

Janison.



Interim Report

Janison Education Group Limited
Six months ended 31 December 2023

1H24 Highlights.



\$45m

AGGREGATE VALUE OF AGREEMENT
SECURED WITH NSW DOE IN 1H24



1.7m

DIGITAL ASSESSMENTS DELIVERED
IN 1H24 ACROSS 117 COUNTRIES



1/3

OF ALL SCHOOLS IN AUSTRALIA
PURCHASED A JANISON ASSESSMENTS
PRODUCT LAST YEAR

PEOPLE



48% FEMALE WORKFORCE



\$22m

+1%
on PCP

OPERATING REVENUE



+11%

REVENUE GROWTH IN JANISON SOLUTIONS
CORE CUSTOMERS



61%

GROSS PROFIT MARGIN

\$14m
Gross Profit



\$1.7m

EBITDA



\$9m

CASH ON HAND

+51%
on PCP

1H24: First half of financial year FY24, being the six months to 31 December 2023
PCP: Prior Corresponding Period, being the six months to 31 December 2022

DoE: NSW Department of Education
EBITDA: Earnings before Interest, Tax, Depreciation and Amortisation

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Founder & Interim Managing Director Letter.

Janison's assessment platform is used in almost all 9,600 schools across Australia, while our assessment products are sat by children in a third of those schools.

Dear Shareholders,

Janison's journey began in 1998, in regional NSW, with a desire to demonstrate the value of technology in education. From these humble origins, we have become an education technology pioneer - trusted by some of the largest and most influential education providers globally.

Today a third of all Australian schools use Janison assessment products. We are trusted by the Commonwealth Department of Education to run NAPLAN, we have growing international relationships with major global assessment authorities and we work with many other Australian assessment authorities, including the NSW Driver's Knowledge testing in Service NSW centres across the state.

We have a technology platform that continues to expand its reach and use. It is the cornerstone of the recent 5-year agreement with the NSW Department of Education to support the transition for NSW Selective Schools and Opportunity Class Placement Tests from paper-based to computer-based delivery.

Janison provides its own online assessments at every level, including high-stakes assessments, formative assessments, and practice assessments. We deliver Janison assessments to a third of Australian schools. Through NAPLAN, our online assessments platform is used by students in all 9,600 schools across the country. We continue to invest in our platform including in the utilisation of new technologies, to improve its functionality to enable our platform to operate more cost effectively.

As March approaches, our teams are focused on preparation for this year's NAPLAN event. It's a poignant reminder of the impact our people and our technology have on Australia's education landscape, one that has been rewarded by a recent extension to our NAPLAN agreement with the Australian government.

Over the last few months as Interim Managing Director, I have had the privilege of rolling up my sleeves and getting deeply involved in the day-to-day operations of the business. I am delighted to report that we have an enthusiastic and world-class team dedicated to ongoing innovation and delivery of our mission to provide the best assessment technologies to our customers.

We are expanding our capabilities and reputation as a premium provider of end-to-end solutions for government. Given the ongoing evolution of assessment in education, I believe the opportunities for Janison's continued growth are considerable.

We are delighted to welcome Sujata Stead, a global leader in online education, as the new CEO starting 1 May 2024. Sujata brings a deep knowledge of the global education and assessment industry, its customers, end-users, competitors, partners, and government stakeholders. She brings new energy, continued discipline and fresh eyes in assessing the opportunities for Janison. The Board and I look forward to hearing her ideas to shape the future of Janison.

We thank our valued customers for their trust, our partners for their collaboration, and our people, contractors and their families for choosing Janison. My thanks also to the leadership team for their commitment and to the Board for their guidance. Finally, thank you to our investors for your support as we continue Janison's journey to unlock the potential in every learner.



Wayne Houlden

Founder and Interim Managing Director

Review of Operations

The following commentary should be read in conjunction with the interim financial report and the related notes in this report. Some sections of this commentary include non-Australian Financial Reporting Standards (AFRS) financial measures as the Group believes they provide useful information for readers to assist in understanding the Group's financial performance.

Non-AFRS financial measures do not have standardised meaning and should not be viewed in isolation or considered as substitutes for amounts reported in accordance with Australian Financial Reporting Standards. These measures have not been independently audited or reviewed.

