

mal use only



openlearning

ASX:OLL

#1 Lifelong Learning Platform in
Australia and Malaysia

NOVEMBER 2019

OPENLEARNING IS AN ONLINE LEARNING PLATFORM AT THE FOREFRONT OF EDUCATION DELIVERY

TARGETING THE **LARGE AUSTRALIAN & SOUTHEAST ASIAN** HIGHER EDUCATION MARKETS

- FOUNDED IN SYDNEY IN 2012
- EXPANDED TO SOUTHEAST ASIA IN 2015
- **MONETISATION VIA SAAS** BEGAN IN SEPT 2017
- \$16.5M IN FUNDS RAISED PRIVATELY SINCE INCORPORATION
- **RAISED \$8M IN IPO** ON THE ASX FOR RAPID GROWTH



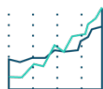
1.72M UNIQUE LEARNERS
53.67% CAGR
OVER 3YRS



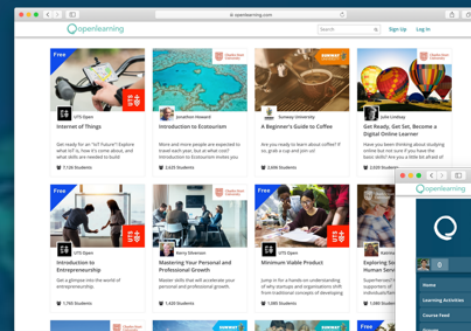
60 B2B SAAS CUSTOMERS
INCLUDES 9 OF 43
AUS UNIVERSITIES



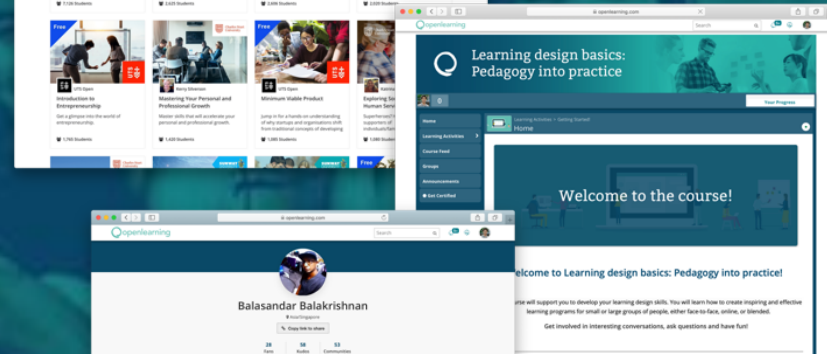
NOV 2019 SAAS
ARR **A\$896K**



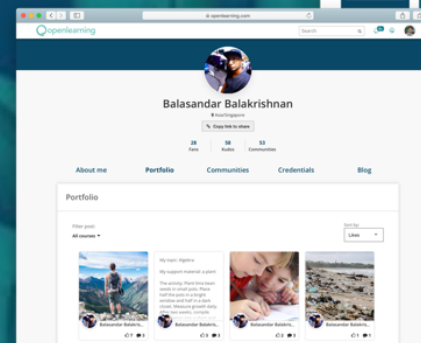
95% YOY GROWTH IN ARR



1. DISCOVER COURSES



2. LEARN ONLINE



3. SHOWCASE SKILLS

STELLAR BOARD OF DIRECTORS



KEVIN BARRY
NON-EXECUTIVE CHAIRMAN

Kevin has over 24 years' experience in law, property finance and funds management. Kevin has worked at leading firms KPMG, Blake Dawson, Norton Rose and Zurich Capital Markets. Kevin is currently MD of Thakral Capital Australia and the Chairman of ICS Global (ASX:ICS).



ADAM BRIMO
EXECUTIVE DIRECTOR

Adam left Macquarie Group to found OpenLearning with fellow UNSW software engineer David Collien and renowned Prof Richard Buckland in 2012. Adam was recognised in Forbes 2017 30-under-30 in Asia Consumer Technology and has been added to the Pearcey Foundation Tech Entrepreneur Hall of Fame.



DAVID BUCKINGHAM
NON-EXECUTIVE DIRECTOR

David has had an impressive career which includes senior roles at PWC, VirginMedia and iiNet. Most recently David was Group CEO and Managing Director of education company, Navitas (ASX:NVT), where he oversaw its \$2.3B sale to private equity firm BGH Capital.



