



Janison.

Investor Update.

24 August 2021

JAN.ASX

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Horizon



Market leader in digital assessments.

- We operate in a **large and growing market** – **school assessments**.
- Our **standardised assessment platform** has been built in partnership over 10 years.
- Our assessment **products** are flagships in the market.
- Our assessment platform delivered **6m digital exams** in **117 countries**.
- Our platform is the global benchmark for **high-volume, high-stakes** exams.
- COVID has **rapidly accelerated a permanent adoption** of digital assessments.



6.5m+

Digital
assessments
in FY21



4.5m+

Students



200K

Remote
proctored
exams



117+

Countries



160

Employees
50:50 gender



1998

Founded



ASX

Listed 2017



+38%

FY21 revenue
growth

Customers and products.

Assessment Platform Products



PISA for
Schools



ICAS
Assessments

| | | |
|-----------------------|--------------------|--------------------|
| ARR (at 30 June 2021) | \$3 million | \$5 million |
| School customers | 2,500 | 1,000 |
| Parent customers | n/a | 63,000 |
| Countries | 15 | 6 |
| Horizon Target | \$30+ million p.a. | \$20+ million p.a. |

Assessment Platform

Select platform customers



Education



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND



BRITISH
COUNCIL



Transport
Roads & Maritime
Services

NAPLAN

NATIONAL ASSESSMENT PROGRAM
Literacy and Numeracy



UNIVERSITY
OF LONDON

ARR

FY20

FY21

All Assessment Platform

\$8 million

\$10 million

How we grow.



Purpose



Unlock the potential in every learner.

Janison was founded by educators for educators with a vision of equitable access to education for all, no matter the circumstances. This commitment to ensuring no learner is disadvantaged remains the centre of our ethos and what we deliver.

Pinpointing learning gaps, stretching skillsets and tapping into learners' unique problem-solving abilities can have life-changing consequences. We equip educators with the tools and data to enable this level of impact on every learner.



Growth Drivers



\$80-100m revenue horizon.

1. PISA for Schools

Full rollout across 90 countries with national roles in the US, UK and Australia serving 1,000 schools each.

2. ICAS Assessments

Continued international expansion delivering 1 million tests p.a.

3. Assessment Platform

New customer acquisition and existing customer expansion.

M&A

Acquisition of school assessments and opportunity for consolidation in the digital assessments industry.

Why Janison?



Proven track record of delivery at scale

From the earliest days of the internet, we've been achieving world-firsts in education technology performance at scale. We're trusted by educators and governments to deliver over 6 million online assessments across 117+ countries annually.



Agile products

Janison's product suite brings powerful benefits to a breadth of industry-specific assessments within Schools, Higher Education, Government and Enterprise. What's more, our solutions are highly configurable and can tailor to almost any exam context.



Unparalleled functionality

Our technology experts have a track record of anticipating what tools educators will need next, creating forward-looking functionality and features to enhance and streamline assessment workflows and deliver deep data.



Exam Integrity and Security

Janison offers privacy and security protection suitable for governments and Janison's remote proctoring solution ensures exam integrity for students sitting exams at home, on their own device

FY21 Highlights.



FY21 Highlights

- Janison accredited by the OECD as the national service provider of PISA for Schools in the UK and Australia
- First successful delivery of ICAS – 290,000 tests, \$5m in new revenue
- Group revenue exceeds \$30 million
- Gross Margin continues to increase with standardised assessment platform delivery and scale benefits
- Janison achieves workforce gender balance with 50% female population

\$30m
OPERATING REVENUE

↑↑
+38%

\$18m
ASSESSMENT ARR

↑↑
+117%

\$23m
(ARR) ANNUALISED RECURRING REVENUE

↑↑
+75%

55%
GROSS MARGIN

↑↑
+9PPS

\$3m
EBITDA

↑↑
+21%

\$23m
CASH ON HAND (NO DEBT)