Principal Activities

Janison Education Group Limited ("Janison") operates within the education technology (edtech) sector globally. Its principal activities include the provision of online assessment software, assessment products (exam content), and assessment services (invigilation, marking, test development and exam management). Janison's core customer segment is the Schools market (K-12) in Australia, Singapore, the USA, and the UK. Customers include major global assessment authorities, state and federal, professional accreditation bodies (e.g. CAANZ, AICD), schools and parents. Online testing is delivered across 117 countries each year, in 10 languages and with accessibility a primary concern to ensure equitable assessments for all students.

Janison's school assessment products include ICAS, Reach, AAS/Allwell, QATs and the PISA-Based Test for Schools ("PBTS").

Trading Summary

Revenue

Janison achieved a disciplined financial performance with Group revenue of \$22 million for the six months ending 31 December 2023, flat vs total revenue in 1H23. Within this, the core Solutions division reported an 11% growth.

ICAS revenue was marginally lower than the previous year, attributed to challenging economic conditions and the removal of selected subjects for profit optimisation. In the first six months of FY24 Janison invested in ICAS technology, reporting and CRM improvements to enhance the user experience and enable cross-sell opportunities from within school customers in other Assessment brands.

The PISA Based Test for Schools (PBTS) is now focused on providing the Janison digital assessment platform to countries under an IPP (International Platform Provider) model, rather than via a direct-to-schools 'NSP' (National Service Provider) approach. Revenue for PBTS declined approximately \$0.5m or -63%.

The Learning division continues to deliver a positive free cash flow but revenue retreated by approximately \$0.8m (30%) due to a higher amount of services revenue in the prior corresponding period, and some clients not renewing in FY24. The Learning business now comprises less than 10% of total Group revenue.

New contract win

During the first half of FY24 Janison was successful in winning the delivery agreement for the NSW Department of Education's Selective Education Placement Test program. The deal is expected to generate approximately \$45m of total contract value (TCV) over 5 years, starting in FY24. The agreement contains an option for NSW DoE to extend for a further five years.

Janison expects to earn approximately \$5m for the initial implementation and digital pilot period in CY24, followed by approximately \$10m per annum for each of the 4 Placement Test cycles commencing 2HFY25.

Approximately \$6m per annum of the contract is incremental revenue in each Test cycle year (FY23 revenue for the paper-based assessment was approximately \$3.2m).

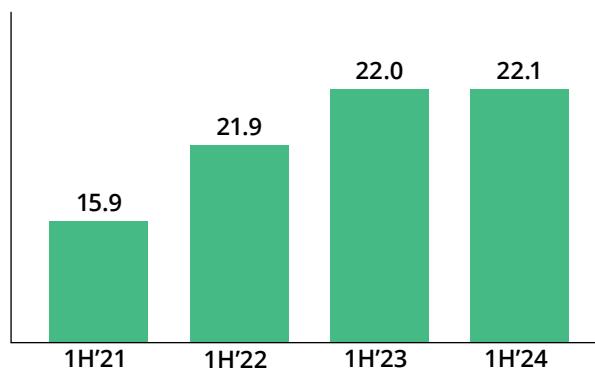
Revenue includes services to develop, deliver, and manage tests, with a portion of the TCV to be recorded as platform licence income to transform from paper-based to computer-based on Janison's digital assessments platform.

Leadership

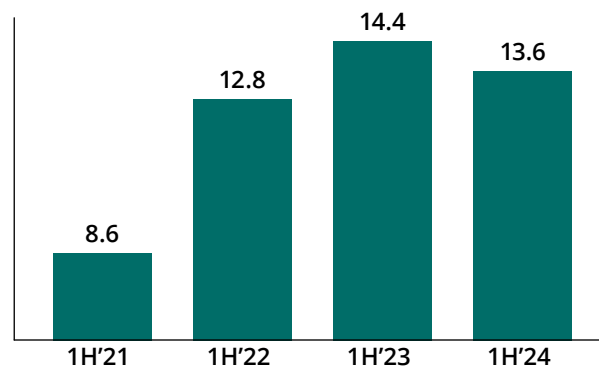
Sujata Stead, former CEO of Cambridge BoxHill Language Assessment, has been appointed as the new Chief Executive Officer starting, May 1, 2024. This leadership change brings industry expertise, proven success and fresh perspectives to guide Janison's future endeavours.

