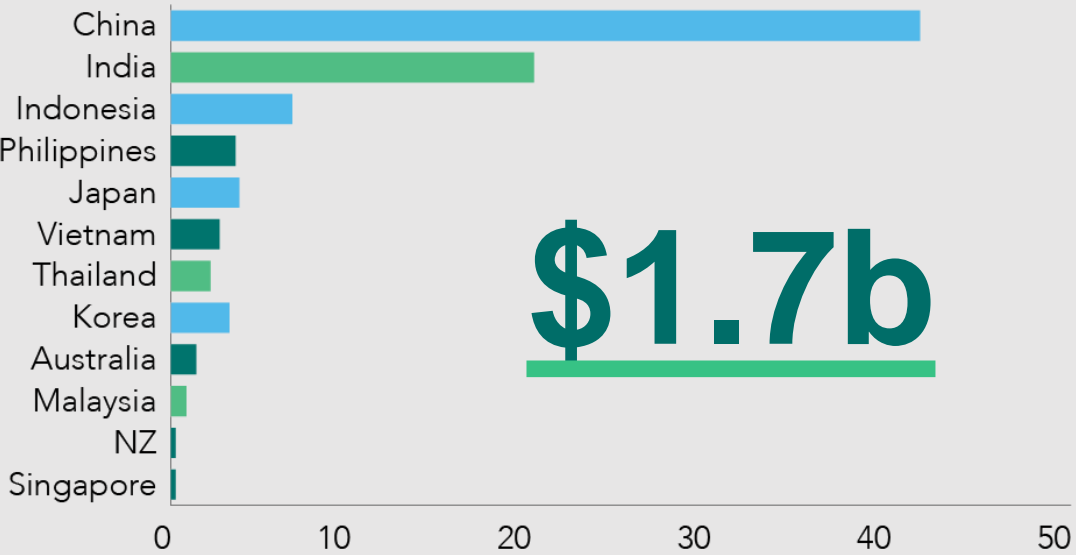
Schools Assessment market (K-12)