SPIRO PAPPAS
NON-EXECUTIVE DIRECTOR

Former executive general manager of Global Institutional Banking at NAB & CEO of Nab Asia. Spent over 13 years in London and NY, including 11 years with ABN AMRO where he managed a number of global businesses. Currently sits as Chairman of Atlas Iron (ASX:AGO) and Splitit Ltd (ASX:SPT).



MAYA HARI
NON-EXECUTIVE DIRECTOR

A business leader with a proven track record across 2 decades of technology & digital lifestyle experience amassed at companies such as Google, Conde Nast, Samsung, Microsoft & Cisco. Maya is currently Twitter's VP and MD for Asia Pacific & serves as the president of TiE in Singapore



BEVERLEY OLIVER
NON-EXECUTIVE DIRECTOR

Beverley brings significant education experience, leading innovations in digital education with her most recent role as Deputy Vice-Chancellor Education and Alfred Deakin Professor at Deakin University. Beverley has been recognised with numerous awards and is a Principal Fellow of UK's Higher Education Academy.

PROBLEM: ACCESS TO QUALITY ONLINE EDUCATION IS LIMITED, NEW SKILLS ARE REQUIRED

70%

SEMI-SKILLED JOBS IN MALAYSIA ARE AT A HIGH RISK OF AUTOMATION

KHAZANAH
RESEARCH
INSTITUTE

74%

AUSTRALIAN WORKERS ARE READY TO COMPLETELY RETRAIN TO REMAIN EMPLOYABLE


pwc

50%

WORLD ECONOMY AFFECTED IF CURRENT AUTOMATION TECHNOLOGY IS ADOPTED

McKinsey
& Company

SOLUTION: NEXT GENERATION ONLINE LEARNING PLATFORM FOR EDUCATION PROVIDERS



MARKETPLACE

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



ONLINE EDUCATION

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



PORTFOLIOS

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



MICRO-CREDENTIALS

Transportable badges and verifiable certificates issued directly through the platform



Internal use only

OPENLEARNING IS NOW ONE OF THE WORLD'S LARGEST **ONLINE EDUCATION PLATFORMS**

830K

MICRO-CREDENTIALS
ISSUED GLOBALLY

1.72M

UNIQUE REGISTERED
LEARNERS AROUND THE WORLD

29M

PEER INTERACTIONS
BETWEEN LEARNERS

TARGETING THE \$46.9 BILLION MARKET OPPORTUNITY IN AUSTRALIA AND MALAYSIA

GLOBALY SIGNIFICANT MARKETS

(ROOM FOR GROWTH)

- AUSTRALIA AND MALAYSIA ARE GROWING GLOBAL **HIGHER EDUCATION HUBS**
- HIGHER EDUCATION IS A LARGE **KEY SECTOR** IN BOTH HIGH INCOME & EMERGING MARKETS
- AUSTRALIAN HIGHER EDUCATION IS **HIGHLY REGARDED IN MALAYSIA**
- REGIONAL OFFICE IN KUALA LUMPUR ENABLES US TO **SERVICE SOUTHEAST ASIAN CLIENTS**
- **EXPANSION OPPORTUNITY** INTO CORPORATE AND PROFESSIONAL DEVELOPMENT SECTOR

HIGHER EDUCATION MARKET SIZE

(5,523 HIGHER EDUCATION PROVIDERS)

	AUSTRALIA			MALAYSIA ¹	
	# OF PROVIDERS	# OF LEARNERS	ESTIMATED MARKET REVENUE (AUD)	# OF PROVIDERS	# OF LEARNERS
UNIVERSITY AND OTHER HIGHER EDUCATION ²	176	1.48m	\$37.9b	672	1.3m
TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING ³	4,675	4.06m	\$9b		

1. https://www.kooperation-international.de/uploads/media/3_Malaysia_Education_Blueprint_2015-2025_Higher_Education_.pdf

2. <https://www.tegsa.gov.au/latest-news/publications/statistics-report-tegsa-registered-higher-education-providers-2018>

3. https://www.ncver.edu.au/_data/assets/pdf_file/0031/6925090/Total-VET-students-and-courses-2018.pdf

4. <https://www.ibisworld.com.au/industry-trends/market-research-reports/education-training/art-non-vocational-education.html>

5. <https://www.ibisworld.com.au/industry-trends/market-research-reports/personal-services/industry-associations.html>