Key Performance Metrics

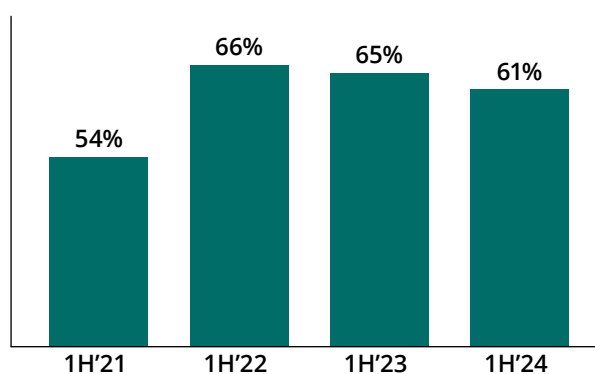
Group Revenue (A\$m)



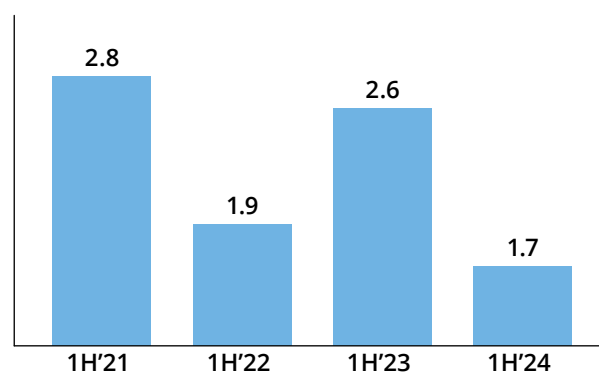
Gross Profit (A\$m)



GM (A\$m)



EBITDA (A\$m)



Financial Performance

Gross Profit for the first half of FY24 was marginally below the prior corresponding period due to an increase in the amount of exam management services revenue provided by Janison's Exam Management (JEM) function to its Solutions clients to support the delivery of in-person paper-based and computer-based assessments. Exam services revenue typically generates a lower gross profit percentage than other forms of revenue, such as platform licensing and software development services. Gross profit margin in Assessments was impacted by flat ICAS revenue in 1H24 and the fixed cost nature of test development.

EBITDA for the first six months of FY24 was approximately \$1.7m, down from the prior corresponding period by approximately \$0.9m reflecting the change in revenue mix and flat operating costs of approximately \$11.9m. In response to the slower revenue growth in 1H24, Janison undertook a review of its cost structure and implemented changes that will realise \$2.0m in gross annualised cost savings across the business. Implementation costs of \$0.2m were recognised in 1H24, and approximately \$1m of savings are expected to be recognised in the second half of FY24.

The Company delivered a significant improvement in free cash flow compared to the previous corresponding period, with cash at bank up approximately \$3m (+51%). The improvement was attributed to improved debtor collections, a timing benefit for customer renewals and Capex spend on product and item development kept below approximately \$1.5m for the first 6 months of FY24. Janison finalised its last remaining acquisition-related payment with a \$1.0m cash payment in July 2023 made to the vendors of AAS.

Business unit performance

(\$'000s)	Assessments			Solutions			Group Total		
Year ended 30 June	1H24	1H23	Change	1H24	1H23	Change	1H24	1H23	Change
Revenue	10,028	10,261	(2)%	12,084	11,786	3%	22,112	22,047	0%
Platform revenue	6,611	6,844	(3)%	8,683	8,288	5%	15,294	15,132	1%
Service revenue	3,418	3,417	0%	3,400	3,497	(3)%	6,818	6,915	(1)%
Cost of Sales	3,476	3,326	4%	5,072	4,366	16%	8,548	7,692	11%
Segment gross profit	6,552	6,935	(6)%	7,012	7,420	(5)%	13,564	14,354	(6)%
<i>Gross profit margin</i>	<i>65%</i>	<i>68%</i>	<i>(3) ppt</i>	<i>58%</i>	<i>63%</i>	<i>(6) ppt</i>	<i>61%</i>	<i>65%</i>	<i>(5) ppt</i>
Operating expense	5,128	5,769	(11)%	6,754	6,008	12%	11,882	11,777	1%
Segment EBITDA	1,424	1,166	22%	258	1,412	(82)%	1,682	2,578	(35)%
<i>EBITDA percentage</i>	<i>14%</i>	<i>11%</i>	<i>3 ppt</i>	<i>2%</i>	<i>12%</i>	<i>(10) ppt</i>	<i>8%</i>	<i>12%</i>	<i>(4) ppt</i>

Interim Financial Report.



