

ASX Announcement
8 August 2023

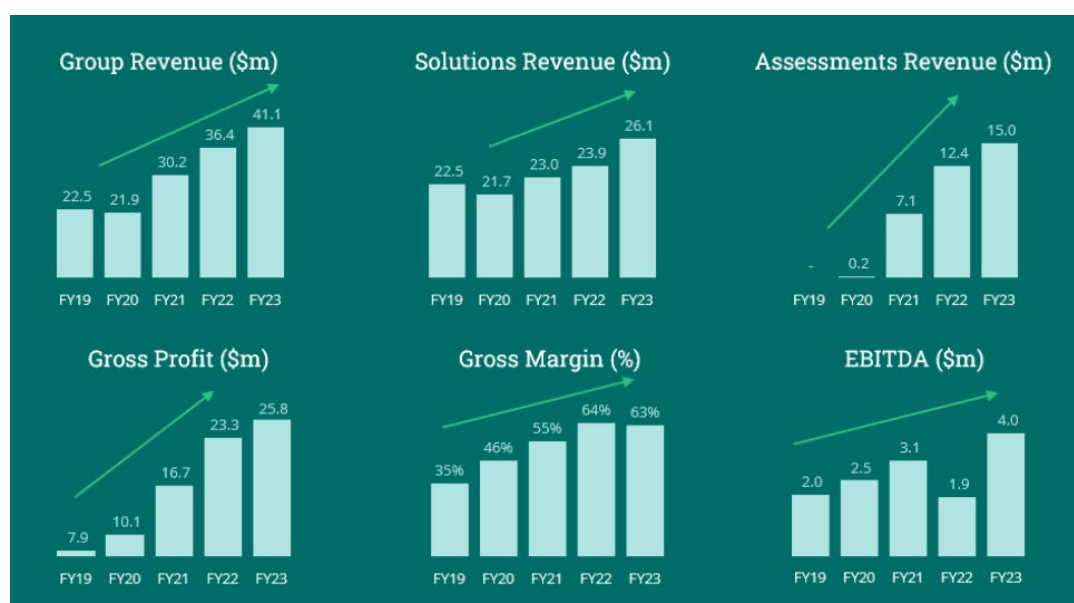
Janison FY23 Results Update

Janison Education Group Limited (ASX:JAN) ("Janison" or the "Company"), is pleased to release an unaudited financial results summary for the year ending 30 June 2023 ("FY23") and trading update.

The financial year marked significant milestones for the company, demonstrating growth and momentum in a challenging market environment. The year was characterised by record revenue, improving operating leverage, positive cashflow, strategic client acquisitions, expansion of existing accounts and product lines.

FY23 Financial Highlights

- The company achieved record group revenue of \$41 million, an increase of +13% compared to FY22. This growth was driven by a 21% increase in Janison Assessments and a 17% increase in Janison Solutions core growth (9% Solutions combined growth including Learning and PBTS IPP).
- Gross profit margins remained strong due to improved pricing, scale benefits, and efficiency, reaching 63%, a 28-percentage point increase since FY19.
- Earnings Before Interest, Taxes, Depreciation, and Amortisation (EBITDA) grew by +111% to \$4 million compared to last year, driven by improved operational leverage and strong gross margins.
- The company generated a positive operating cashflow of \$5 million showing a combination of disciplined cost management of operational expenses and solid revenue growth.
- Net cashflow was positive for the year and improved by \$11.5 million compared to the prior year, to finish the year with a cash balance of \$12 million as of 30 June 2023.





Business Performance

Janison Solutions

- Janison Solutions expanded its global footprint with strategic customer wins including prestigious educational institutions Oxford University Press (OUP) and Cambridge University Press and Assessment (CUP&A). These strategic partnerships underscore the high quality and reliability of Janison's digital assessment solutions.
- Six new key account customers were secured, adding to Janison's impressive portfolio of partners. These contracts represent a total contract value (TCV) of over \$5 million (at minimum volumes), reinforcing the company's market-leading position and its ability to deliver value to platform clients.
- Further demonstrating the company's strong market position, Janison entered into a binding agreement to extend NAPLAN Online until 2028 with options to extend until 2030. This extension, representing up to \$24 million in TCV, reaffirms the trust and confidence educational institutions place in Janison.
- The PISA for Schools (PBTS) platform revenue reduced in FY23 due to the cancellation of the Russian platform contract worth approximately \$0.5 million in FY22. The OECD continues to work with multiple new countries looking to sign up to the IPP Janison platform for FY24 and beyond.

Janison Assessments

- The ICAS competition delivered 15% growth in revenue compared to the prior year and expanded the average revenue per school.
- A co-branding agreement was signed with the University of Sydney in January 2023 to address equity gaps and drive awareness and consideration of the broader Janison Assessments portfolio.
- The recently acquired businesses – AAS and QATs were successfully integrated and delivered \$7.6m of total revenue, a combined +53% increase on the prior year.
- PBTS NSP schools delivery did not meet expectations in FY23, with ongoing OECD/Janison joint engagement focused on jurisdictional opportunities for testing in FY24 onwards.

Release of Annual Report

Janison will be publishing its Annual Report on Monday 21 August 2023. A webinar will be held on the morning of release for investors to listen to a live update from management and with an opportunity for questions. Further details and a link to the webinar will be released in the next few days.

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This release has been approved by the board.

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