517 m students

Total schools market

Higher Education Assessment market



87 m students

Total higher education market

We have four key priorities to rapidly grow the business

1

Nurture
existing
clients

2

Build
innovative
world class
products

3

Target
high growth
segments

4

Intensify
our sales and
marketing
spend

1

Nurture existing clients

janison

janison
assessment

janison
learning

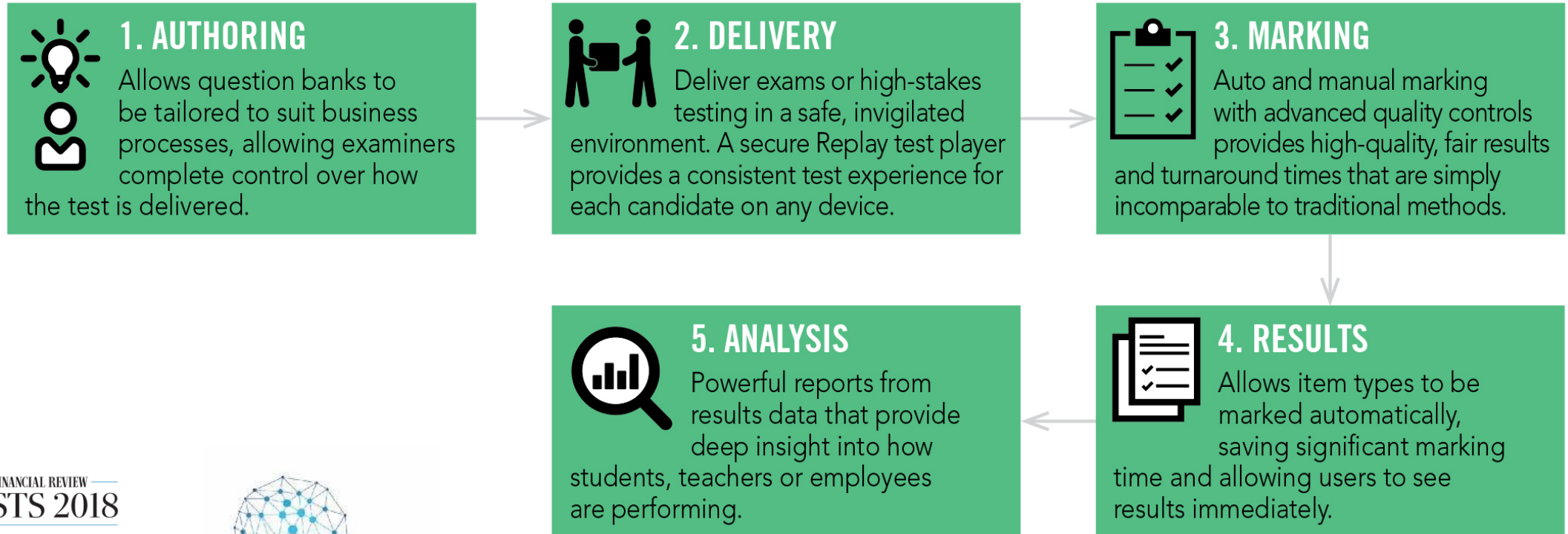


RioTinto



2

Build innovative world class products



3

Target \$150m in income from these high growth segments by 2025

janison
assessment

janison
learning

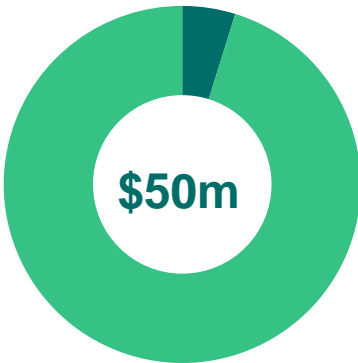
Schools



Language



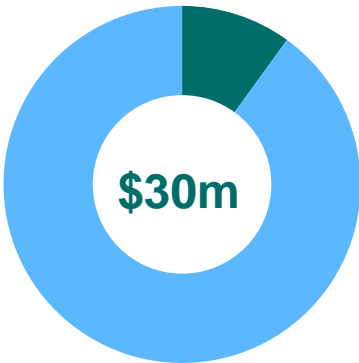
Higher Education



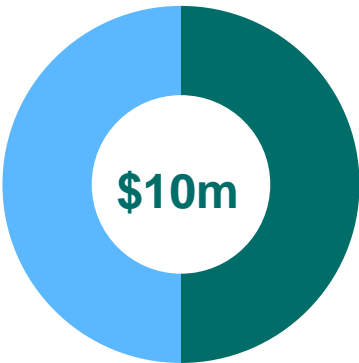
Certifications



Performance



Risk



Lifecycle of a typical student from school to the workplace

4

Intensify our sales and marketing spend



Your perfect partner.

Q: HOW DOES JANISON HELP UNIVERSITIES TO MOVE TO ONLINE ASSESSMENT?

A: BECOME PART OF THE JANISON UNIVERSITY PARTNER PROGRAM.

Open the selection of leading universities, the Janison University Program gives your institution immediate access to the Janison Insights platform, allowing you to find actual exams via an SaaS model.

It is your opportunity to evaluate online assessments and exams at your university, and collaborate with technology experts to help you develop your future strategies.

Become an active participant in the platform, as we continuously update the platform with powerful features and analytics tools that anticipate and conquer your institution's critical challenges and needs.

janison university program

UNIVERSITY PARTNER PROGRAM MEMBERSHIP:

Up to 10,000 users annually

Janison Insights to author, deliver, mark and analyse assessments

Dedicated environment set up for your organisation

Secure cloud hosted in your region

Configured to suit your processes with onsite training

24/7 support

Participation in roadmap development and prioritisation

Integration for single sign on and to your LMS

Annual partner conference

JANISON INSIGHTS IS A PROVEN, END-TO-END DIGITAL ASSESSMENT PLATFORM FOR ORGANISATIONS AND EDUCATORS WHO DELIVER HIGH-STAKES EXAMS TO 10,000 TO 10 MILLION TEST-TAKERS.