↑↑
+109%

50%
FEMALE WORKFORCE

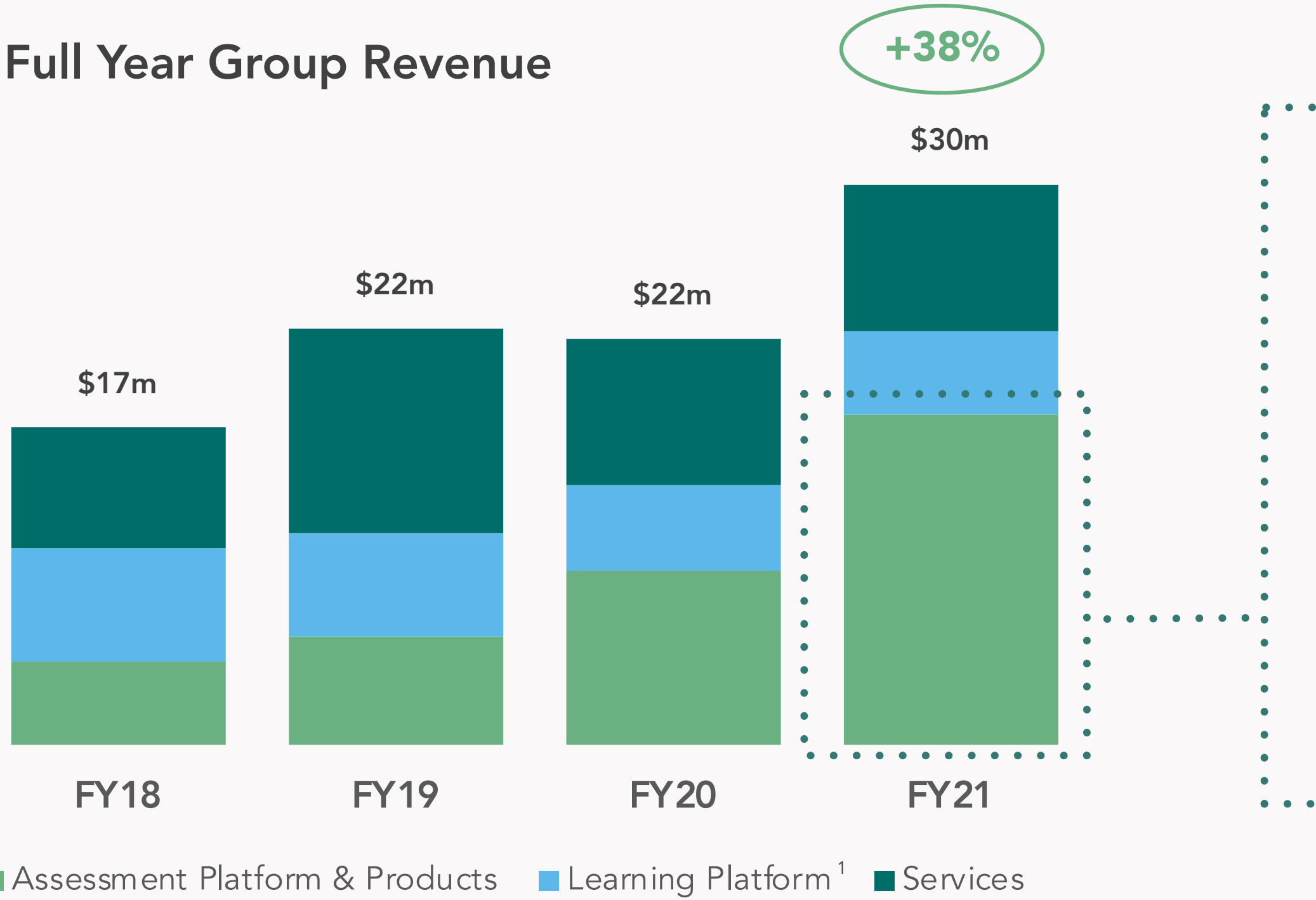
↑↑
+19%

\$16m
ORGANIC ASSESSMENT REVENUE

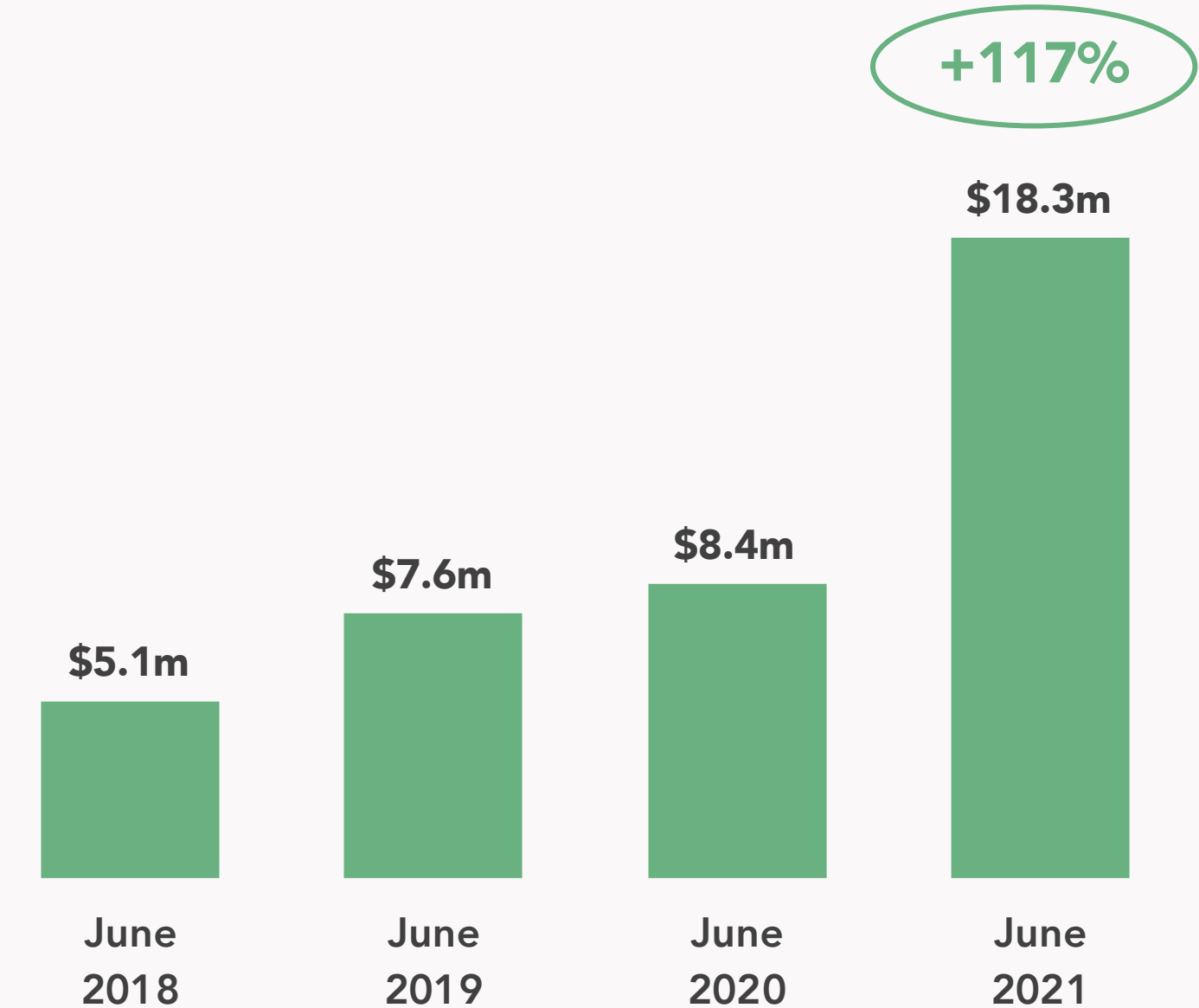
↑↑
+91%

FY21 Full Year Revenue.

Full Year Group Revenue



Assessment ARR at 30 June



¹ Learning Platform revenue consists of corporate clients purchasing the Janison LMS (Learning Management System)

FY21 Financials.



