

ASX Announcement  
19<sup>th</sup> March 2020

## Janison expands its global footprint with the signing of PISA for Schools in Japan

**Janison Education Group Limited (ASX:JAN)** (“**Janison**” or the “**Company**”) is pleased to announce it will be delivering online testing to schools throughout **Japan** for the first time after signing an agreement to digitise the PISA-based Test for Schools (PBTS) in conjunction with its partnership with the Organisation for Economic Co-operation and Development (OECD).

This announcement follows the previous signings announced for:

1. Brazil: June 2019
2. Russia: September 2019
3. USA: October 2019
4. Portugal: January 2020
5. Spain: January 2020
6. Pakistan: February 2020



### Japan Agreement

In March 2020, Janison signed a two-year agreement to partner with **Benesse**, Japan’s largest educational company<sup>1</sup> and the third largest publisher in the world<sup>2</sup>, to provide the digital testing platform that will power the PISA for Schools test. Benesse will operate as the National Service Provider (“NSP”) in **Japan** and will provide the local in-country support to deliver PISA for Schools on the Janison Insights assessment platform. Tests are currently expected to start being delivered from November 2020 onwards.



[Benesse](#) is a global publisher founded in 1955 and currently listed on the Tokyo Stock Exchange. Over 40% of its ¥439B (approximately AUD \$6B) revenues are derived from the delivery of education services and materials to school students from pre-school to high school, and beyond into professional learning.

Benesse tests over **11 million students** each year through its paper-based tests across all 3 years of senior high school. Over **90%** of the **5,000** senior high schools in Japan rely on Benesse’s tests to provide valuable insights for teachers and students. It also delivers online education courses for 2.7m students aged from pre-school to 18 years, representing 14% of total market share in Japan.

Benesse’s presences extends beyond Japan into China and South Korea. Benesse is also the owner of Berlitz and ELS Language centres with a physical presence in 70 countries around the world.

<sup>1</sup> Benesse Holdings corporate brochure

<sup>2</sup> The Times – Higher Education World University Rankings

The pricing structure with Benesse will be similar to other countries in that there will be a fixed base fee of €60,000 (approximately **AUD \$100,000**) per annum for licensing up to a maximum of 200 schools, thereafter, additional schools administering the test will be charged at a rate of €150 (approximately **AUD \$280**) per school. As with most PISA for Schools partnerships Janison is entering into, the first year is intentionally designed as a pilot to ensure successful implementation and delivery of tests in a new overseas location. From a financial perspective, this means Janison expects to earn only the fixed base fee of AUD\$100,000 in year one of the agreement.

### Market overview

The PISA for Schools test assesses students of 15 years of age attending junior high school in Japan, of which there are approximately 10,000. There are a further 20,000 elementary schools, 5,000 senior high schools and 700 universities in the country. In 2015 there were over 16m students enrolled in schools, colleges and universities in Japan across more than 38,000 institutions<sup>3</sup>. At the same time, Japan's population was 127m with enrolled students representing approximately 12% of the population.

### PBTS Cumulative Progress to Date and Outlook

Since signing with the OECD in April 2019, the Janison platform has **successfully delivered PISA for Schools to more than 2,100 schools across Russia, Brazil, Spain and the United States.**

This agreement now takes the number of countries signed on to the **Janison Insights** platform to **seven**. **These countries are expected to deliver approximately \$1.5m of annual recurring licence revenue in the first year** with a view to expanding this in year two and beyond as the test coverage increases within each country. These seven countries represent a combined market size of 11.7m PBTS-age students across more than 160,000 schools.

In addition, there are a further 75 OECD member and partner countries currently running the tri-annual PISA test who represent potential markets for the annual Janison PBTS assessment.