DIGITAL ASSESSMENT PROCESS:

- 1. AUTHORING:** Tailored to suit your institution's requirements, Janison Insights gives you the power to create, edit and manage your assessments online. You can create assessments in a matter of minutes, and they can be used for a variety of purposes.
- 2. DELIVERY:** Deliver your assessments to your students via a secure, cloud-based platform. You can choose to deliver your assessments via a web browser, or via a mobile app. You can also choose to deliver your assessments via a secure, cloud-based platform.
- 3. MARKING:** Assess and instant marking with advanced quality control to ensure high accuracy. You can also choose to mark your assessments manually, or via a secure, cloud-based platform.
- 4. RESULTS:** Results are delivered to you in a secure, cloud-based platform. You can choose to view your results via a web browser, or via a mobile app. You can also choose to view your results via a secure, cloud-based platform.
- 5. ANALYSIS:** Analyse your results and gain deep insights into your students' performance. You can choose to view your results via a web browser, or via a mobile app. You can also choose to view your results via a secure, cloud-based platform.

RELIABLE AND SECURE

- Built specifically to deliver high-stakes exams and meet the most stringent security and stability requirements.
- Built on Microsoft Azure, with enterprise-grade security and identity management.
- Unlike paper exams, submissions cannot be lost, misplaced or tampered with.
- Through Microsoft Azure, leverages the broadest set of compliance certifications and attestations in the industry.

TRUSTED

A full audit trail of everything that happens during an assessment event, for reporting and transparency.



Janison

1,219 followers

Tw

Social, just-in-time, gamified, world-class curated learning. Deliver the future of training & development to your team. goo.gl/rZbZkd

Like Comment Share

Janison Education Group

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2018 online learning trends you need to know. Download the free factsheet.

www.janison.com/learning_trends

Janison Learning Management Systems

DOWNLOAD

janison university program

Digital assessment: transforming universities.

Written no aspect of higher education is a cutting edge more essential than in assessment: the bedrock diagnostic tool that informs your institution's key education strategy decisions, affecting budgets, staff, students, and academic outcomes.

Over a decade of successfully delivering hundreds of thousands of high-stakes digital exams, Janison has come to appreciate the universal challenges that tertiary institutions face.

Academic exams have significant, life-changing outcomes. As such, they require a robust, fail-proof system to deliver equitable testing with validity and integrity.

But it doesn't stop with the technology. Change is a significant part of the journey. We anticipate institutions' needs and challenges, making transition as smooth as possible.

UNIVERSITY LEADERS CITED THE KEY OUTCOMES OF DIGITAL TRANSFORMATION AS IMPROVING STUDENT EXPERIENCE (94%) AND MEETING CHANGING STUDENT NEEDS (83%).

