



Janison.

JAN.ASX

AGM and Q1 FY24 Business Update.

David Caspari
CEO & Managing Director

Stuart Halls
CFO

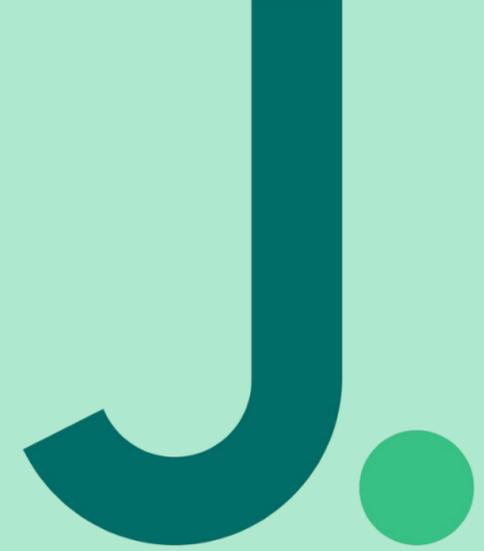
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Janison.



A market leader in digital
assessments and testing, globally.

Unlocking the potential of every learner.



FY23 Recap.

FY23 Highlights – Record Revenue, Positive Net Cashflow.

Group revenue \$41m, +13% vs FY22

- +21% growth in Janison Assessments
- +9% growth in Janison Solutions (+17% core growth), record new customer wins

Gross profit increasing

- Improved pricing, scale benefit and efficiency continue strong GP margin
- Improved platform and product margins balanced by marginally higher services mix as record new customers are onboarded
- 28-percentage point increase since FY19 (from 35% to 63% GP)

EBITDA growth 111%

- +\$2.1m on LY driven by improved operational leverage and scale benefit

Positive cashflow

- Revenue growth, scale benefits, efficiencies and disciplined Opex management delivered positive net cashflow and free cashflow
- +\$11.5m net cashflow improvement vs prior year
- \$12m cash on hand at 30 June 2023

Voted 13th Best Place to Work in Australia by WRK+ in 2023¹



Key Business Unit Highlights.

Janison Solutions achieved 17% core Solutions revenue growth¹ securing strategic partnerships with prestigious institutions such as Oxford University Press and Cambridge University Press and Assessment. Additionally, Janison added six new key account clients, further reinforcing its market-leading position. Janison has extended its NAPLAN Online contract up to 2030, representing up to \$24 million in Total Contract Value (TCV), demonstrating the continued trust and confidence placed in the company by educational institutions.

Janison Assessments achieved 21% revenue growth², the ICAS competition grew 15% and achieved higher average revenue per school. The company signed a co-branding agreement with the University of Sydney to address equity gaps and promote awareness of the Janison Assessments portfolio. The integration of recently acquired businesses, AAS and QATs, underpinned a 53% increase in combined revenue compared to the previous year.

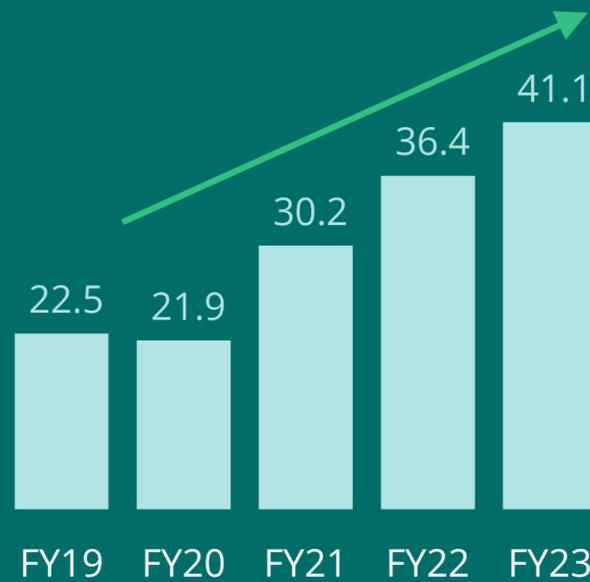
¹ 9% is the combined revenue growth for Janison Solutions, with 17% underlying growth in the core (platform partners), partially offset by declines in the Learning business and PBTS IPP.

