



**iCollege**

# pathways to success

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12 months post Manthano acquisition

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# disclaimer

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# market update





# key points

1

## Strong CRICOS enrolment numbers

- Opening of Perth campus.
- Opening of Queen Street English language centre.
- Greater than 90% international student retention.

2

## CRICOS allocation increased from 400 to 1800

- Average CCEV per student is \$10,000.
- Current international student numbers exceed 600.

3

## Longstanding litigation settled

- Creditor balance reversed by financial auditors and recognised \$1.5 million profit add back.

4

## Establishment of iStudy Australia

- Incorporation of iStudy International (India & Australia).

5

## JVA signed with Yash Birla Group (India)

- Significant listed Indian Conglomerate.
- JV partner owns and operates 70 schools across India.

6

## iCollege China Incorporated

- Well advanced in negotiations of additional opportunities.

## Strong Cash Receipts Quarter on Quarter

**\$1,215,000**

June Quarter 2017/18

**↑27%**

**\$1,545,000**

September Quarter 2018/19

**↑36%**

**\$2,097,000**

December Quarter 2018/19

# our board

## Simon Tolhurst Non-Executive Chairman

- Litigation Partner at HWL Ebsworth
- Over 20 years experience commercial dispute resolution
- Government representation
- Representation of private organisations including mining companies and investment groups
- AFR Best Lawyers - Litigation

Simon is recognised by Doyle's Guide as a leading commercial litigation & dispute resolution lawyer.

## Ashish Katta Managing Director

- Experienced business leader and entrepreneur
- Established businesses in IT, retail and education

Ash started his first business developing asset management software at age 21 in Hyderabad, India and had clients including EMMAR Constructions, Accor Group and Hyderabad International Convention Centre.

Ash holds an MBA in International Management. Additional business interests include IT, mining, education in both Australia and overseas.

## Badri Gosavi Executive Director & CFO


- Finance specialist and entrepreneur
- Accomplished restaurateur
- Mining interests in Malaysia and Zambia

Badri has dual qualifications in finance and accounting from Edith Cowan University in Perth.

Badri came to Australia as an international student and has walked the pathway to success.

## Capital Structure

### ASX Code - ICT      Industry - EDUCATION

Number of shares on issue	506,813,236	
Share price 15/3/2019	5.5 cents	
Market Capitalisation	\$27,874,727	

# our group



Sero Institute is a Registered Training Organisation (RTO) offering training to both domestic and international students. Sero is accredited to deliver Certificate II through to Advanced Diploma in Leadership and Management, Business and Hospitality (including Commercial Cookery).

Sero is widely regarded as the leading Hospitality School in Queensland and boasts a 100% industry placement rate for participating students.



Sero Corrections delivers training to inmates inside Queensland correctional facilities. This is a unique program with significant barriers to entry.

Sero has achieved an impressive 95% completion rate and has delivered training in 5 of 11 correctional facilities in Queensland.



Celtic Training is a leading provider of Individual Care (Aged and Disability) and Community Services qualifications in South Australia.

Celtic Training is commencing training in Queensland during quarter 4, FY 2018/19.



Capital Training Institute (CTI) offers specialised and accelerated qualifications to the Building and Construction Industry.

CTI has campuses in Brisbane Canberra and Sydney. CTI is one of 12 training organisations in the country approved to deliver Asbestos Awareness training.



iCollege International is a Registered Training Organisation (RTO) established to ensure compliant delivery and the award of Australian qualifications at our overseas delivery locations.



iStudy Australia was established in May 2018 as an international student recruitment agency.

Additionally, the business provides English language training and preparation for overseas students.

## Shared Services Division



Administration



Accounting



Human Resources



Compliance

# campus locations





# International

# SERO Institute

**Sero Institute is a CRICOS registered training organisation with focus on delivering courses related to Hospitality, Leadership and Management, Business, English and Foundation Skills.**

Sero Institute has experienced strong growth in revenues since its acquisition by iCollege in February 2018.

This growth has been driven by the provision of high quality courses, delivered by highly skilled trainers and the expansion of the company's significant and supportive agent network. With 600 of the 1800 available CRICOS places currently filled, the Company expects this to expand to 1000 by June 30, 2019.