Full year FY21 Income Statement.

| (\$m) | FY21 | FY20 | \$ Growth | % Growth |
|---------------------------------------|--------------|--------------|---------------|--------------|
| Platform Revenue | 22.2 | 14.0 | +8.2 | +59% |
| Services Revenue | 8.0 | 7.9 | +0.1 | +1% |
| Group Revenue | 30.2 | 21.9 | +8.3 | +38% |
| Cost of Sales | 13.5 | 11.8 | +1.7 | +14% |
| Gross Profit | 16.7 | 10.0 | +6.6 | +66% |
| GM% | 55% | 46% | +9pps | |
| Operating Expenses | 13.7 | 7.5 | +6.1 | +81% |
| EBITDA | 3.0 | 2.5 | +0.5 | +21% |
| EBITDA % | 10% | 11% | (1)pps | |
| Depreciation & Amortisation | 4.4 | 1.9 | +2.5 | +134% |
| Amortisation of Acquired IP | 1.7 | 1.7 | (0.0) | (0)% |
| Share-based compensation | 0.3 | 0.4 | (0.1) | (29)% |
| Interest, tax and other non-operating | (0.2) | 0.6 | (0.8) | (127)% |
| NPAT | (3.2) | (2.2) | (1.1) | +49% |
| NPAT-A* | (1.5) | (0.4) | (1.1) | +250% |



"NPAT-A" = Net Profit After Tax Adjusted for amortisation of acquired IP. Acquired IP includes the value attributed to client relationships at the time of the acquisition of LTC in April 2019 and the IP purchased with the acquisition of ICAS Assessments (formerly 'Educational Assessments') in June 2020. Client relationships are amortised over a 5-year period, other IP is amortised over 3 years.

COMMENTARY ON FY21 INCOME STATEMENT

Revenue

- Group revenue expanded through the execution on Janison's 3 growth drivers:
 - PISA for Schools rollout – now in 15 countries (up 7 from FY20)
 - ICAS growth – delivering \$6m of new revenue in FY21
 - Acquisition and expansion of assessment platform clients – FY21 saw the introduction of Chartered Accountants ANZ on to the Janison platform and the expansion of the NSW Dept. of Education with Check-In assessments, among many others.

Gross Margin

- The continued improvement in customer mix towards SaaS assessment clients and the reduction of custom software development has seen a continuation of gross margin expansion this year (see slide 13 for more details).

Opex

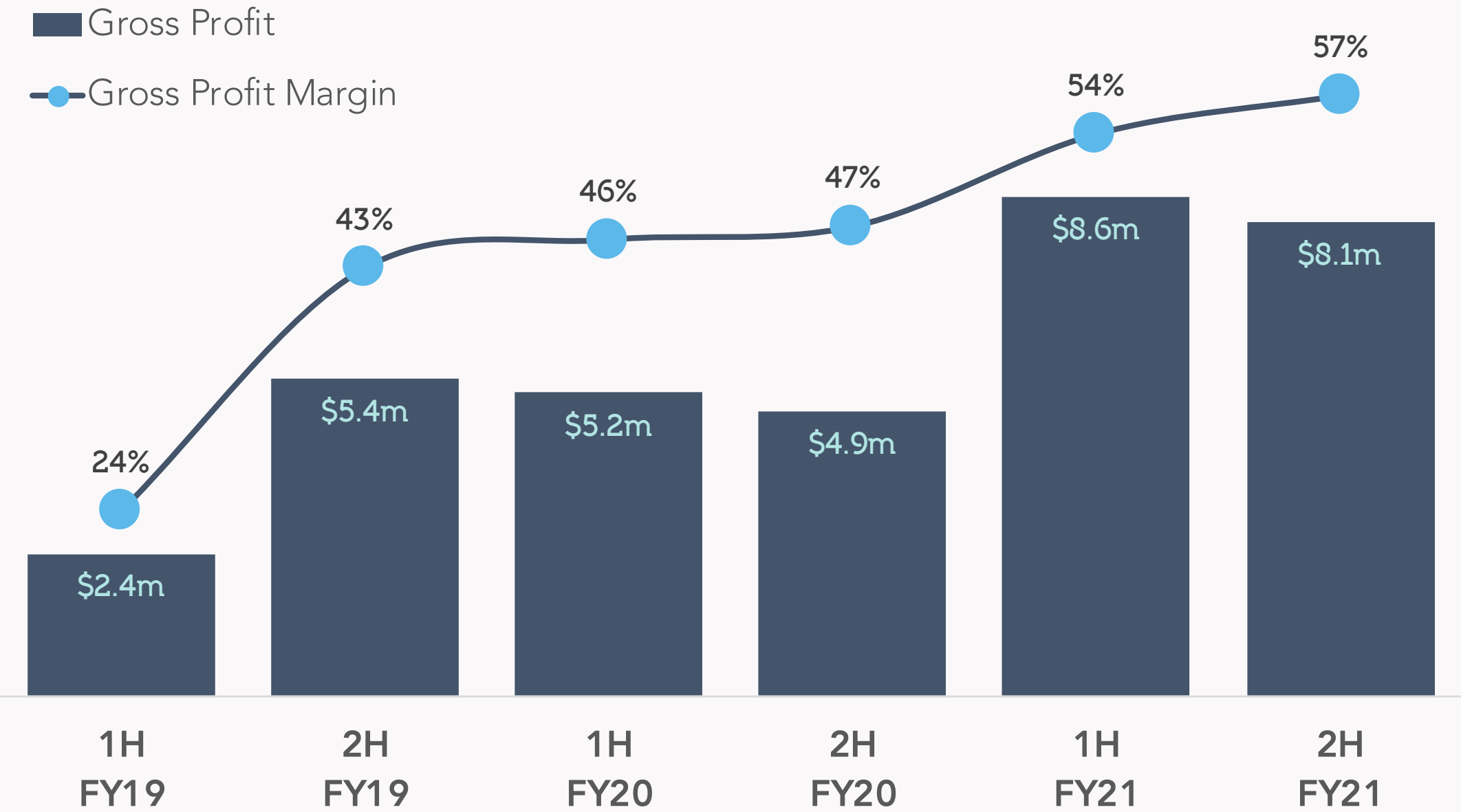
- Expansion in Opex in FY21 is driven by:
 - The acquisition of ICAS Assessments which brought an operational team of 32 heads
 - Increased investment in sales and marketing to support the 3 growth drivers and elevate Janison brand awareness
 - Hiring completion of the executive leadership team roles

D&A

- Depreciation increased by \$0.7m due to new lease depreciation from the addition of a Sydney headquarters office
- Increased expenditure in product development in FY20 and FY21

Gross Margin.

HALF YEARLY GROSS PROFIT MARGIN – STRONG EXIT RATE FROM FY21



COMMENTARY ON GROSS MARGIN

SALES MIX IMPROVEMENT

- Since FY19 Janison has directed the business towards a standardised but highly configurable assessment platform. The efficiency and scale benefits of acquiring more customers on to this platform and delivering more digital assessments each year is improving the mix of revenue and gross profit margin.
- We believe this trend will continue to deliver higher gross profit margins into the coming years as the business transitions further towards standardised recurring revenue customers and products, and offers less bespoke assessment software development.