6. <http://www.malaysiaservicecentre.com/associations.html> - MANAGEMENT ESTIMATE, # OF LEARNERS IS THE SIZE OF THE LABOUR FORCE <https://www.abs.gov.au/ausstats/abs@.nsf/mf/6202.0> and https://www.dosm.gov.my/v1/index.php?r=column/cthemByCat&cat=126&bul_id=ekU0SG1yQk1wcExKUDhvN2RHTlhjZz09&menu_id=U3VPMldoYUxzVzFaYmNkWXZteGduZz09

OUR BLUE-CHIP CLIENTS IN MULTI-BILLION DOLLAR MARKETS

\$46.9b TOTAL EDUCATION EXPENDITURE IN AUSTRALIA* AND SUBSTANTIAL MARKET IN MALAYSIA

UNIVERSITY AND OTHER HIGHER EDUCATION



TECHNICAL AND VOCATIONAL EDUCATION



CORPORATE TRAINING AND PROFESSIONAL DEVELOPMENT



INDUSTRY ASSOCIATIONS



* MANAGEMENT ESTIMATES COMPILED FROM PUBLICLY AVAILABLE INFORMATION, FULL REFERENCES AVAILABLE ON REQUEST.
 * <https://www.ibisworld.com.au/industry-trends/market-research-reports/education-training/technical-vocational-education-training.html>

RAPID CUSTOMER GROWTH AND HIGH CUSTOMER LIFETIME VALUE

\$18,178

B2B customer acquisition cost (CAC)

\$247,251

Lifetime value per B2B customer (LTV)