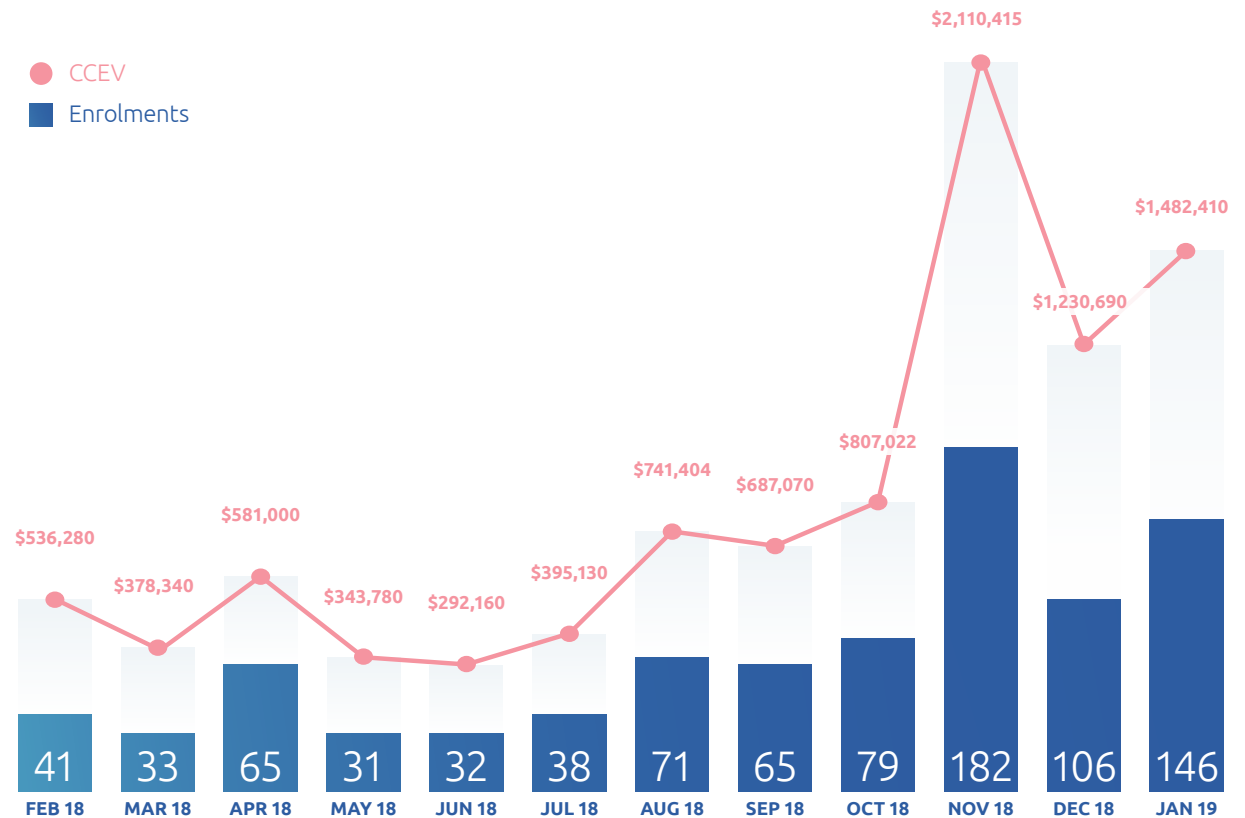
Sero Institute has 5 ASQA approved CRICOS campuses currently catering to 600 students. Locations across the country include:

- 205 North Quay, Brisbane
- Queen Street Mall, Brisbane (Languages Centre)
- Mt. Gravatt, Brisbane
- Southport, Gold Coast
- Maylands, Perth



# SERO enrolment value

**The Confirmed CRICOS Enrolment Value (CCEV) derived from CRICOS placements represents the booked dollar value attributed to each individual international student's enrolment with Sero Institute over the duration of their course.**



Course durations vary from 3 months to 18 months with some students requiring ELICOS (English Language Training) in addition to their primary area of study. As depicted in the graph above, the average revenue value equates to just over \$10,000 per student. CCEV is only reported after the student accepts a Letter of Offer (LoO), pays the deposit and is issued with a Confirmation of Enrolment (CoE).

Students participate in a range of course offerings including Leadership and Management, Business, Hospitality (including Commercial Cookery) and English Language Training.

This strong enrolment trend is due to increased confidence of the expanding agent network and expansion into new markets. This increased confidence can be attributed to experienced teaching staff, well resourced campuses and extremely positive students experiences.

Sero is now driving offshore enrolments through cooperation with 132 active onshore and offshore agents. The company expects to see steady enrolments from onshore students with expansion coming from offshore applications.