INCREASED VOLUME OF ASSESSMENT PRODUCTS SOLD

- One of Janison’s 3 growth drivers is its suite of off-the-shelf school assessment products including the main ICAS competition. The questions are developed and designed in-house by Janison’s world class item and test development team each year. As a digital assessment there is little variable cost associated with higher volumes therefore coupled with the fixed cost nature of the test development - the more tests sold each year, the more profitable it becomes.
- The ICAS competition has historically sold 1 million tests p.a before digitisation by its previous owner and pre-COVID-19. Janison sold 290,000 tests in FY21 and believes it can reach the original 1 million tests p.a. in the coming years through improved market conditions, better marketing efforts and greater international expansion.

Full Year FY21 Cash Flow.

for the 12 months ending June

| (\$m) | FY21 | FY20 | \$ Change | % Change |
|---------------------------------|--------------|--------------|--------------|---------------|
| Customer Receipts | 34.0 | 29.4 | +4.6 | +16% |
| Payments to Suppliers | (29.2) | (21.9) | (7.3) | (33)% |
| Other (tax, interest and other) | (0.4) | (0.0) | (0.4) | (2519)% |
| Operating Cash Flows | 4.4 | 7.5 | (3.1) | (41)% |
| Acquisition Costs | (0.1) | (3.5) | +3.5 | +98% |
| Product Development | (6.0) | (4.7) | (1.3) | (28)% |
| Plant & Equipment | (0.4) | (0.2) | (0.3) | (171)% |
| Investing Cash Flows | (6.5) | (8.3) | +1.9 | +22% |
| Proceeds from Capital Raise | 14.9 | 6.7 | +8.3 | (124)% |
| Release of Lease Liabilities | (0.8) | (0.6) | (0.2) | (30)% |
| Financing Cash Flows | 14.1 | 6.1 | +8.1 | (133)% |
| FX Effect | (0.1) | (0.2) | +0.1 | +65% |
| NET CASH FLOW | 12.0 | 5.1 | +7.0 | (137)% |
| Opening Cash Balance | 11.1 | 6.0 | +5.1 | +84% |
| CLOSING CASH BALANCE | 23.1 | 11.1 | +12.0 | +108% |

COMMENTARY ON FY21 CASH FLOW

Customer Receipts

- Janison receives prepayment for annual licence fees in Q4 which are held as Income In Advance and recognised as revenue over the following financial year (FY22).
- Janison also receives prepayment of the ICAS competition from parents and schools in Q4 of each financial year. This revenue will be recognised in FY22 over the window when the competition is sat by students (1H22).

Payments to Suppliers

- Payments to suppliers includes the cost to produce the ICAS assessment question bank for the following financial year. Costs incurred are held as a Prepayment and not expensed to the P&L. The costs are released in alignment with the revenue when the competition is sat in 1H22.
- Additional costs paid in FY21 include additional headcount acquired from the University of NSW Global for the acquisition of ICAS Assessments (32 heads), an expanded Sales & Marketing team to support growth, and additional heads to complete the executive leadership team i.e., Chief Revenue Officer, Head of People & Culture, Head of Product.

Product Development

- Janison continues to invest in its core Assessment platform functionality, design and security to maintain its market-leading position.

Proceeds from Capital Raise

- In June 2021 Janison raised \$15m before costs in a private Placement at a price of \$0.82 per Share. Subsequently in July 2021, Janison raised a further \$3m before costs in a public Share Purchase Plan (SPP). Funds will be used to capitalise on the 3 core growth strategies, M&A, product development and working capital.

FY22 Outlook.



In FY22 we expect:

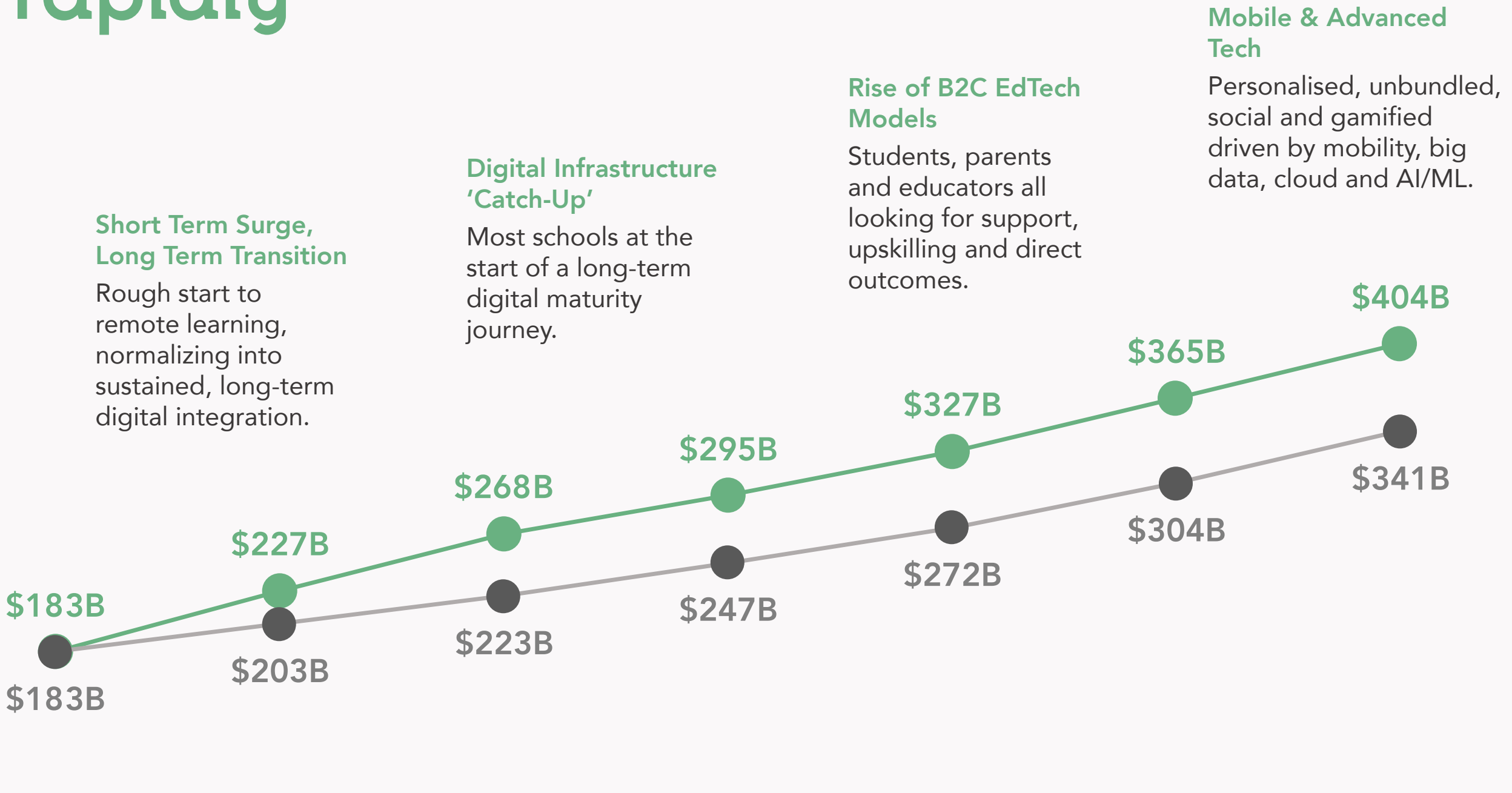
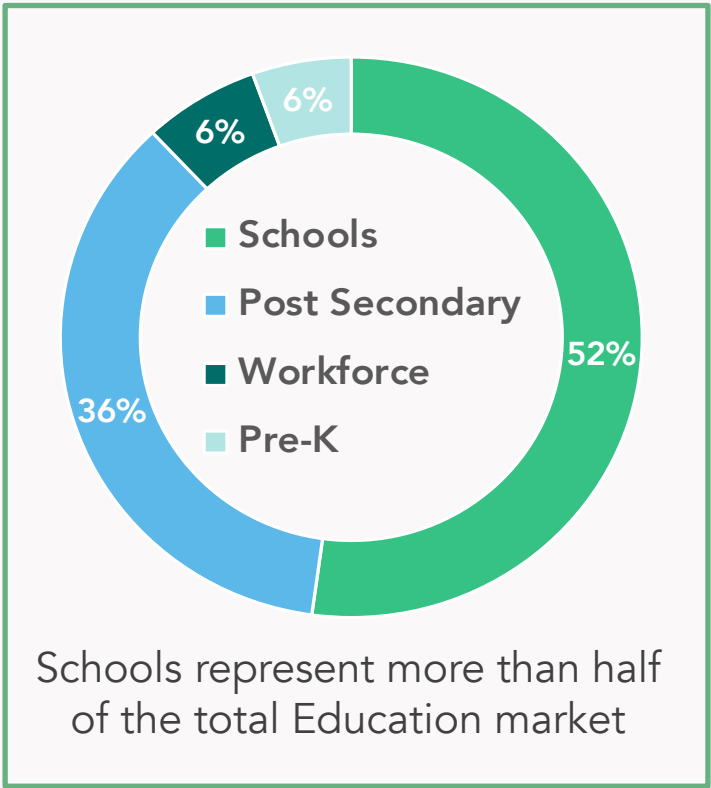
- Continued sales momentum and revenue growth through Janison's identified key growth pillars
- Balanced 1H revenue with ICAS competition growth in Q2
- Further gross margin improvement through higher product volume scale benefit and assessment platform customer acquisition
- School lockdowns have the potential to delay revenue but also present opportunities for Janison Remote exams e.g., HSC Trials
- Further assess potential acquisition opportunities to enhance Janison's offering and scale

Horizon.

J.



Global EdTech market US\$268B in 2021 and expanding rapidly



| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|--------------------------|--------|--------|--------|--------|--------|--------|--------|
| Total education spend | \$6.1T | \$5.4T | \$5.5T | \$6.0T | \$6.4T | \$6.8T | \$7.3T |
| Digital spend ('EdTech') | \$183B | \$227B | \$268B | \$295B | \$327B | \$365B | \$404B |
| EdTech share | 3.1% | 4.2% | 4.8% | 4.9% | 5.1% | 5.3% | 5.5% |

Market dynamics

Government funding boost



Education expenditure is increasing globally to address learning lost through COVID.

Governments around the world are increasing funding for schools to regain lost learning time and identify student needs.

PISA for Schools is an eligible assessment under the US federal government funding initiatives.

Janison's Check-In assessment is ideal for understanding learning gaps among students.

Technology adoption



94% of exam bodies say candidates' academic performance improved after online assessment technologies were incorporated into the educational system.

Schools are more equipped than ever to adopt digital assessments now that teachers are more familiar with technology and schools are expanding the infrastructure necessary to deliver digital exams on a large scale.