\$13,378

Average ARR per B2B customer

95%

Year-on-year total ARR growth in Nov 2019

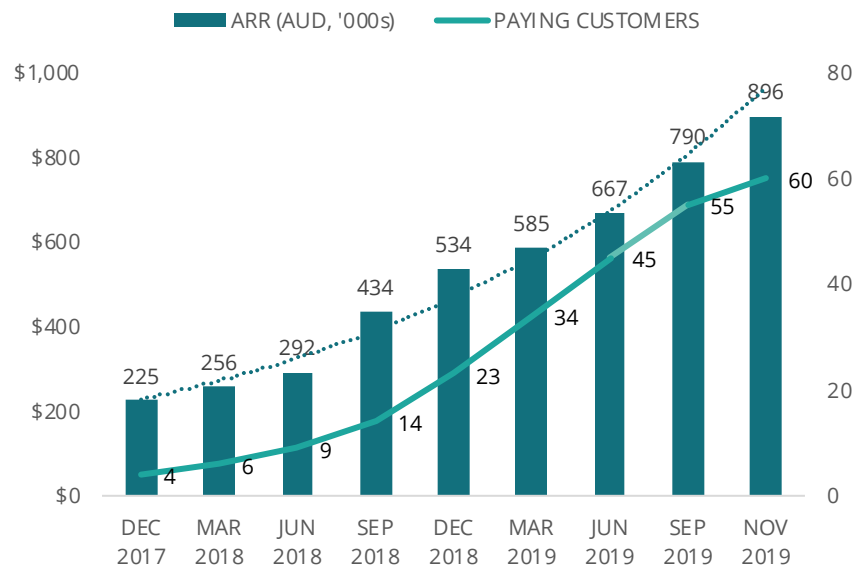
57.2%

B2B ARR from Australia

0.61%

B2B customer monthly churn rate

ANNUALISED RECURRING REVENUE (ARR) AND B2B CUSTOMER GROWTH



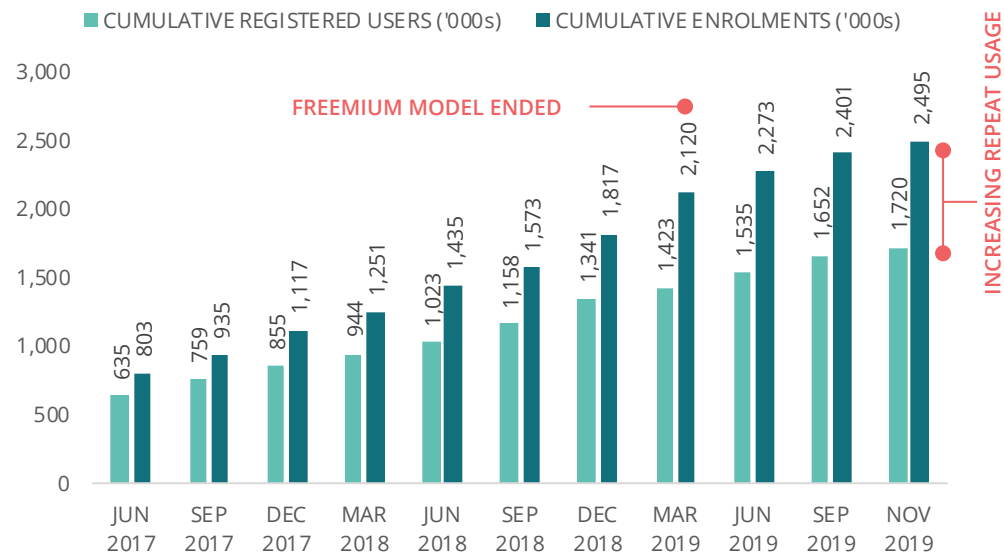
* CAC INCLUDES SALES/MARKETING STAFF AND EXPENSES DIRECTLY ASSOCIATED WITH B2B CUSTOMER ACQUISITION

* LTV CALCULATION ASSUMES 75% GROSS MARGIN AND 12%/YEAR ARR EXPANSION ON B2B CUSTOMERS

STRONG ORGANIC GROWTH AND REPEAT USAGE

<p>1.72m Unique registered learners</p>	<p>2.5m Aggregate enrolments in courses</p>
<p>8k Active running courses</p>	<p>5.5m Behavioural events logged monthly</p>
<p>436k Active learners</p>	<p>165 Countries with active learners</p>

CUMULATIVE REGISTERED USERS AND ENROLMENTS



* ACTIVE COURSE COUNT IS CALCULATED FROM COURSES ACCESS > 10 TIMES BETWEEN 1 OCT 2018 TO 30 NOV 2019
 * ACTIVE LEARNER INCLUDES ALL LEARNERS WHO HAVE ACCESSED A COURSE IN THE 12 MONTHS PRIOR TO 30 SEPT 2019
 * CUMULATIVE FIGURES ARE CALCULATED FROM INCEPTION

OPENLEARNING IS THE LEADER IN AU/SEA: HIGH STRATEGIC VALUE

COURSERA (US)

- Since 2011
- 40M users
- 201 institutions

coursera



FUTURELEARN (UK)

- Since 2013
- 10M users
- 83 education providers



edX[®]

EDX (US)

- Since 2011
- 20M users
- 108 education providers

UDACITY (US)

- Since 2011
- 15M users
- 20 companies

OPENLEARNING (AU)

- Since 2012
- 1.72M users
- 60 education providers



Internal use only

THE ONLY MAJOR PLATFORM WITH A SAAS MODEL

analyse only

	openlearning	coursera		edX [®]	Future Learn
HEADQUARTERS	Australia	United States	United States	United States	United Kingdom
PRODUCT CATEGORY	Platform Provider	Education Provider	Education Provider	Education Provider	Education Provider
EDUCATION PROVIDER PARTNER CRITERIA	Non-exclusive (open to all education providers)	Exclusive, based on university rankings	Only industry, no new university partners	Exclusive, based on university rankings	Exclusive, based on university rankings
PRIMARY BUSINESS MODEL	SaaS	Revenue share on student fees	Revenue share on student fees	Revenue share on student fees	Revenue share on student fees
EDUCATIONAL PHILOSOPHY	Active learning, project-based, peer-to-peer learning	Passive learning, videos	Passive learning, videos	Passive learning, videos	Passive learning, discussion
AUSTRALIAN HIGHER EDUCATION PARTNERS	10	5	1	4	9

