

INVESTOR PRESENTATION

QUARTER ENDING
31 MARCH 2021

OPENLEARNING LIMITED (ASX:OLL)
20 APRIL 2021



RECORD CASH RECEIPTS

ACCELERATING GROWTH IN Q1 FY21

ACCELERATING PLATFORM REVENUE

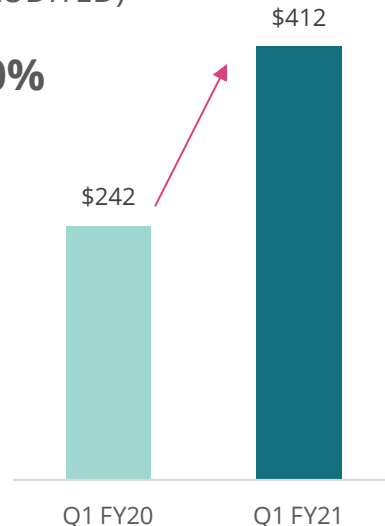
- Strategy focused on capturing a greater share of the value created by its platform and capabilities
- Platform driven revenue is comprised of:
 1. **SaaS:** recurring revenue from education providers (incl. platform and BEST Network)
 2. **Partnerships:** revenue share on courses (incl. UNSW Transition Program Online)

RECORD CASH RECEIPTS

- Strong SaaS sales and contract renewals resulted in \$480k in customer receipts
- First intake of the Transition Program Online (TPO) started on 22nd March 2021 resulting in \$511k of customer receipts; only 8 days of revenue were accrued in Q1 FY21

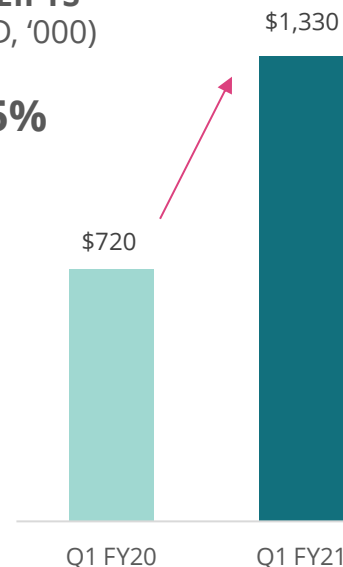
PLATFORM REVENUE¹ (AUD, '000, UNAUDITED)

+70%



CUSTOMER CASH RECEIPTS (AUD, '000)

+85%



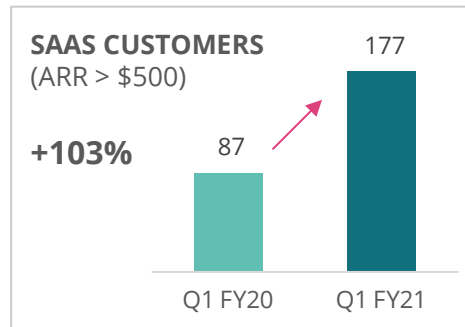
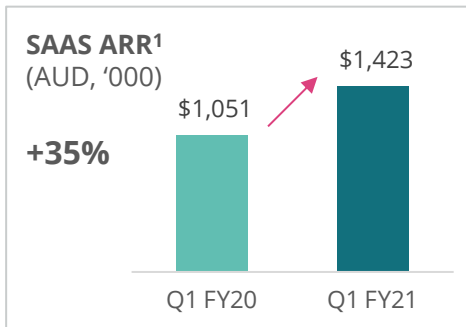
1. Platform revenue includes revenue from SaaS and partnerships that were accrued in the quarter. Marketplace and services are excluded from the platform revenue

2. Cash receipts includes SaaS subscription, Transition Program Online, Marketplace and Services

STRONG GROWTH IN HIGH MARGIN PLATFORM SAAS REVENUE

NEW CLIENTS AND PRODUCT DEVELOPMENTS

- Growth driven by new small clients joining on entry level usage-based SaaS plans as well as larger clients increasing their usage
- Expanded self-service SaaS model to enable education providers with < 4,000 learners to subscribe, pay and onboard themselves
- Continued investment in sales and marketing, as well as in developing new features, functionality and scalability of the platform



1. Annualised recurring SaaS revenue, calculated by utilising the generally accepted industry standard, which involves multiplying the monthly accrued SaaS revenue in the month at the end of the quarter by 12 (months). The ARR calculation does not take into account the future expiry of the term of any contract under which SaaS revenue is generated or any customer lost during the relevant month.