Exam integrity & delivery conditions



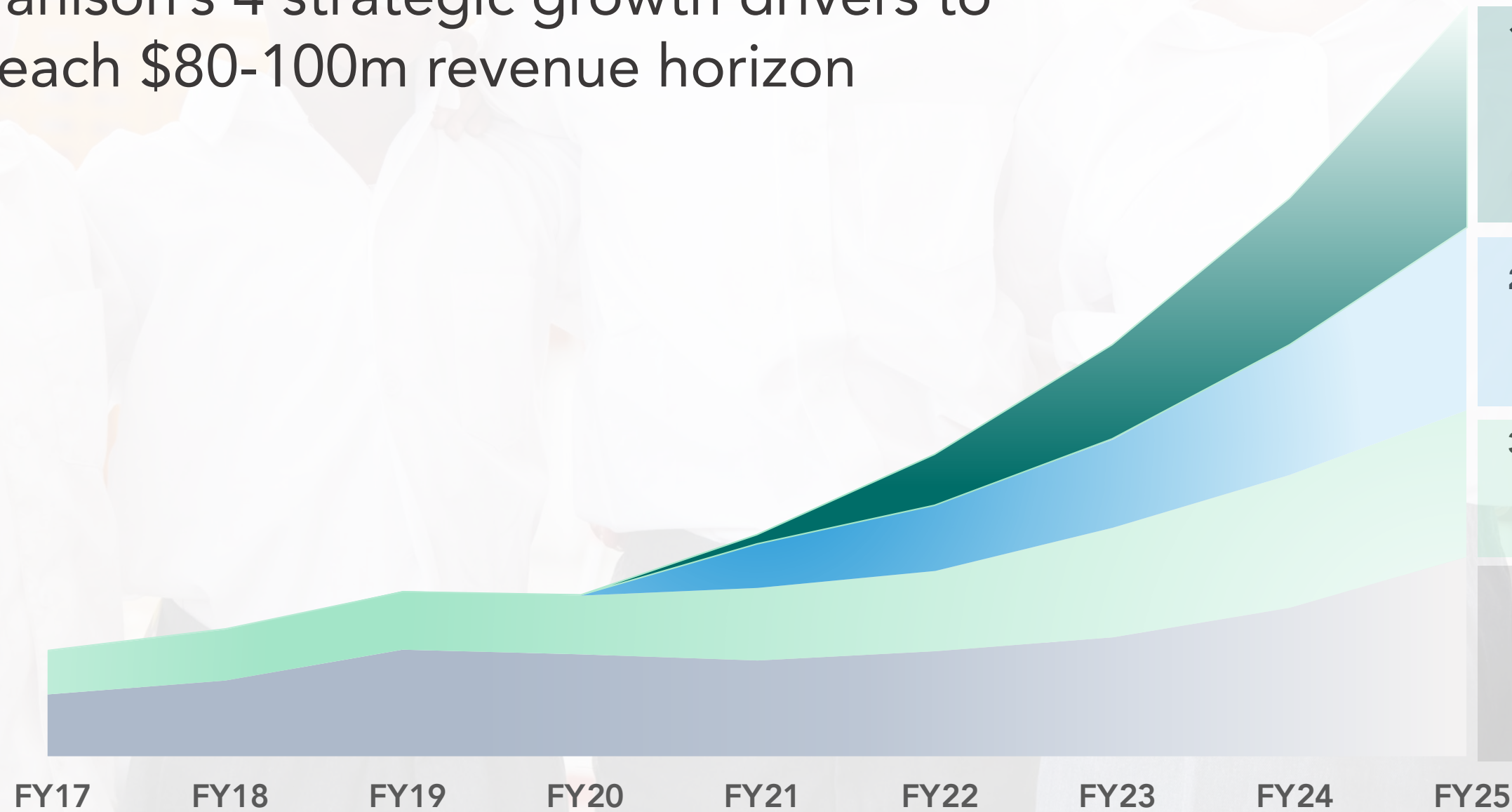
Schools have rushed to deliver remote exams without appropriate integrity

Many high-stakes exams have been temporarily replaced with open book unsupervised exams which lack exam integrity.

Janison's assessment platform provides full identity validation and dishonest behaviour detection.

Key Revenue Growth Drivers.

Janison's 4 strategic growth drivers to reach \$80-100m revenue horizon



GROWTH DRIVERS

1. PISA for Schools

Expanding into 30+ more countries as the IPP (platform provider) and securing 3,000 schools in the US, UK and Australia combined as the NSP (national service provider)

2. ICAS Assessments

Growing to 1 million ICAS assessments p.a. and a suite of new school assessment products

3. Assessment Platform Clients

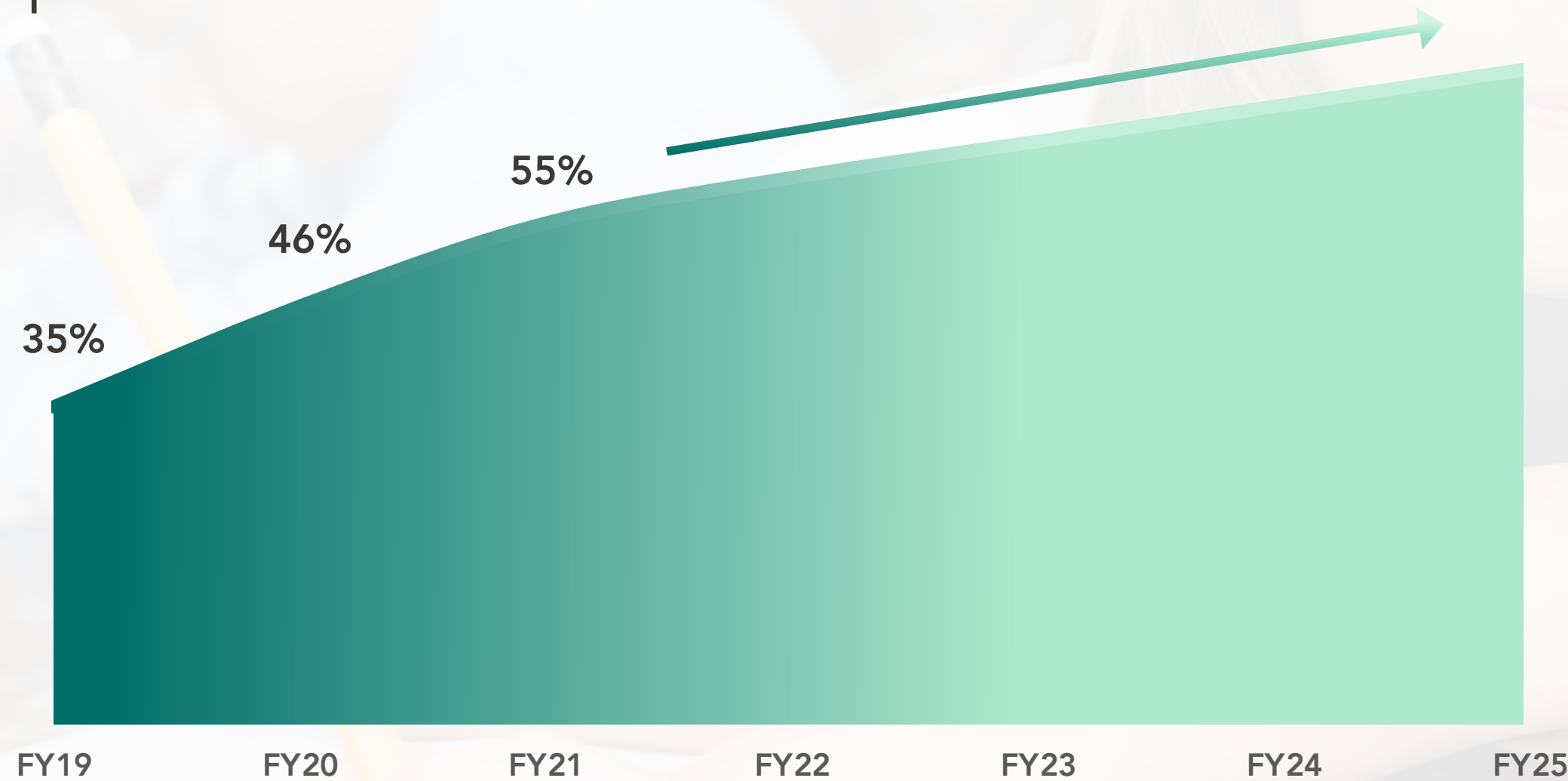
Doubling existing revenue from \$10m to \$20m with the acquisition and expansion of assessment platform clients.