Source: University Leaders' Survey, 2018



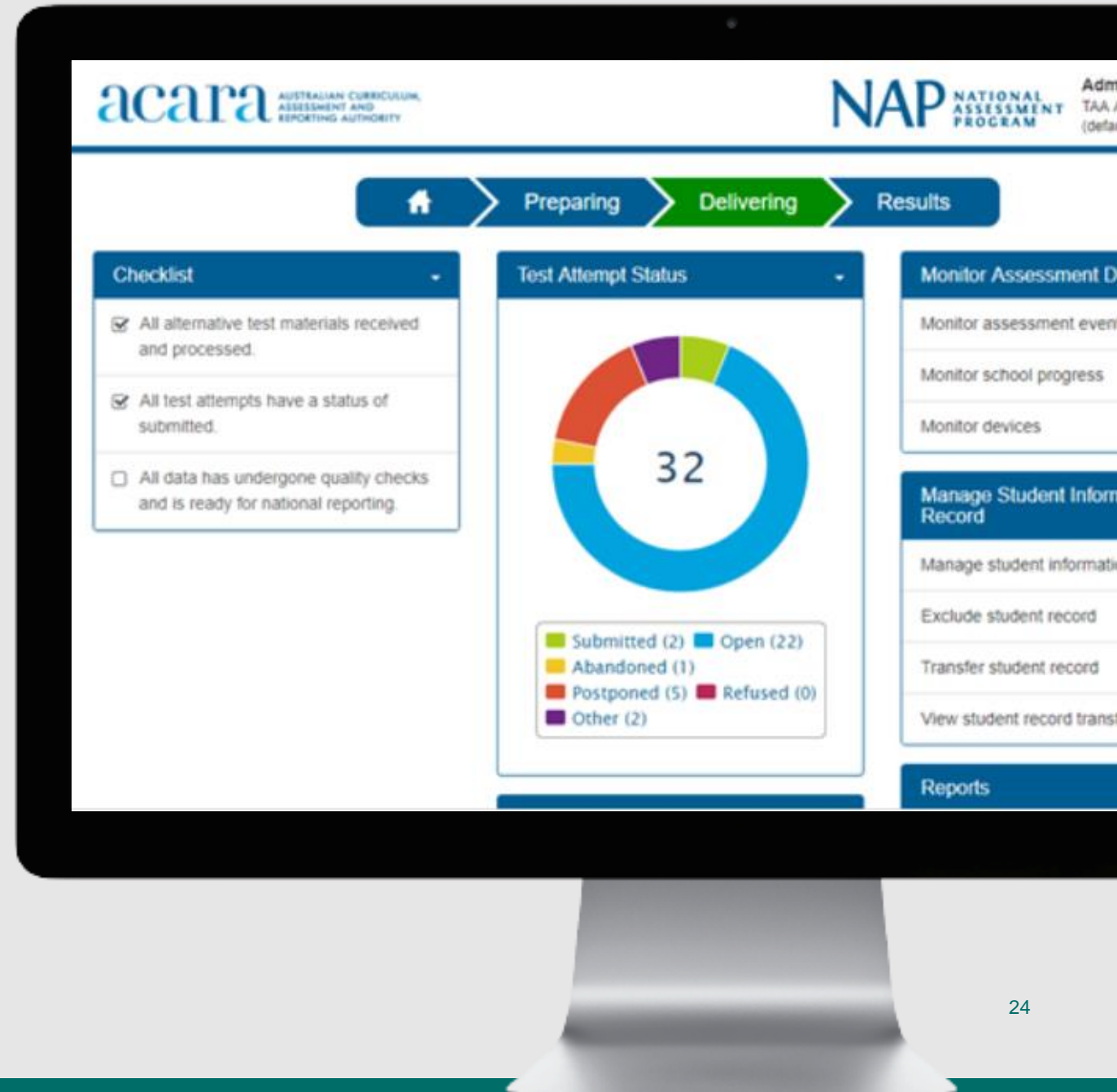
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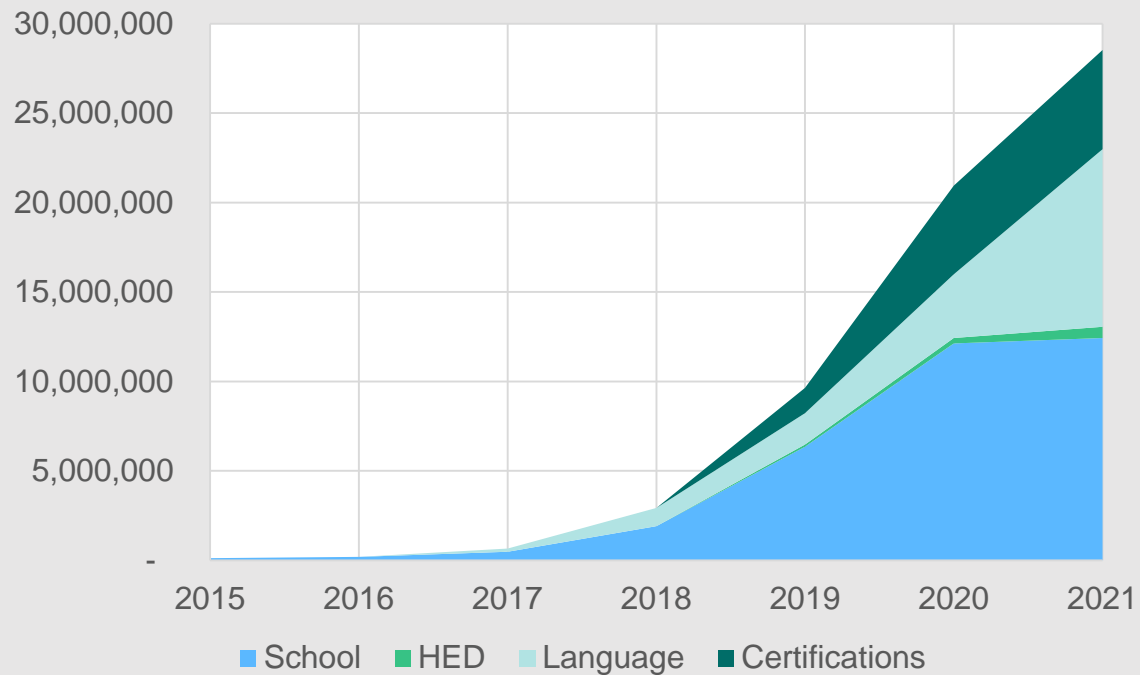
Strategy