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Consolidated Statement of Profit or Loss and Other Comprehensive Income

Six months ended 31 December	Note	2023 (\$'000s)	2022 (\$'000s)
Revenue from ordinary activities	3	22,112	22,047
Cost of sales	4	8,548	7,692
Gross profit		13,564	14,355
General and administrative expenses	5	9,884	9,963
Business development expenses		1,976	1,815
Other operating income and expenses, net		22	(1)
Total operating expenses		11,882	11,777
Acquisition expenses		-	20
Share-based compensation	5	648	752
Depreciation and amortisation	6	6,490	6,609
Net financial (income) / expense	7	(135)	341
Other non-operating expenses		293	148
Foreign exchange gains and losses		(61)	(53)
Loss before income tax		(5,553)	(5,239)
Income tax benefit	8	1,448	1,030
Net loss		(4,105)	(4,209)
Other Comprehensive Income			
Foreign currency translation, net of income tax		14	(15)
Total Comprehensive Loss		(4,091)	(4,224)
<i>Basic loss per share (cents)</i>	12	<i>(1.66)</i>	<i>(1.78)</i>

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Financial Position

As at	Notes	31-Dec-2023 (\$'000s)	30-Jun-2023 (\$'000s)
Assets			
Cash and cash equivalents	14	9,160	12,039
Trade and other receivables	9	4,332	4,483
Work in progress - Current		692	1,082
Prepaid expenses		914	563
Other current assets		272	-
Total current assets		15,370	18,167
Work in progress		-	60
Plant and other equipment		393	430
Intangible assets	10	28,417	32,962
Right of use asset		305	469
Deferred tax asset	8	5,825	5,319
Other non-current assets		38	310
Total non-current assets		34,978	39,550
Total Assets		50,348	57,717
Liabilities			
Trade and other payables		3,621	5,366
Employee entitlements		3,062	3,651
Lease liabilities		246	510
Contract liabilities		5,713	5,409
Provisions		147	251
Other liabilities		-	8,379
Income tax payable		9	14
Total current liabilities		12,798	23,580
Employee entitlements		306	321
Lease liabilities		70	-
Provisions for make good		58	-
Other liabilities		27	27
Deferred tax liability	8	1,953	2,897
Total non-current liabilities		2,414	3,245
Total Liabilities		15,212	26,825
Net Assets		35,136	30,892
Equity			
Share capital	11	86,318	78,631
Reserves	11	5,686	5,024
Accumulated losses		(56,868)	(52,763)
Total Equity		35,136	30,892

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

Six months ended 31 December	Note	2023 (\$'000s)	2022 (\$'000s)
Receipts from customers		25,399	20,589
Payments to suppliers and employees		(25,858)	(24,150)
Interest paid and received, net		152	53
Other		-	156
Net cash flows from operating activities		(307)	(3,352)
Acquisition of businesses, net of cash acquired		(1,000)	(669)
Purchase of intangible assets	10	(1,376)	(2,063)
Purchase of plant and equipment		(33)	(80)
Net cash used in investing activities		(2,409)	(2,812)
Repayment of shareholder loans		-	900
Repayment of lease liabilities		(160)	(482)
Net cash (used in) / provided by financing activities		(160)	418
Effect of exchange rate changes		(3)	(11)
Net change in cash and cash equivalents		(2,879)	(5,757)
Cash and cash equivalents at the beginning of period	14	12,039	11,820
Cash and cash equivalents at the end of period		9,160	6,063

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

	Share Capital (\$'000s)	Accumulated Losses (\$'000s)	Reserves (\$'000s)	Total Equity (\$'000s)
Balance at 1 July 2023	78,631	(52,763)	5,024	30,892
Net loss	-	(4,105)	-	(4,105)
Other comprehensive loss	-	-	14	14
Total comprehensive loss	-	(4,105)	14	(4,091)
Contributions of capital – net of costs	7,687	-	-	7,687
Share-based payments – directors and executives	-	-	648	648
Total transactions with owners	7,687	-	648	8,335
Balance at 31 December 2023	86,318	(56,868)	5,686	35,136

	Share Capital (\$'000s)	Accumulated Losses (\$'000s)	Reserves (\$'000s)	Total Equity (\$'000s)
Balance at 1 July 2022	77,731	(39,058)	3,549	42,222
Net loss	-	(4,209)	-	(4,209)
Other comprehensive loss	-	(15)	-	(15)
Total comprehensive loss	-	(4,224)	-	(4,224)
Contributions of capital – net of costs	900	-	-	900
Share-based payments – directors and executives	-	-	678	678
Total transactions with owners	900	-	678	1,578
Balance at 31 December 2022	78,631	(43,282)	4,226	39,576

The accompanying notes form an integral part of these financial statements.