SCALABLE, WORLD-LEADING PROGRAM FOR INTERNATIONAL STUDENTS

FIRST INTAKE SUCCESSFULLY COMMENCED

- Worked closely with UNSW Global to prepare for the first intake of the UNSW Transition Program Online (TPO), which started on 22nd Mar 2021
- UNSW Global is responsible for marketing, curriculum, quality assurance and certification while the Company manages admissions, student support, teaching, learning design and assessment
- Setup costs related to the TPO were approximately \$450k to end Q1 FY21; two more intakes will start in Q3 FY21 and similar programs have historically been over twice as popular in the second half of the year

NEW REVENUE STREAM

- Students who are accepted into the TPO pay an indicative fee of \$15,960, out of which the Company pays a license fee to the university

GLOBAL OPPORTUNITY

- Provides a more affordable pathway into a top tier university, opening up new fast-growing markets such as Southeast Asia and Middle East
- 442k international students at Australian universities in 2019, with double-digit YoY growth at the Group of 8 Universities

The image shows a landing page for the UNSW Transition Program Online. The header is yellow with the UNSW Global logo and the text 'Learning, reimagined' and 'UNSW Transition Program Online'. A circular photo of a smiling woman in a hijab is on the right. The main content area has a white background with the text 'UNSW and OpenLearning are taking online education to the next level with our new UNSW Transition Program Online.' Below this is a section titled 'Applications are now open for 2021. Enrol now and prepare for success at a Top 50 university from anywhere in the world.' with a small photo of a student. To the right is a registration form with fields for First Name, Last Name, Email Address, Country/Region of Citizenship, and a dropdown for I am a... There is a 'SUBMIT' button at the bottom right. Below the form are three icons with text: 'Bridge the gap between school and university', 'A supportive experience', and 'Collaborative, project-based learning'. At the bottom left is a photo of a building and the text 'Why UNSW Global?'. At the bottom right is a small text block about UNSW's history and commitment to online learning.