Acquisitions & existing business units

Acquisition of assessment products and platform customers. Maintaining moderate growth in existing business.

Gross Margin Expansion.

Sales mix and product volumes driving margin improvement and scale benefits



GROWTH DRIVERS

Sales Mix – Assessment Platform

- Historically Janison developed custom assessment platforms for government and large enterprises. As the market matured, Janison consolidated its Assessment functionality and IP into one standardised but highly configurable assessment platform – Janison Insights, since FY20.
- Through the efficiency and scale benefits of this transition Janison has seen significant improvement in Gross Profit margin and expects this trend to continue into the coming years.

Volume – Assessment Products

- Janison produces off-the-shelf school assessment products such as the annual ICAS competition and associated products and practice assessments.
- The cost to produce these products is predominantly fixed in nature, so as Janison continues to increase the volume of these assessment products sold each year it will increase its gross profit and profit margin.

Deep dive on customers and products.

Assessment Platform Products



PISA for
Schools



ICAS
Assessments

| | | |
|-----------------------|--------------------|--------------------|
| ARR (at 30 June 2021) | \$3 million | \$5 million |
| School customers | 2,500 | 1,000 |
| Parent customers | n/a | 63,000 |
| Countries | 15 | 6 |
| Horizon Target | \$30+ million p.a. | \$20+ million p.a. |

Assessment Platform



Education



CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND



BRITISH
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Transport
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NATIONAL ASSESSMENT PROGRAM
Literacy and Numeracy



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| | | |
|-------------------------|-------------|--------------|
| ARR | FY20 | FY21 |
| All Assessment Platform | \$8 million | \$10 million |

PISA for Schools.



PISA for Schools: Big Picture Learning.



- Providing educators with the best available evidence drawn from the best available data sets to inform best practices in their schools
- Unique, gold standard in international assessments for global benchmarking – providing evidence drawn from the best available data sets
- Blending cognitive and social emotional skills unlike any other assessment globally
- 5-year exclusive agreement to deliver PISA for School globally.

\$1.4m

ARR in 6 weeks

10%

Market share in Australia¹

15

Countries Enrolled to-date



¹ 10% of eligible schools in Australia – PISA for Schools tests 15-year-old students

PISA for Schools progress.

15

Countries enrolled

6

National Service Provider rights

| Country | Janison's role | Status | Signed |
|--------------|----------------------------------|--|--------------------------------|
| ● Brazil | Platform Provider | Scheduled for 2021 | June 2019 |
| ● Russia | Platform Provider | 1,750 schools delivered in 2020, 2000 planned Nov 2021 | September 2019 |
| ● USA | National Service Provider | Delivered in 2020/21 but impacted by school closures, preparing for growth in 2021/22 | October 2019 |
| ● Portugal | Platform Provider | <200 schools delivered 2021 | January 2020 |
| ● Spain | Platform Provider | Scheduled for Oct 2021 | January 2020 |
| ● Pakistan | Platform Provider | Delayed until 2022 | February 2020 |
| ● Japan | Platform Provider | <200 schools delivered in 2021, scheduled for 2022 | February 2020 |
| ● Thailand | Platform Provider | <200 schools delivered 2021, scheduled for 2022 | July 2020 |
| ● Australia | National Service Provider | In progress, 200+ schools signed in six weeks | March 2021 |
| ● China | Platform Provider | Delivering 2021 & 2022 – 1,000+ schools | March 2021 |
| ● England | National Service Provider | Preparing for national roll-out | May 2021 |
| ● N. Ireland | National Service Provider | | May 2021 |
| ● Scotland | National Service Provider | | May 2021 |
| ● Wales | National Service Provider | | May 2021 |
| ● Kazakhstan | Platform Provider | | May 2021 |

ICAS Assessments.



ICAS – celebrating aspiration and ambition. Parents and students love ICAS



- Competition that gives students the opportunity to celebrate academic performance in a way that others celebrate achievement in sports or the arts.
- Independent, objective and contemporary.
- Draws on four decades of academic rigour and global level assessment experience.
- Janison acquired ICAS Assessments in June 2020 from UNSW Global, including a suite of four schools' assessments for competition, diagnostic, formative and placement purposes.