² 21% is the combined revenue growth for Janison Assessments, with higher growth in AAS and QATs, partially offset by declines in PBTS NSP.



Growth Trajectory Across Key Metrics.

Group Revenue (\$m)



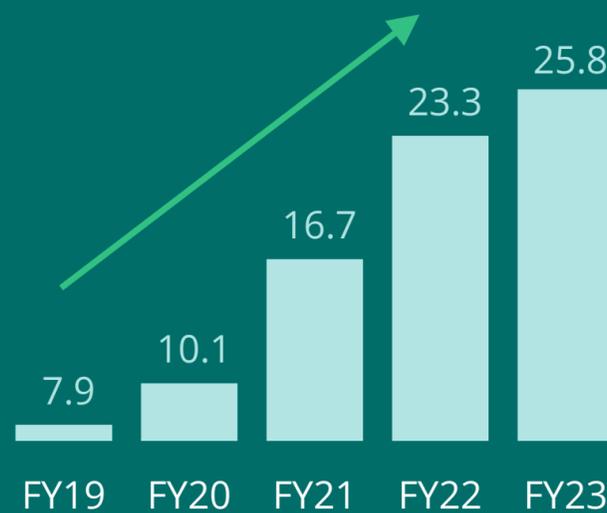
Solutions Revenue (\$m)



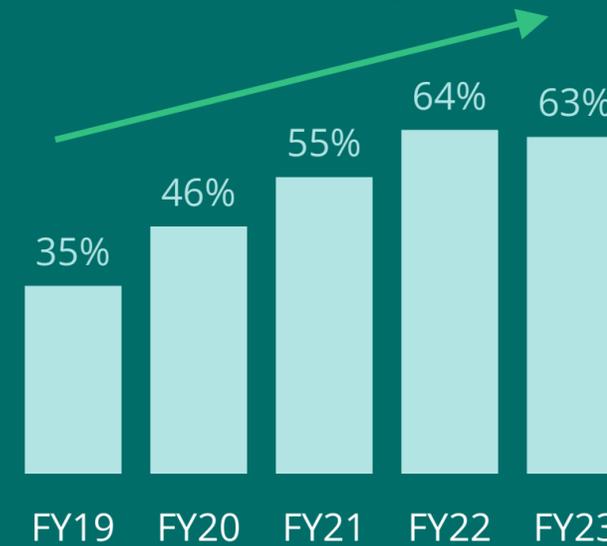
Assessments Revenue (\$m)



Gross Profit (\$m)