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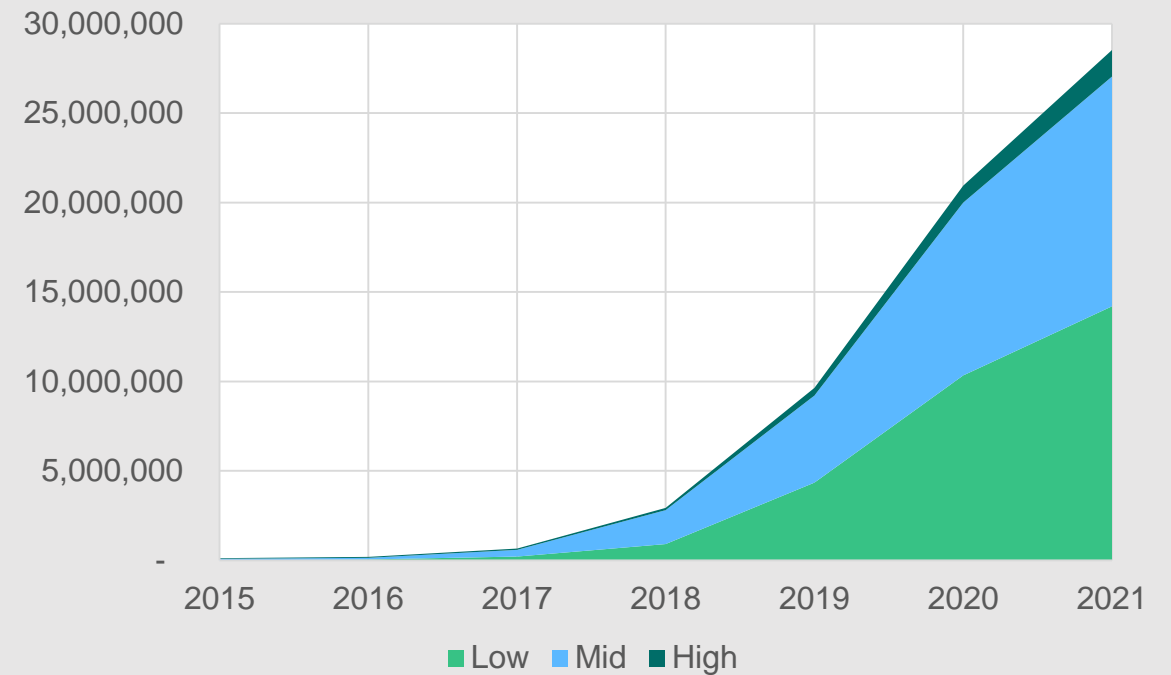
We can see the wave coming and are investing for the long term opportunity

Tests Delivered by Sector



Source: Janison

Tests Delivered by Stakes



Source: Janison

We expect to continue to grow in FY19 by specifically investing in our platform and business development

Platform &
Content Growth

+30%

International
Income Share

+30%

Capitalised Platform Investment

↑ to
\$2.4m

From \$1.6m in FY18.