### PBTS (PISA-BASED TEST FOR SCHOOLS) TRACKER

Country Signed	Date Signed	Yr 1 Test Commences	TAM <sup>3</sup>	Yr 1 Janison Share <sup>2</sup>		Total Yr 1 Licence Revenue <sup>2</sup>
			No. of 15 year old students <sup>1</sup>	No. of 15 year old students <sup>1</sup>	% Market Share of students	
1 Brazil	Jun 2019	Dec 2019	3.1m	60,000	1.9%	\$ 197
2 Spain	Sep 2019	Jan 2020	0.5m	2,400	0.5%	\$ -
3 Russia	Sep 2019	Nov 2019	1.3m	80,000	6.0%	\$ 197
4 United States	Oct 2019	Jan-Mar 2020	4.1m	6,000	0.1%	\$ 700
5 Portugal	Jan 2020	Apr 2020	0.1m	6,000	5.3%	\$ 100
6 Pakistan	Feb 2020	June 2020	1.3m	6,000	0.5%	\$ 100
7 Japan	Mar 2020	Nov 2020	1.2m	6,000	0.5%	\$ 100
All other PISA countries (members & partners)			26.7m			
<b>Total</b>			<b>38.4m</b>	<b>166,400</b>	<b>0.4%</b>	<b>\$ 1,394</b>
OECD Platform Fee	Apr 2019	n/a	n/a	n/a	n/a	\$ 100
<b>Total (including OECD Platform Licence Fee)</b>						<b>\$ 1,494</b>

<sup>1</sup> The PBTS and PISA tests are for 15 year-old students only

<sup>2</sup> Estimated, and based on EUR:AUD exchange rates at the time of invoicing

<sup>3</sup> "TAM" = Total Addressable Market of PISA-aged students based on the 2018 PISA assessment

In partnership with the OECD, Janison continues to progress discussions with national service providers of other countries and is optimistic it will be announcing further agreements in the coming months.

## Background

On **29<sup>th</sup> April 2019** Janison entered into a **five-year** partnership agreement with the OECD to provide the digital solution for its PBTS assessment. The [PBTS](#) is based on the globally renowned Programme for International Student Assessment (**PISA**).

While the PISA delivers **national-level** results every **three years**, the PBTS delivers **school-level** results **annually**, allowing school leaders to benchmark their individual school's performance with that of national education systems worldwide.

Notably, the PBTS – which assesses the extent to which 15-year-old students near the end of compulsory education have acquired some of the knowledge and skills essential for full participation in modern societies, also measures students' socio-emotional skills, their family context, the teaching environment and their attitudes towards learning. This allows educators to understand how factors such as gender and students' socioeconomic status influence their abilities and their relationship with the results achieved.

## The Janison platform

The Janison PBTS platform is based on **Janison Insights**. It offers educators an enhanced dashboard and streamlined reporting structure alongside a suite of practical features which allow schools to explore their own data.

This announcement has been authorised by the Board.

For further enquiries, please contact Janison Investor Relations, email: [IR@janison.com](mailto:IR@janison.com)

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## About Janison Education Group

Janison is an education technology pioneer transforming the way people learn. It provides two primary offerings in the education technology industry:

- **Janison Assessment** – a leading global platform ("**Janison Insights**") for the provision of large-scale digital exam authoring, testing and marking, servicing national education departments, tertiary institutions and independent educational bodies.
- **Janison Learning** – a leading integrated learning platform ("**Janison Academy**") used by large enterprises and government departments to build capability in their people.

## Forward looking statements

This announcement contains forward looking statements. All statements that address events or developments that Janison expects or anticipate will or may occur in the future and guidance on financial performance are forward looking statements. These forward looking statements are based on the Board or management's beliefs and expectations based on information currently available to the Board and management. The Company believes that these forward looking statements are reasonable as and when made. However, you should not place undue reliance on any such forward looking statements which are inherently uncertain. Janison does not undertake any obligation to publicly update or revised any forward looking statements whether as a result of new information, future events or otherwise except as required by law or the ASX Listing Rules. Forward looking statements are subject to certain risks and uncertainties many of which are outside its control that could cause actual results, events and developments to differ materially from Janison's historical experience, or its present expectations or projections.