Notes to the Consolidated Financial Statements.

Note 1: Summary of Significant Accounting Policies

1.1 General information and nature of operations

These financial statements include Janison Education Group Limited (JEG), a publicly listed company incorporated and domiciled in Australia and its subsidiaries (collectively referred to as the Group).

Janison Education Group Limited ("Janison") operates within the education technology (edtech) sector globally. Its principal activities include the provision of online assessment software, assessment products (test content), and assessment services (invigilation, marking, test development and exam management). Janison's core customer segment is the Schools market (K-12) in Australia, Singapore, the USA, and the UK. Customers include state and federal education bodies, schools, and parents. Online testing is delivered across 117 countries each year, in 10 languages and with accessibility a primary concern to ensure equitable assessments for all students.

The financial statements have been prepared using consistent accounting policies and methods of computation in all periods presented, unless otherwise stated.

The Group is of a kind referred to in ASIC Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial reports. Amounts in this interim financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

The consolidated interim financial statements were authorised for issue by the Board of Directors on 22 February 2024.

1.2 Significant accounting policies

These general purpose consolidated financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

They do not include all of the notes required for a complete set of annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual financial report for the year ended 30 June 2023 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

1.3 New or amended Accounting Standards and Interpretations adopted

The Group has applied all of the new, revised or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 2: Segment Reporting

The Group identifies its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources. (Refer to Note 3 for information on the revenue components and their definition).

The Assessments segment provides exam products, exam items and associated exam services which are sold to schools, parents and teachers.

The Solutions segment operates exam enterprise-grade assessment platform technology and event management services for large organisations, national education authorities and accreditation bodies.

2.1. Segment Contribution

Six months ended 31 December 2023	Assessments (\$'000s)	Solutions (\$'000s)	Corporate (\$'000s)	Total (\$'000s)
Total segment revenue from ordinary activities	10,028	12,084	-	22,112
Cost of sales	3,476	5,072	-	8,548
Segment gross profit	6,552	7,012	-	13,564
Operating expenses	5,128	6,754	-	11,882
Segment results	1,424	258	-	1,682
Assets				
Segment assets	19,275	13,285	17,788	50,348
Total assets				50,348
Liabilities				
Segment liabilities	430	5,376	9,406	15,212
Total liabilities				15,212

Six months ended 31 December 2022	Assessments (\$'000s)	Solutions (\$'000s)	Corporate (\$'000s)	Total (\$'000s)
Total segment revenue from ordinary activities	10,261	11,786	-	22,047
Cost of sales	3,326	4,366	-	7,692
Segment gross profit	6,935	7,420	-	14,355
Operating expenses	5,769	6,008	-	11,777
Segment results	1,166	1,412	-	2,578
Assets				
Segment assets	25,674	20,072	17,394	63,140
Total assets				63,140
Liabilities				
Segment liabilities	423	4,579	18,562	23,564
Total liabilities				23,564

2.2 Reconciliation from Segment Contribution to Net Loss after Tax

Six months ended 31 December	2023 (\$'000s)	2022 (\$'000s)
Assessments	1,424	1,166
Solutions	258	1,412
Segment Result	1,682	2,578
Acquisition expenses	-	20
Share-based compensation	648	752
Depreciation and amortisation	6,490	6,609
Net financial (income) / expense	(135)	341
Other non-operating expense	293	148
Foreign exchange gains	(61)	(53)
Income tax benefit	(1,448)	(1,030)
Net loss after tax	(4,105)	(4,209)

2.3 Revenue by Market Sector

Six months ended 31 December	2023 (\$'000s)	2022 (\$'000s)
Schools	17,858	17,574
Higher Education & Professional Accreditation	2,905	1,680
Enterprise & Government	1,349	2,793
Total operating revenue	22,112	22,047

2.4 Revenue by Geographic Location

Six months ended 31 December	2023 (\$'000s)	2022 (\$'000s)
Australia and New Zealand	19,500	19,658
Asia	1,255	949
Rest of the world	1,357	1,440
Total operating revenue	22,112	22,047

Note 3: Consolidated Trading Revenue

The Group's revenues by component are presented below:

Six months ended 31 December	2023 (\$'000s)	2022 (\$'000s)
Licence and hosting revenue	15,332	15,123
Content licence revenue	44	50
Services revenue	6,736	6,874
Total operating revenue	22,112	22,047

Platform revenue includes two components:

- Licence and hosting revenue comprises revenue from ICAS, recurring revenue for the right to use platform and platform maintenance i.e. revenue for maintenance and support services over a specific period of time.
- Content licence revenue comprises recurring revenue for the right to use third-party content distributed via Janison's learning platform or customers' proprietary learning platforms.