## International

significant  
growth  
opportunity

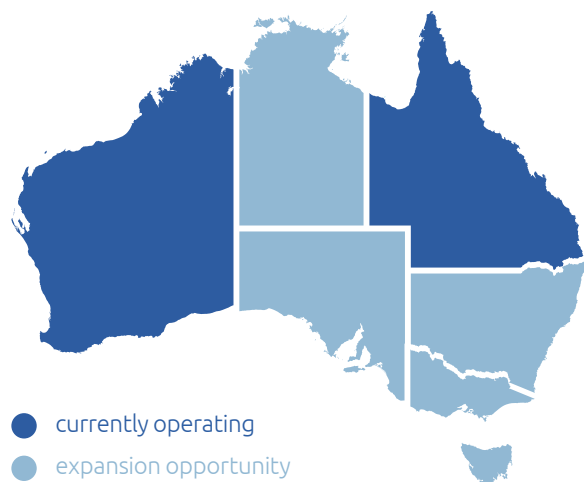
International Education is Australia's 3rd largest export

**\$30.3 Billion**

Australia is the third  
most popular education  
destination in the world

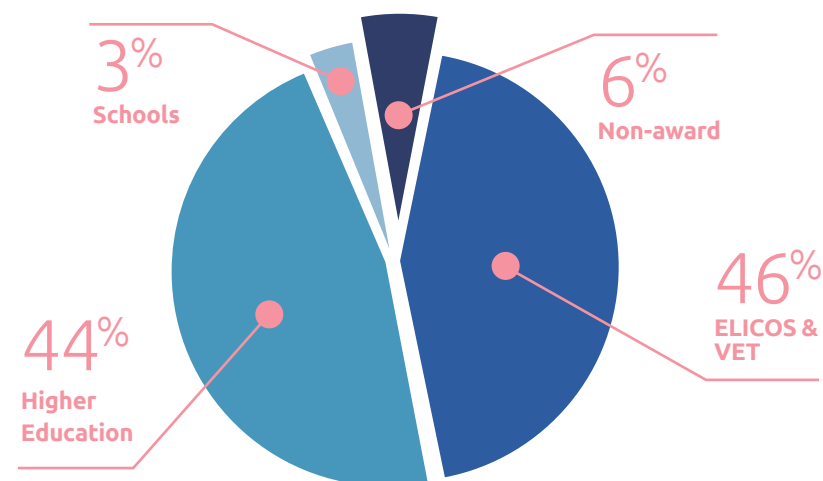


### International student enrolments 2017 by state



**624,000**  
International students  
studying in Australia

### Sector international student enrolments 2017



7%	5%	31.7%	1%	2%	38%	15%	.3%
WA	SA	VIC	TAS	ACT	NSW	QLD	NT
53,897	35,821	253,076	8,889	16,910	304,545	123,737	2,495

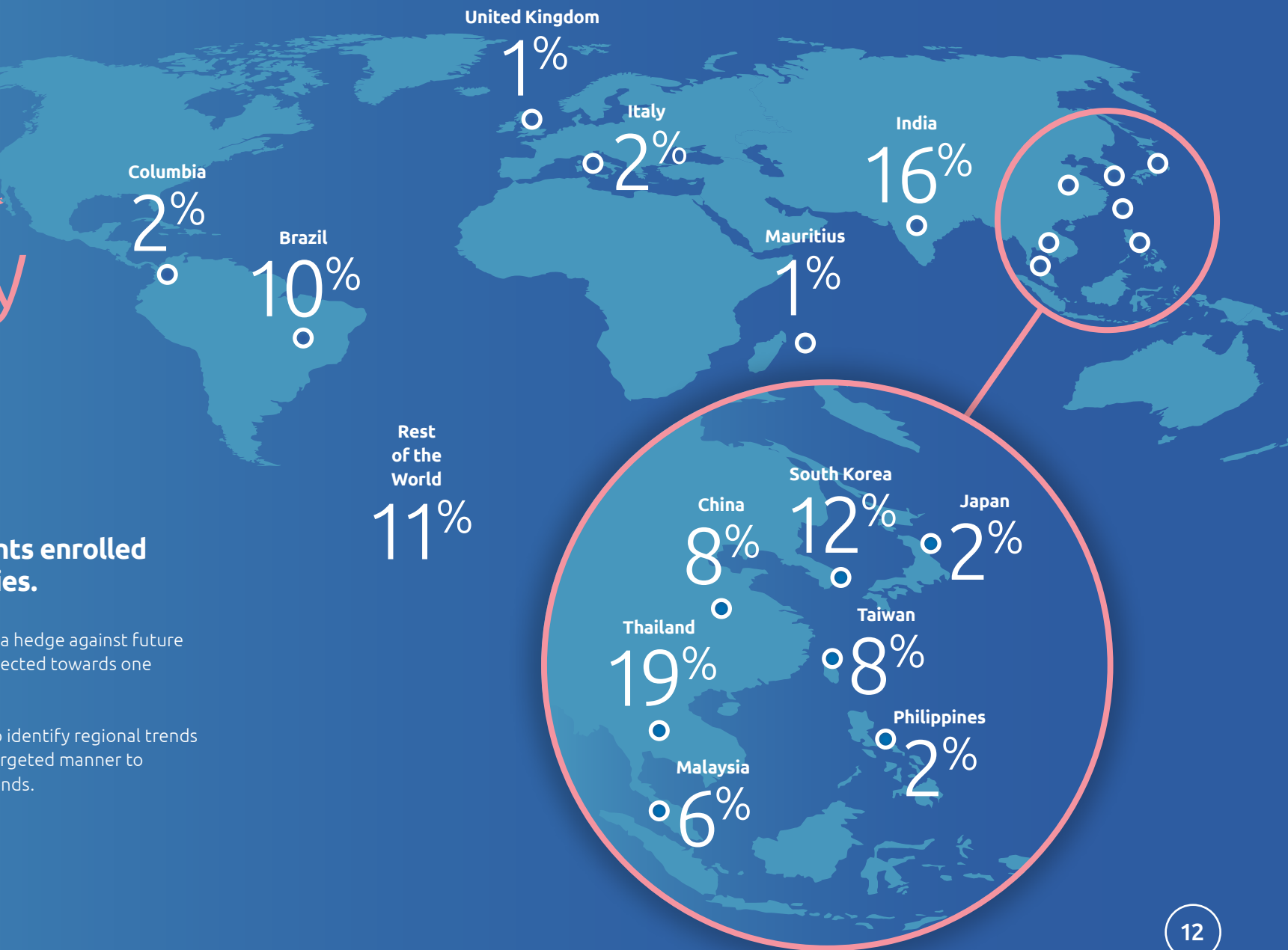


# SERO student diversity

**Sero currently has students enrolled from 42 different countries.**

This broad student channel represents a hedge against future student immigration policy changes directed towards one country or region.

Tracking the student mix allows Sero to identify regional trends and in turn allocate its resources in a targeted manner to specifically address those emerging trends.

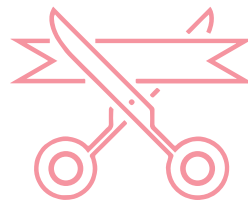


## New campus

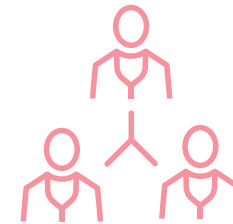
# Perth

**iCollege has opened a new CRICOS campus in Perth, Western Australia. The campus is located 5 minutes from the CBD and has capacity for 400 international students.**

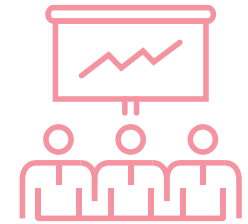