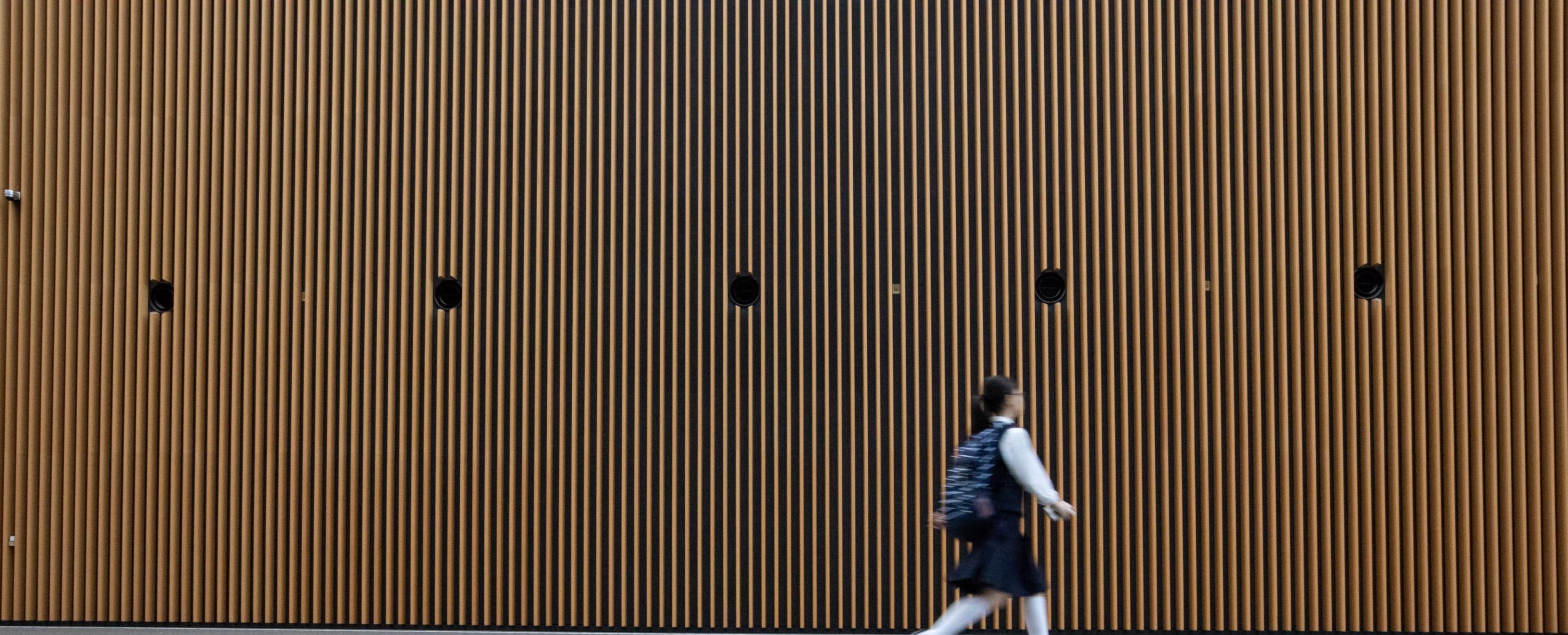


Gross Margin (%)



EBITDA (\$m)



A woman in a school uniform, including a white shirt, dark vest, and skirt, is walking from right to left across the frame. She is carrying a backpack. The background is a wall of vertical wooden slats with several circular vents. The floor is a dark, textured surface.

Q1 FY24 Business Update.

Q1 Executive Summary.

\$m	Q1 FY24	Q1 FY23	Q1 FY22	+/- % vs PCP
Revenue	13.5	12.8	6.6	+5%
Gross Profit	8.1	7.8	3.9	+5%
Gross Margin	60%	60%	59%	--
Opex	6.3	5.7	5.1	+10%
EBITDA	1.9	2.1	(1.2)	(10)%

+27% growth in **Janison Solutions** (JS) core revenue vs. prior corresponding period (PCP - Q1 FY23), +9% growth overall for the JS division, impacted by Learning and PBTS IPP.

+23% growth in **Janison Assessments** (JA) acquisition businesses (AAS and QATs) vs. PCP, +2.3% normalised ICAS growth, and +3% overall growth in JA with negative impact from PBTS NSP.

Gross profit up +5% vs. PCP to \$8.1m, gross margin constant at 60%.

EBITDA slightly below LY due timing of Opex in Q1 vs. full year.

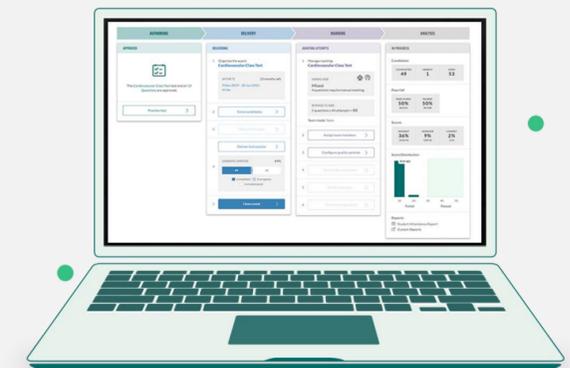
\$7.8m of cash on hand. Includes \$1m paid to AAS vendors for final cash earnout in Q1 FY24.