Services revenue includes revenues generated by platform customisation, implementation, configuration, customer training activities and exam management.

Note 4: Cost of Sales

Six months ended 31 December	2023 (\$'000s)	2022 (\$'000s)
Personnel costs	5,021	4,270
Third party contractors	685	1,185
Total direct labour	5,706	5,455
Hosting and software costs	2,289	2,106
Exam management costs	511	87
Content licence fees	42	44
Total cost of sales	8,548	7,692

Personnel costs includes wages and employee benefits for staff servicing customers including segment heads, software developers, testers and system operations engineers.

Note 5: General and Administrative Expenses

Six months ended 31 December	2023 (\$'000s)	2022 (\$'000s)
Personnel costs	7,596	7,883
Personnel costs-share based compensation	648	752
Unallocated employee costs	205	217
Office facility expenses	134	128
Travel	157	146
Software licenses	536	407
Professional services	46	192
Telecommunications	213	130
Other ¹	997	860
General and administrative expenses	10,532	10,715
Less: Share-based compensation classified as non-trading	648	752
Total general and administrative expenses	9,884	9,963

¹The 2022 balance has been restated due to a classification error.

Personnel costs include the salaries, benefits and bonuses of the Group's board and executive team including human resources and finance functions. Unallocated employee costs include primarily Australian state payroll taxes, staff training and other employee related expenses not allocated by department.

Note 6: Depreciation and Amortisation Expense

Six months ended 31 December	2023 (\$'000s)	2022 (\$'000s)
Office and computer equipment	114	100
Leasehold improvements	-	23
Capitalised software costs	2,703	2,958
Amortisation of other intangibles - acquired IP	2,930	2,954
Amortisation of other intangibles - non acquired IP	315	92
Right-of-use asset depreciation	428	482
Depreciation and amortisation expense	6,490	6,609

Note 7: Net Financial Income

Six months ended 31 December	2023 (\$'000s)	2022 (\$'000s)
Interest (income) / expense	(151)	313
Interest expense - lease liability	16	28
Net financial income	(135)	341

Note 8: Income Taxes

8.1 Components of Income Tax Expense

Six months ended 31 December	2023 (\$'000s)	2022 (\$'000s)
Current tax (benefit) / expense	1	135
Deferred tax benefit	(1,449)	(1,165)
Income tax (benefit) / expense	(1,448)	(1,030)

8.2 Reconciliation of Prima Facie Tax Expense to Income Tax Expense

Six months ended 31 December	2023 (\$'000s)	2022 (\$'000s)
Loss before income tax	(5,553)	(5,239)
Tax rate	25%	25%
Prima facie tax benefit	(1,388)	(1,310)
Adjusted for:		
Share based payments expense	162	188
Non-deductible expenditure	5	54
Recognition of tax losses	(304)	-
Other	76	34
Adjustments due to different tax rates in different jurisdictions	1	3
Income tax benefit	(1,448)	(1,030)

8.3 Deferred Tax Assets and Liabilities

As at	31-Dec-2023 (\$'000s)	30-Jun-2023 (\$'000s)
Intellectual property valuation difference	2,673	2,744
Employee entitlements accrual	854	955
Intangibles and other fixed assets	717	-
Leases	54	73
Provisions and accruals	1,488	1,453
Capital raising and acquisition transaction costs	39	94
Total deferred tax asset	5,825	5,319
Deferred tax liability	1,953	2,897
Total deferred tax liability	1,953	2,897

Deferred tax assets have not been recognised in respect of the following items, because of the uncertainty in the timing of sufficient taxable profits to absorb the losses at 31 December 2023. No tax losses have been forfeited and will be available for use in future periods as required.

8.4 Unrecognised deferred tax assets

As at	31-Dec-2023 (\$'000s)	30-Jun-2023 (\$'000s)
Tax losses	3,688	3,991
Total unrecognised deferred tax assets	3,688	3,991

Note 9: Trade and Other Receivables

As at	31-Dec-2023 (\$'000s)	30-Jun-2023 (\$'000s)
Trade receivables	3,390	3,305
Less: Provision for expected credit loss	(59)	(122)
Contract assets	713	834
Other receivables	288	466
Trade and other receivables	4,332	4,483

Contract assets relates to amounts accrued for the Group's performance obligations under customer contracts in accordance with AASB 15.