In addition to the campus, iCollege has opened Sero Cafe which provides both placement and employment opportunities to the students. The facility also boasts a well resourced library, gym, sporting facilities and parking for 200 vehicles. Since opening in November 2018, the campus now caters for 130 active students.



Opened November 2018



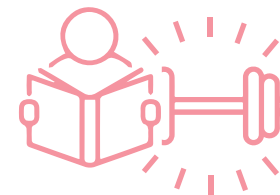
CRICOS approval for 400 students



Current CRICOS students 130



Operational Café allowing for improved student experience and employment opportunities



Impressively resourced library, gym and sporting courts



Located three train stops from the city with parking for 200 vehicles

# domestic

## iCollege through its 4 Registered Training Organisations currently holds active state government funding contracts in Queensland, New South Wales, South Australia and the Australian Capital Territory.

Each funding contract is administered differently. The principal remains the same with State Governments contributing to the up-skilling of citizens of each State. Payments are staged and made to the respective training provider as each student progresses through the competencies required to obtain the full qualification.

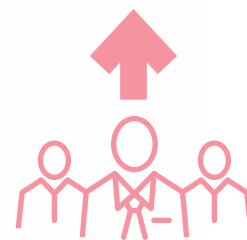
Celtic has provided a high standard of Health and Community Services training in Adelaide since its inception in 2009. Celtic is currently expanding operations, with courses commencing in Queensland in Q4, FY 2018/19.