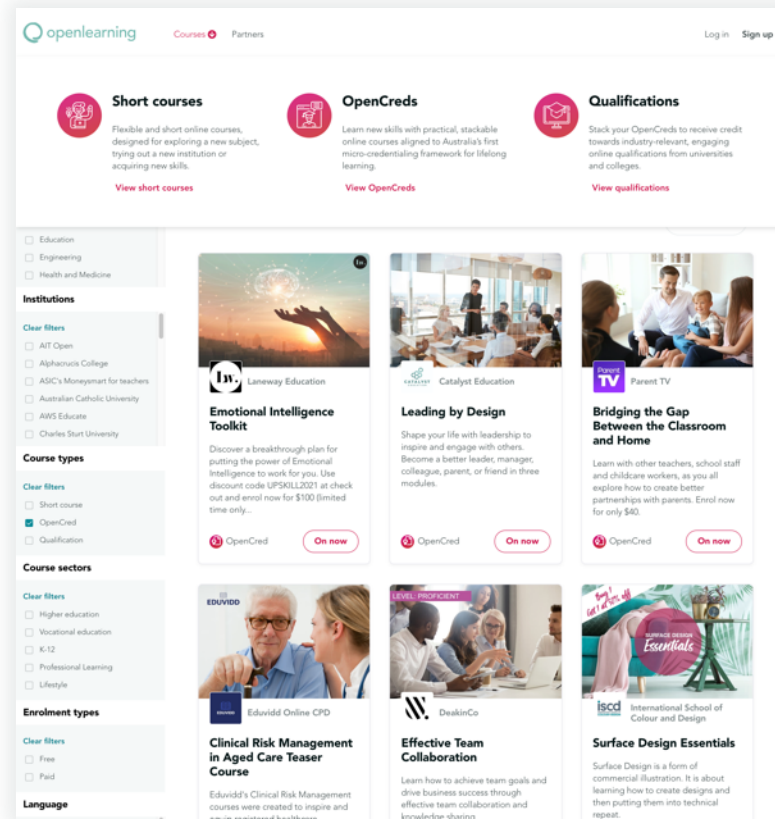
DEVELOPING THE AUSTRALIAN AND MALAYSIAN MICRO-CREDENTIAL MARKETS

OPENCREDs BY OPENLEARNING

- Framework for education providers to create stackable short courses that meet industry needs and are aligned to the Australian and Malaysian qualifications frameworks
- OpenCreds are exclusive to OpenLearning and designed to accelerate adoption of the platform and generate new revenue
- 24 OpenCreds are now available with prices ranging from < \$100 to \$650 per learner and between 2.5 to 25 hours of learning

INCREASING ADOPTION BY PROVIDERS

- Initial focus on growing supply-side of the OpenCreds market
- OpenLearning SaaS clients can build OpenCreds on their own and submit them for approval to OpenLearning's review process
- Initiatives to develop OpenCreds with Open Universities Australia, Australia's largest higher education marketplace, and the OpenCreds Investment Fund to build courses on revenue-share
- Partnership with Accredible, the world's most comprehensive digital badge and certificate platform, for OpenCreds and SaaS clients



ONLINE LEARNING TO GROW FROM 2% TO 5% OF POST-SECONDARY EDUCATION BY 2025

GROWTH ACCELERATING POST-COVID

- COVID has increased awareness and acceptance of online education
- Stop-gap measures in 2020/2021 have highlighted challenges in capability and quality at higher education providers
- Accelerated CAGR of 17% expected through 2025 compared to projected CAGR of 14% pre-COVID

FOCUS ON KEY MARKETS

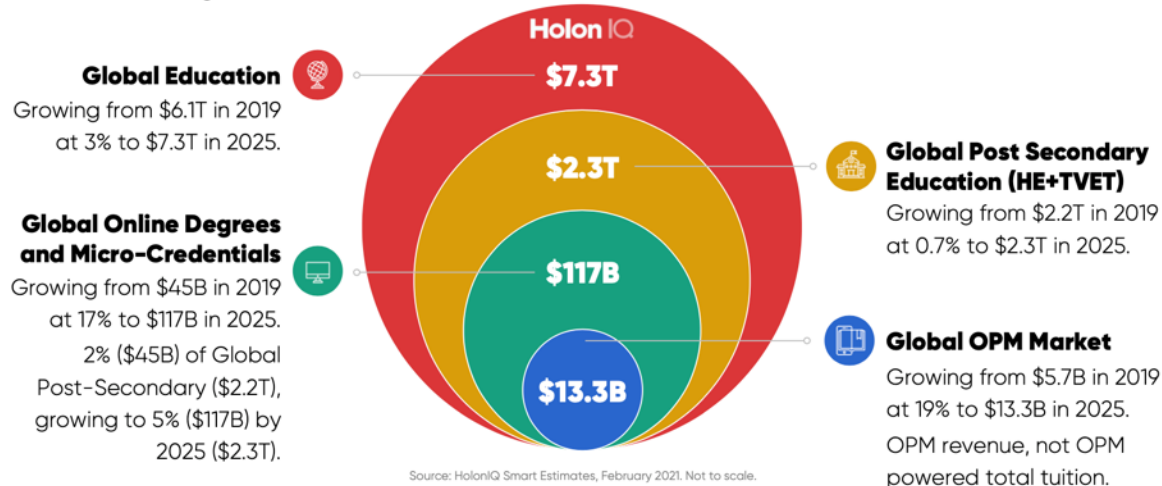
- Continuing to gain market share in Australia and Malaysia; starting expansion into Indonesia
- Products tailored to key markets e.g. OpenCreds, BEST Network, TPO
- Self-service platform SaaS model enables entry into U.S., Canada and Europe