Note 10: Intangible Assets

Intangible assets have been allocated to two cash-generating units ('CGUs'), Solutions and Assessment.

During the six months, the Group capitalised \$1.5 million of costs. These relate to platform development costs relating to new features to be included in future versions of the Solutions platform, and item bank development costs. Once in use, these assets will be amortised over a three-year and five year period respectively.

Other intangibles include identifiable intangibles related to:

- the purchase of Academic Assessment Services in November 2021, the amount of \$12.7 million has been recognised in relation to client relationships and a further \$6.5m of item bank intangibles. These assets have a useful life of 5 years.
- the purchase of Quality Assessment Tasks in October 2021, the amount of \$1.9 million has been recognised in relation to the acquired item bank intangibles
- purchased intellectual property acquired as a result of the purchase of the Ascender content generation business in April 2018
- client relationships acquired when LTC was purchased in April 2019
- intangible assets acquired from the purchase of EA including a CRM, an assessment item bank and online customer portal
- item bank development

Set out overleaf are the carrying amounts of the intangible assets relating to each of the two CGUs:

Note 10: Intangible Assets (cont.)

Set out below are the carrying amounts of the intangible assets relating to each of the two CGUs:

	CGU 1 – Solutions				CGU 2 – Assessments				Total
	Goodwill (\$'000s)	Acquired Intangible Assets (\$'000s)	Internally Generated Intangible Assets (\$'000s)	Work in Progress* (\$'000s)	Total Goodwill (\$'000s)	Acquired Intangible Assets (\$'000s)	Internally Generated Intangible Assets (\$'000s)	Total (\$'000s)	
As at 30 June 2023									
Cost	2,880	7,800	24,095	764	35,539	21,701	2,774	27,607	63,146
Less accumulated amortisation	-	(6,630)	(15,960)	-	(22,590)	(7,294)	(300)	(7,594)	(30,184)
Carrying amount at end of period	2,880	1,170	8,135	764	12,949	14,407	2,474	20,013	32,962
Movement:									
Carrying amount at start of period	2,880	2,730	11,306	1,324	18,240	18,744	586	22,462	40,702
Additions	-	-	2,796	-	2,796	-	2,154	2,154	4,950
Disposals, transfers, and other	-	-	-	(560)	(560)	-	-	-	(560)
Amortisation expense	-	(1,560)	(5,967)	-	(7,527)	(4,337)	(266)	(4,603)	(12,130)
Carrying amount at end of period	2,880	1,170	8,135	764	12,949	14,407	2,474	20,013	32,962

*Work in progress relates to Internally Generated Assets for projects that are not yet complete and have not yet started to amortisation. Once complete, these projects are transferred to Internally Generated Intangible Assets.

Note 11: Share Capital

The table below details movements in share capital and reserves for the half year ended 31 December 2023.

Details	Date	Share Capital	
		(\$'000s)	No. of shares
Balance	1 July 2022	77,731	235,600,045
Critical Skills Equity Plan Tranche 1 ¹	7 July 2022	-	872,137
Critical Skills Equity Plan Tranche 1 ¹	5 August 2022	-	68,306
FY22 Employee Share Ownership Program ¹	17 November 2022	-	501,390
Loan funded shares - repayment received ²	Various	900	-
Critical Skills Equity Plan Tranche 2 ¹	3 January 2023	-	768,385
Balance	30 June 2023	78,631	237,810,263
Critical Skills Equity Plan Tranche 3 ¹	5 July 2023	-	1,038,573
Earn out share consideration for the acquisition of AAS ³	8 September 2023	7,379	12,801,225
Performance rights vesting	12 September 2023	-	760,970
FY23 Employee Share Ownership Program	24 October 2023	308	1,740,960
Balance	31 December 2023	86,318	254,151,991

¹Equity issues were granted in prior periods thus fully expensed in line with vesting conditions. On 9 January 2024 Janison issued 1,450,913 of ordinary fully paid shares for the Critical Skills Equity Plan Tranche 4.

²Loan funded shares granted in FY17 were already included in the number of shares on issue at the time of grant.