* COMPARISON BASED ON INTERNAL ANALYSIS BY MANAGEMENT AS AT 30 SEPT 2019

B2B SAAS BUSINESS MODEL FOR EDUCATION PROVIDERS

PRICING TIERS

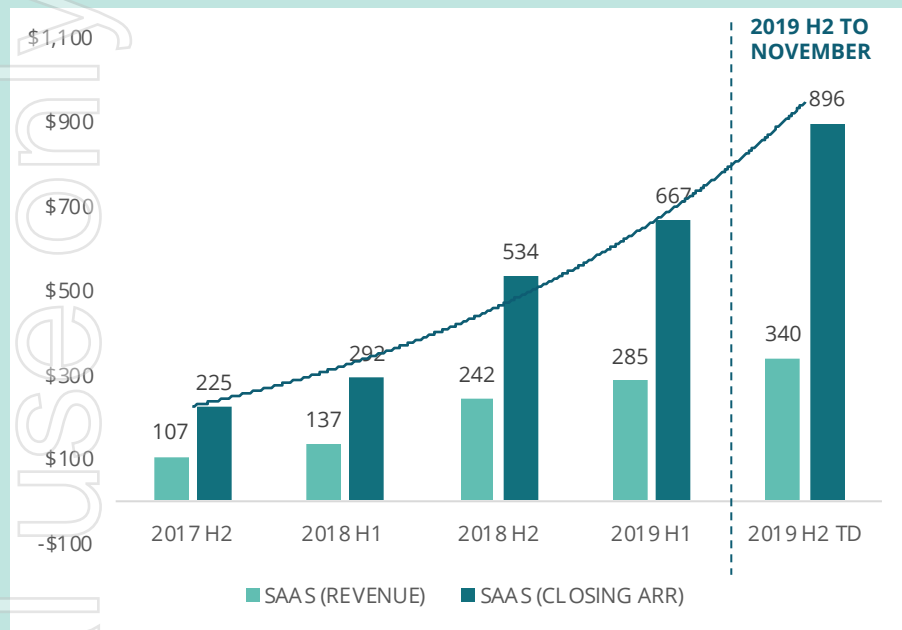
CUSTOMER PROFILE

	INDIVIDUAL	TEAM	INSTITUTION	ENTERPRISE
	<ul style="list-style-type: none"> Online trainer Teacher Lecturer 	<ul style="list-style-type: none"> CPD provider Internal corporate training 	<ul style="list-style-type: none"> Vocational college Private higher education provider 	<ul style="list-style-type: none"> University Large corporate Government
NUMBER OF LEARNERS	250	500	1,000	5,000
NUMBER OF EDUCATORS	1	5	Unlimited	Unlimited
STARTING ANNUAL RECURRING FEE BASED ON THE # OF LEARNERS ABOVE	\$600/year	\$2,400/year	\$9,900/year	Tailored Pricing
VALUE-ADDED SERVICES	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> Training Workshops 	<ul style="list-style-type: none"> Training Workshops Learning design Marketing (% of student fees) 	<ul style="list-style-type: none"> Training workshops Learning design Marketing (% of student fees) Tailored onboarding
MARKET SIZE (AU/SEA)	>10,000,000 educators/teachers	>500,000 providers/SMEs	>10,000 education providers/colleges	>1,000 large universities/enterprises

BUILT FOR GROWTH, FOCUSED ON MONETISATION

FOCUSED ON GROWING RECURRING REVENUE¹

(HALF-YEARLY, AUD, '000s)



HISTORICAL PROFIT AND LOSS STATEMENT

(CALENDAR YEAR, AUD, '000s)

	2017	2018	2019 H1
GROSS SALES/REVENUE			
PLATFORM SAAS	210	379	285
SERVICES/MARKETPLACE	1,031	1,508	705
TOTAL GROSS SALES	1,241	1,887	990
REVENUE SHARE WITH PROVIDERS	(67)	(123)	(204)
TOTAL REVENUE	1,174	1,764	786
EXPENSES			
CLOUD HOSTING	(321)	(496)	(220)
EMPLOYEES AND CONTRACTORS	(3,598)	(4,366)	(2,368)
OTHER EXPENSES	(1,297)	(1,451)	(490)
TAX, FINANCE INCOME/COST	124	174	(8)
PROFIT/LOSS FOR PERIOD	(3,918)	(4,375)	(2,300)

1. OPENLEARNING ENDED ITS FREEMIUM MODEL IN MARCH 2019 AND RESTRUCTURED ITS OPERATIONS IN JULY 2019 TO INCREASE ITS FOCUS ON GROWING SAAS REVENUE AND TO REDUCE THE COSTS OF ITS SERVICES BUSINESS

STRATEGY TO DELIVER SUSTAINABLE GROWTH

ACQUISITION

- INCREASED **SALES & MARKETING TEAM TO 30%** OF ALL STAFF IN JULY 2019
- **KEY BOARD APPOINTMENTS** WITH STRONG NETWORKS: DAVID BUCKINGHAM (EX-NAVITAS) AND BEVERLEY OLIVER (EX-DEAKIN UNI)
- SMALL CUSTOMERS CAN **SELF REGISTER, PAY AND ONBOARD 100% ONLINE**