HOLONIQ. GLOBAL ONLINE DEGREE & MICROCREDENTIAL MARKET

Holon IQ

\$117B Online Degree and Micro-Credential in 2025

Global Online Degrees and Micro-Credentials and Global OPM Market Size. USD 2019-2025



OPENLEARNING ENABLES EDUCATION PROVIDERS TO DELIVER HIGH QUALITY ONLINE EDUCATION



MARKETPLACE

Global high-traffic website for learners to discover new courses and qualifications and providers to market their courses



OPENCREDs

Transportable micro-credentials issued through the platform could lead to credit in a degree



LIFELONG LEARNING PLATFORM

Scalable cloud platform for education providers to create, sell and deliver high quality courses and qualifications



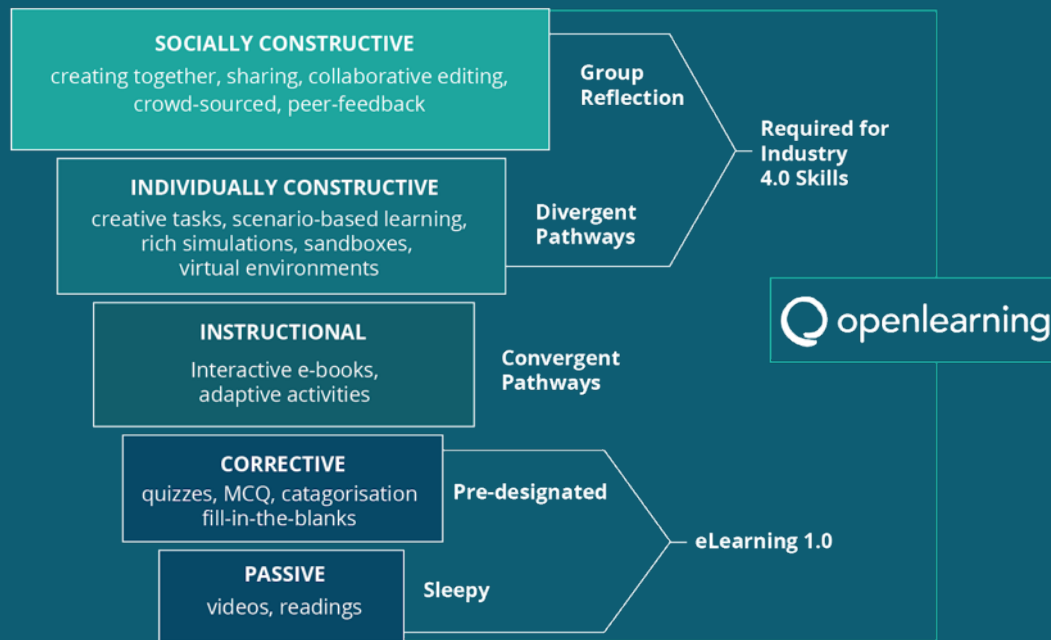
PORTFOLIOS

Automatically generated portfolio to showcase learner's skills and credentials to potential employers

CUTTING-EDGE PLATFORM

DESIGNED FOR THE FUTURE OF EDUCATION

- Proprietary technology
- Research-backed approach
- Outcome-based education
- High student engagement
- Soft skills and practical skills
- Innovative assessment system
- Automatically generated portfolio



SIGNIFICANT MILESTONES AND FOUNDATIONS FOR FURTHER GROWTH

- Cutting-edge lifelong learning platform providing a high quality online learning experience with a strong brand
- Market leader and growing in two key markets (Australia and Malaysia); expanding into third market (Indonesia)
- Delivering strong revenue and cash receipts growth (+70% and +85% YoY respectively)
- Investments in key growth initiatives (TPO, OpenCreds, BEST network) nearing completion and are beginning to drive new incremental revenues
- Ground-breaking TPO in place and set to generate significant additional core platform revenue
- Well placed to capitalise on rapidly growing short course and micro-credentials market
- Strong cash balance of circa \$7.4m to support growth initiatives going forward

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