Capital Training Institute (CTI) currently delivers full construction qualifications and short courses in NSW, Qld and ACT, leaving opportunity for expansion into the remaining States where there are significant infrastructure projects.

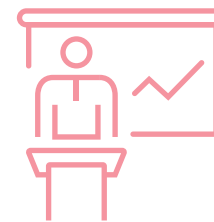
Sero Corrections over the past two years has delivered specialist training to inmates at 5 of the 11 Correctional facilities in Qld. Nationally, there are 85 Government run and 9 private correctional facilities catering to a population of 42,974. This allows for significant expansion of the program in Qld and more widely nationally.



Celtic relocation to new campus – CRICOS application pending



CTI relocated to new Brisbane Campus – enrolments increasing



Sero Corrections – High barrier to entry, specialist training program, currently servicing 5 of 11 prisons in QLD



Half year domestic cash collections to December 2018 –

**\$1,962,200**



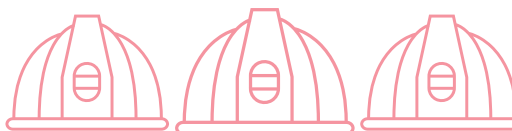
## Domestic

significant  
growth  
opportunity

Building and construction industry is second largest industry in Australia accounting for 8.1% of gdp.



**54,000** Likely job openings for construction managers over the next 5 years



**1,154,000** employed in the construction industry in full time and part time capacity. This figure accounts for 9.4% of the total work force in Australia

**358,000** building and construction business in Australia

**179,000** Job openings are likely in aged & disability care over the next 5 years



**3.8 Million** **2695** **↑24%**

Australians over the age of 65

Providers of residential aged care services in Australia, in June 2018

Increase in Government aged and disability spending between 2012/13 & 2017/18

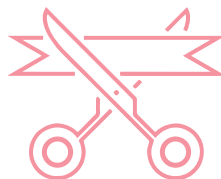
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# offshore opportunities



# offshore opportunities

iStudy has been established to assist with the vertical integration of student recruitment. iStudy is focused on helping students choose their study destination in Australia.



First office opening in India, April 2019



Active collaboration with agent network to allow access to numerous universities



Planned opening of subsequent offices in 2019



iStudy Australia will be sourcing students for the Birla iCollege JV



# joint venture program

### Hospitality Centre of Excellence Delhi, India.

iCollege and Birla Edutech entered into a formal Joint Venture agreement during 2018. The purpose of this agreement is to provide Australian qualifications at a Hospitality Centre of Excellence in Delhi, India. This is the first initiative agreed by the JV company with further opportunities being explored. Birla Edutech operated 70 schools across India and is set to provide a significant pipeline of students for both the JV and iStudy Australia.

#### First Semester

- Semester 1 in India
- English training included
- Australian student VISA lodged for Semester 2



#### Second Semester

- If Visa is granted, student commences Semester 2 in Australia
- If Visa is not granted, student continues course in India



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# future outlook







**All Australian operating entities are performing well with each demonstrating a trend of increased enrolments and revenue. The company expects to continue to deliver increasingly strong results throughout 2019 and beyond.**

With a solid foundation now in place the board will focus on the execution on its overseas plans in 2019 with a view to revenues being generated from those operations in Q4, FY 2018/19.

The Birla Edutech Joint Venture and fitout of the New Delhi Hospitality School of Excellence is progressing well, with the first students expected to commence in 2019.

We look forward to keeping shareholders advised on the progression of the MOU with Shandong University and other opportunities in the Chinese market.



Establishment of English Language Training and Preparation centres in India and China



Expansion of iStudy to additional global locations



Expansion of CRICOS delivery to additional geographic locations



Identification and investigation of value add acquisition targets



Expansion of student recruitment from offshore markets via strong agent relationships and iStudy



Expansion of student diversity mix, providing a more multi-cultural learning experience



Ongoing priority on compliance, student satisfaction, high completion rates and innovative delivery methods



Diversification of course offerings for both domestic and CRICOS delivery



**Registered Office**

Suite 1 GF,  
437 Roberts Road  
Subiaco WA 6008

Phone: +61 8 6380 2555

Fax: +61 8 9381 1122

**Investor inquiries**

[investors@icollge.edu.au](mailto:investors@icollge.edu.au)

**Media inquiries**

[media@icollge.edu.au](mailto:media@icollge.edu.au)

[www.icollge.edu.au](http://www.icollge.edu.au)

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