50%
Market share

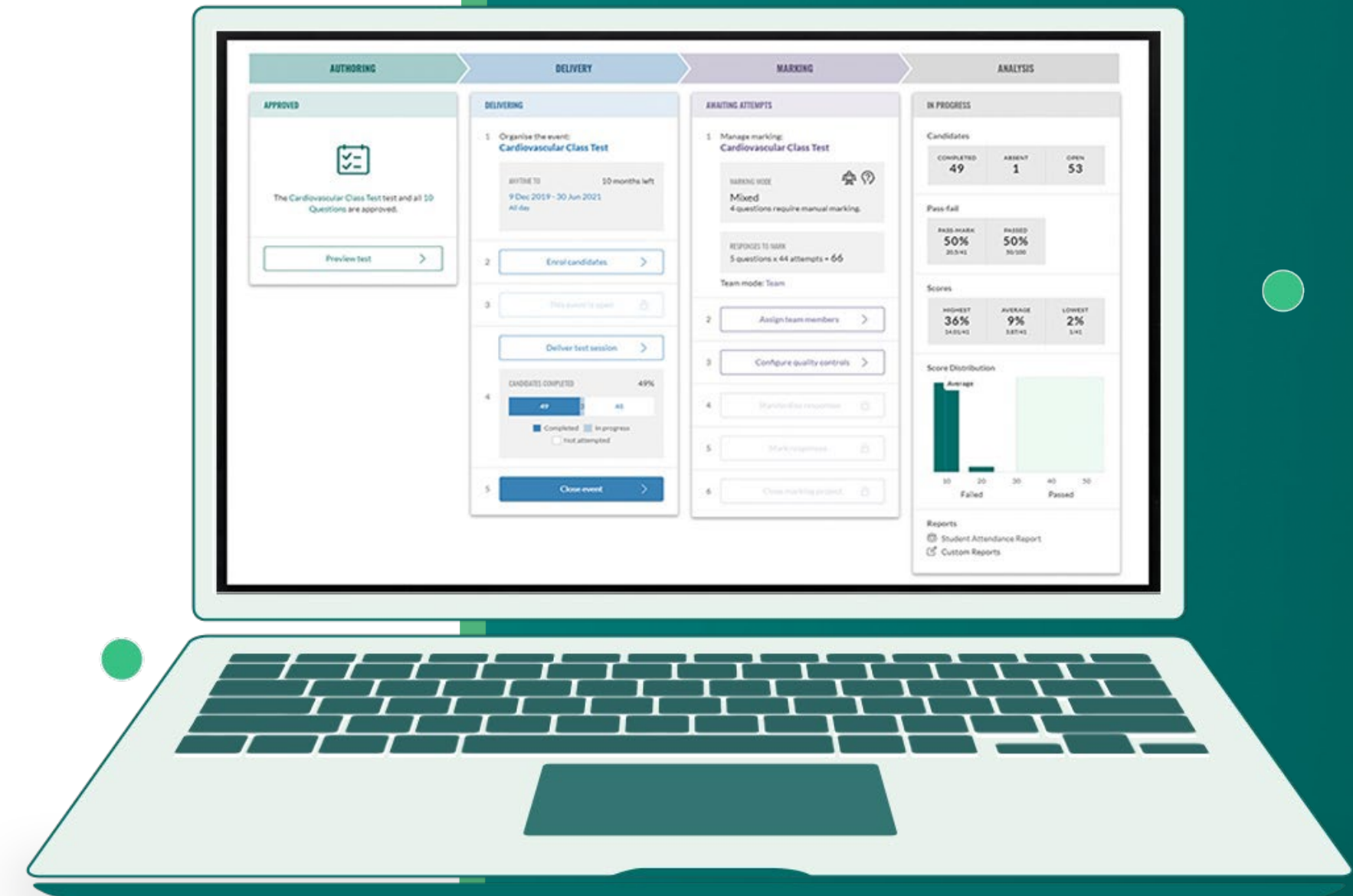
90%
Gross Profit ARR¹

Assessment Platform.



Assessment platform.

- Collection of sophisticated data not available with 'pen and paper'
- In the hands of educators immediately
- Developed with time-poor teachers in mind
- Easily integrated into existing school and accreditor systems



Education



Platform Case Study: "Check-In".

NSW Department of Education and Janison co-developed an assessment called 'Check-In' to understand learning loss in school children as a result of COVID.

- Central to providing immediate data to pinpoint learning gaps to provide teachers with evidence for educational interventions.
- *"An enlightened approach to assessment"* – NSW Teachers Union
- *"Best quality data set of learning lost through COVID to date"* – Grattan Institute
- *"Check-In will contribute to the NSW Curriculum Overhaul"* – Education Minister Sarah Mitchell.



Check-In
2021

Twice yearly in
years 3,4,5,6,7,8,9



Q&A.

Janison.

Glossary.

| Abbreviation | Description |
|------------------|--|
| AMS | Assessment Management System refers to an online platform that facilitates student assessment. “ Insights ” is Janison’s AMS. It is Trusted by educators and governments around the world, Janison Insights brings together the industry’s best cloud technology with a powerful suite of end-to-end tools to let educators author, deliver and mark assessments for thousands to millions of test-takers. |
| ICAS | The ICAS Assessment is an online, school-based competition, designed to recognise and reward academic excellence in areas such as English, Maths, science, spelling, writing and digital technologies. |
| JEM | Janison Exam Management – a division of Janison Education Group (JAN.ASX) previously referred to as LTC (Language & Testing Consultants) which was acquired by Janison on 1 April 2019. JEM manages in-person exams for many of the large universities, colleges and professional associations in Australia and globally. JEM provides invigilation services, venues, furniture rental and the secure control of exam papers. The JEM business was severely disrupted by COVID in 2020 but is supplementing its core business with the provision of in-person computer-based testing and remote proctoring services to invigilate online exam testing for its customers. |
| NAPLAN | The National Assessment Program – Literacy and Numeracy is a series of tests focused on basic skills that are administered annually to Australian students. These standardised tests assess students' reading, writing, language and numeracy and are administered by the Australian Curriculum, Assessment and Reporting Authority (ACARA). Janison’s assessment platform is used by the Australian government to deliver NAPLAN Online each year in May. NAPLAN Online provides better assessment, more precise results and a faster turnaround of information. |
| OECD | The Organisation for Economic Co-operation and Development is an intergovernmental economic organisation with 37 member countries, founded in 1961 to stimulate economic progress and world trade. |
| PCP | Prior Corresponding Period |
| PISA | PISA is the OECD’s Program for International Student Assessment. PISA measures 15-year-olds’ ability to use their reading, mathematics and science knowledge and skills to meet real-life challenges. The PISA test is sat every 3 years in approximately 90 countries and delivers results and benchmarks for each country. |
| PISA-for-Schools | PISA-for-Schools is an assessment based on PISA which delivers results for <i>schools</i> (rather than <i>countries</i>). It aims to increase the relevance and value of the assessment for school improvement by offering additional support to schools to help them interpret results and apply their knowledge in the classroom. Janison was successful in winning the 2019 tender to become the exclusive global provider of the PISA-for-Schools assessment online. |
| SCIO | SCIO is a private company based in the Czech Republic. SCIO collaborates with Czech schools via numerous projects, products and services and covers a broad spectrum of the needs of schools, teachers, parents and children, from gauging the scholastic climate and tests focused on strengths to development of soft skills and emotional intelligence. Janison provides the digital assessment platform for all of the Czech Republic’s university entrance exams using SCIO’s assessment questions. |
| TCV | Total Contract Value. The value of revenue across the life of a contract. |
| UoL | The University of London is a federal research university located in London, England. As of March 2020, the university consists of 17 member institutions and three central academic bodies. The university has around 48,000 distance learning external students and 178,735 campus-based internal students, making it the largest university by number of students in the UK. |