Average Revenue
per Client (ARPC)

↑ to
\$250k

Business Development

↑ to
\$2m

From \$0.5m in FY18.



—
Tom Richardson
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+61 421 029 620

We have an experienced Board of Directors



Michael Hill
Non-executive Director

Mike is a founder of Bombora Group, Non-executive Chairman of Rhipe Ltd; AHA Holdings Ltd & non-executive Director of Acrow Formwork & Construction Ltd. A former Partner of Ernst & Young in the M&A advisory team and has also worked as a principal investor with Ironbridge Capital. Former non-executive director of LiveTiles Limited; JustKapital Litigation Partners Limited and Prime Media Group Limited.



David Willington
Non-executive Director

25 years in corporate finance and investment banking

Advises companies in technology, media and telecommunications

Founder and managing director of Mannagum Capital.

Former partner at Deloitte Corporate Finance investment banker with NM Rothschild and Citi



Brett Chenoweth
Non-executive Director

25 years in media, technology, telecommunications and digital. Chairman of Madman Entertainment; Yellow Pages Group; The Advisory Board of HRL Morrison & Co., a Principal of the Bombora Group, an Independent Board Director at Surfing Australia, Sellable and Australian Registry Investments (ARI) and Chairman of Canberra Data Centres (CDC). Formerly Chief Executive Officer and Managing Director of APN News and Media.



Alison Doorbar
Non Executive Director

Recognised industry expert in global education

More than 20 years in education sector across multiple markets and segments

Founder and Managing Partner of EduWorld.

BA Hons Business Studies



Tom Richardson
Chief Executive Officer

Experienced CEO and Industry expert

Founder and CEO of Latitude Learning Academy

Partner at Deloitte

Consultant at Bain
MBA and CPA



Wayne Houlden
Founder

Recognised industry expert and innovator in Education Technology

Founder of Janison

Deep technical skills

Bachelor of Science and Computing and Grad Diploma in Teaching

We have a diverse and committed leadership team



Derek Welsh
Chief Commercial Officer

Recognised industry expert;
former CIO for Angus Knight
Group and EGM for SumTotal.

Masters University College
Dublin; Bachelor Trinity College



Fiona Ward
Head of Learning

18 years' of experience in
corporate transformation and
digital learning

Bachelor of Industrial Design
Canberra University



Damien Irvine
Head of Development

Deep software development
design and analysis
experience (24 years)

Sanofi Aventis, BHP Billiton,
QLD rail, Delta Electricity



Diane Fuscaldo
Chief Financial Officer

Experienced international
finance executive

Director for Euro Disney
Senior Manager at PWC
MBA



Samantha McKee
Head of Strategy

20 years' financial management
experience in the property, higher
education & tourism sectors. Stockland,
Westfield and Swinburne University.

CA, MBA, Grad Dip of Strategic
Leadership. GAICD, FGIA



Sandy Macdonald
Head of Operations

Deep infrastructure, operations
and security experience

Previously at Wickham Freight
Lines, and Converga.



Lynne Clerke
Head of Projects

30 years' software industry experience

Extensive experience in project
management

Track record of delivering complex
projects



Joanne Ng
Head of Business
Development (Asia)

Deep industry experience (IBM,
Oracle). Senior Director for S&I
Systems

Territory Manager for SSA



Scott Warden
English Language Testing

Seasoned international executive
and Managing Director at
Accenture for 18 years

Bachelor of Engineering



Carly Daff
Head of Product

10 years' experience including award
winning products at Stan & Foxtel.

Product leader with a passion for creating
innovative products and user
experiences.

BSc Computer Science

We are united with a clear vision and an innovative culture



PURPOSE:

To transform the way people learn



BHAG FOR 2025:

To empower education outcomes for 25 million learners by 2025



VALUES:

Deliver on your promises

Respect others

Be passionate about our vision

Strive to improve

Help shape the industry