³In addition, on 6 July 2023, the Group also paid \$1 million in cash as part of the earn-out consideration for the acquisition of AAS. All liabilities in relation to the AAS deferred consideration have now been settled.

The table below details movements in reserves for the half year ended 31 December 2023.

Details	Date	Reserves	
		(\$'000s)	No. units
Balance	1 July 2022	3,549	11,023,690
Non-Executive Director options	3 November 2022	100	599,145
FY23 Employee Share Ownership Program	Various	252	-
Performance rights granted FY22 Plan	30 June 2023	190	1,417,952
Performance rights granted FY23 Plan	30 June 2023	-	2,286,212
Critical Skills Equity Plan Tranche 2 ¹	31 December 2022	429	-
Critical Skills Equity Plan Tranche 3 ²	30 June 2023	477	-
Performance rights exercised during the year	30 June 2023	-	-
Performance rights lapsed	30 June 2023	-	(9,183,544)
Foreign currency translation	-	27	-
Balance	30 June 2023	5,024	6,143,455
Non-Executive Director options	Various	55	-
FY24 Employee Share Ownership Program	Various	51	-
Performance rights vested FY21 Plan	12 September 2023	-	(760,970)
Performance rights granted FY22 Plan	Various	69	-
Performance rights granted FY23 Plan ³	Various	81	329,687
Performance rights granted FY24 Plan	20 November 2023	28	2,086,264
Critical Skills Equity Plan Tranche 4 ⁴	31 December 2023	364	-
Foreign currency translation	-	14	-
Balance	31 December 2023	5,686	7,798,436

¹768,385 shares were issued in January 2023.

²1,038,573 shares were issued in July 2023.

³Includes 329,687 performance rights granted to David Caspari as part of the FY23 LTI Plan approved by shareholders at the Annual General Meeting held on 17 October 2023.

⁴1,450,913 shares were issued in January 2024.

Note 12: Earnings Per Share

Six months ended 31 December	2023 (\$'000s)	2022 (\$'000s)
Loss after income tax	(4,105)	(4,209)
	Number '000	Number '000
Weighted average number of ordinary shares	247,850	236,614
Basic loss per share	(1.66)	(1.78)

Note 13: Events after the Reporting Date

There have been no significant events between the balance sheet date and the date these financial statements were authorised for issue.

Note 14: Cash and Cash Equivalents

As at	31-Dec-23 (\$'000s)	30-Jun-23 (\$'000s)
Cash at bank	9,160	12,039
Total Cash and Cash Equivalents	9,160	12,039

Directors' Declaration.

In accordance with a resolution of the Directors of Janison Education Group Limited, I state that:

1. In the directors' opinion: the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporate Regulations 2001 and other mandatory professional reporting requirements;
 - i. the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1.1 to the financial statements; and
 - ii. the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the six months ended on that date; and.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed on behalf of the Directors in accordance with a resolution of the Board of Directors.



Ms Kathleen Bailey-Lord

Non-Executive Chair

Dated: 23 February 2024

Auditor's Independence Declaration.



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26 February 2024

Board of Directors
Janison Education Group Limited
Level 5, 126 Philip Street
Sydney NSW 2000

Dear Sirs

RE: JANISON EDUCATION GROUP LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Janison Education Group Limited.

As Audit Director for the review of the financial statements of Janison Education Group Limited for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Martin Michalik
Director

Independent Auditor's Report.



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF JANISON EDUCATION GROUP LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Janison Education Group Limited, which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that causes us believe that the accompanying half-year financial report of Janison Education Group Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of Janison Education Group Limited's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Company on 26 February 2024.

Responsibility of the Directors for the Financial Report

The directors of Janison Education Group Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Independent Auditor's Report.



Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

Martin Michalik
Director

West Perth, Western Australia
26 February 2024

Corporate Directory.

COMPANY

Janison Education Group Limited

ASX CODE

JAN

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BOARD OF DIRECTORS

Ms Kathleen Bailey-Lord | Non-Executive Chair

Mr Wayne Houlden | Founder, Interim Managing Director and Vice Chair

Mr Mike Hill | Non-Executive Director

Ms Allison Doorbar | Non-Executive Director

Ms Vicki Aristidopoulos | Non-Executive Director

COMPANY SECRETARY

Belinda Cleminson

AUDITOR

Stantons International Audit & Consulting Pty Ltd
Level 36, Gateway, 1 Macquarie Place, Sydney, NSW 2000

CORPORATE GOVERNANCE

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