Janison Solutions (JS)

+27% core growth, new client wins deliver strong first quarter.

- +27% growth in Q1 core¹ JS revenue driven by new product expansion in existing clients and new clients secured in FY23 (FINSIA, Oxford, Sydney Catholic Schools).
- Signed the Australian Institute of Company Directors (AICD) to deliver Company Directors Course and Foundations of Directorship online exams. Implementation revenue commences Q2 FY24.
- NSW Department of Education – largest ever in-person invigilated assessment (Opportunity Class Test) in July-23, 'On-Demand' transitions into pilot phase and generating revenue.
- ESA expansion of NAPLAN into Science Literacy – 'NAPSL' Opt-in assessment in development at Janison.
- Cambridge revenue continuing to build on last year.
- Large pipeline of major strategic deals in tender phase. Announcements expected in 2H FY24.

Australian
Institute of
**Company
Directors**



¹Core revenue consists of assessment platform clients - B2B platform licence and services revenue, including exam management (JEM), excludes Learning and PBTS IPP clients.



Janison Assessments (JA)

Household economic headwind slows ICAS growth.

ICAS

- \$6.1m of revenue in 1Q24, 307,000 tests delivered to 2,600 schools (+430 new schools, +6 growth)
- School participation increased (reversing a 3-year trend), powered by stronger retention and acquisition - a good foundation for FY25.
- +2.3% normalised growth on PCP¹, price held flat to prior year, and economic headwinds impacting growth.
- Unadjusted ICAS growth (0.6)% vs. pcp (includes discontinued assessments).
- Delivered GP% improvement of +11 ppts (50% to 61%) on PCP, driven by focus on profitable core².
- International ICAS sitting windows in Q2 and Q4 FY24 and international past paper sales expected to deliver further revenue in FY24.
- Successful partnership with Sydney University, strong brand position via social media program and opportunity for expansion in APAC.
- Tech investments underway; generative AI-ready data, analysis platform, new CRM.

¹ Normalised for discontinued subjects with low or negative net margins

² Higher GP margin as a result of a focus on cashflow in discontinuing selective subjects in order to invest in technology enhancements to accelerate ICAS international expansion.



Janison Assessments (JA)

Strong AAS Q1 and full year momentum.

AAS

- Strong AAS momentum from FY23 into Q1 FY24 with +23% growth on Q1 last year (\$1.6m revenue).
- Technology investments underway to digitise product and operations, including new analysis and reporting platform, and scale high potential early-stage products, including ATAR analysis and forecasting, and scholarship practice tests

QATs

- QATs growth of +25% in Q1 FY24 (\$0.3m revenue) and now sold into 50% of all Secondary/Combined schools across all states (ex WA), an +8.5% increase in average order value and +4% market share improvement in CY23 vs PCP.

RiSE+

- During ICAS period (1 May - 27 August) relative to pcpc revenue grew +97%, new customers grew +38% and average purchase per customer grew +13% - a function of integrating RiSE+ seamlessly into the ICAS campaign as an endorsed ICAS practice tool.





Outlook.



FY24 outlook.

Management is pleased with the revenue growth across all core lines of the business in 1Q24 with the exception of ICAS. Management remain confident for the medium to long-term prospect of ICAS with initiatives such as the University of Sydney partnership and expanding international interest opening new opportunities.

In general, the education sector globally is finally returning to normal, post the profound impact of COVID - and looking to growth, presenting significant opportunities for Janison.

The outcome of a strong pipeline of strategic Solutions deals is expected to be announced Q2/Q3 FY24. We will provide further guidance after the first half of FY24.

The business will continue to implement strategy and operating plans that drive core business performance over the course of FY24.



End.