ONBOARDING

- ESTABLISHED DEDICATED ONBOARDING TEAM IN MALAYSIA
- EXPANDED LEARNING DESIGN AND **CUSTOMER SUCCESS TEAMS**
- FREE ONLINE TRAINING COURSES

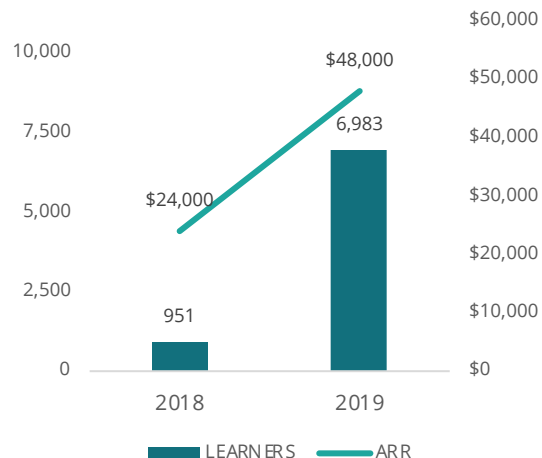
RETENTION/EXPANSION

- LAND & EXPAND STRATEGY TO **INCREASE SAAS REVENUE AT UNIVERSITIES** AND ENTERPRISES
- DATA ANALYTICS AND INTEGRATIONS TO **INCREASE STICKINESS**
- SUPPORT CUSTOMERS' **LEARNER ACQUISITION** STRATEGIES TO INCREASE THEIR ROI

CASE STUDY: INCREASING USAGE AT A TOP TIER UNI

AUSTRALIAN UNIVERSITY GREW FROM 10 COURSES AND 951 LEARNERS IN 2018 TO 25 COURSES AND 6,983 LEARNERS IN 2019.

100% INCREASE IN SAAS FEES IN 1 YEAR



LEARNERS DISCOVER COURSE & PAY ONLINE

EDUCATION PROVIDERS CAN SUBSCRIBE ONLINE

TAILORED ONBOARDING FOR UNIVERSITIES

HIGH QUALITY COURSE FROM TOP BRANDS

GLOBAL MARKETPLACE FOR ONLINE EDUCATION

SCALABLE CLOUD LEARNING PLATFORM

SCALABLE SALES AND ONBOARDING

NETWORK EFFECT

PROPRIETARY TECHNOLOGY

INDUSTRY-LEADING MANAGEMENT TEAM



ADAM BRIMO, MANAGING DIRECTOR & GROUP CEO

- B. Engineering (Software)/ B. Arts (Politics) from UNSW Sydney, honours at National ICT Australia
- Past: Engineer/Analyst at Macquarie Bank, Senior Engineer at Westpac Institutional Bank, Forbes 30 under 30 Asia 2017 (Consumer Technology)



CHERIE DIAZ, MANAGING DIRECTOR, AUSTRALIA

- B. Teaching/B. Arts from ACU, M. Arts (History) from Macq Uni, M. Arts (Education) from UTS
- Past: Head of Education Delivery at AICD, Director Customer Success at Scentia, Head of College at Study Group



DAVID COLLIEN, CHIEF TECHNOLOGY OFFICER

- B. Science (Computer Science, first class honours) and education PhD researcher at UNSW Sydney
- Past: AI researcher at National ICT Australia, Teaching assistant at UNSW Sydney, Developer at the Adaptive eLearning Research Group



SARVEEN KANDIAH, MANAGING DIRECTOR, MALAYSIA

- B. Science (Finance) from Indiana University's Kelley School of Business
- Past: Manager at CIMB Group, VP Investments at Malayan Traders Capital



HUAT KOH, CHIEF FINANCIAL OFFICER

- B. Commerce (Accounting) from UNSW Sydney
- Past: Head of Finance at Parkson Retail Asia Ltd (SGX listed) and Head of Finance at Mulpha International



ASX:OLL

<https://solutions.openlearning.com>
investors@openlearning.com

Australia

Level 2
235-239 Commonwealth Street
Surry Hills, NSW 2010

Malaysia

Level 20, Menara Q Sentral
Jalan Stesen Sentral 2
KL Sentral 50470 Kuala Lumpur

Authorised by:

Adam Brimo
Group CEO & Managing Director

mal use only

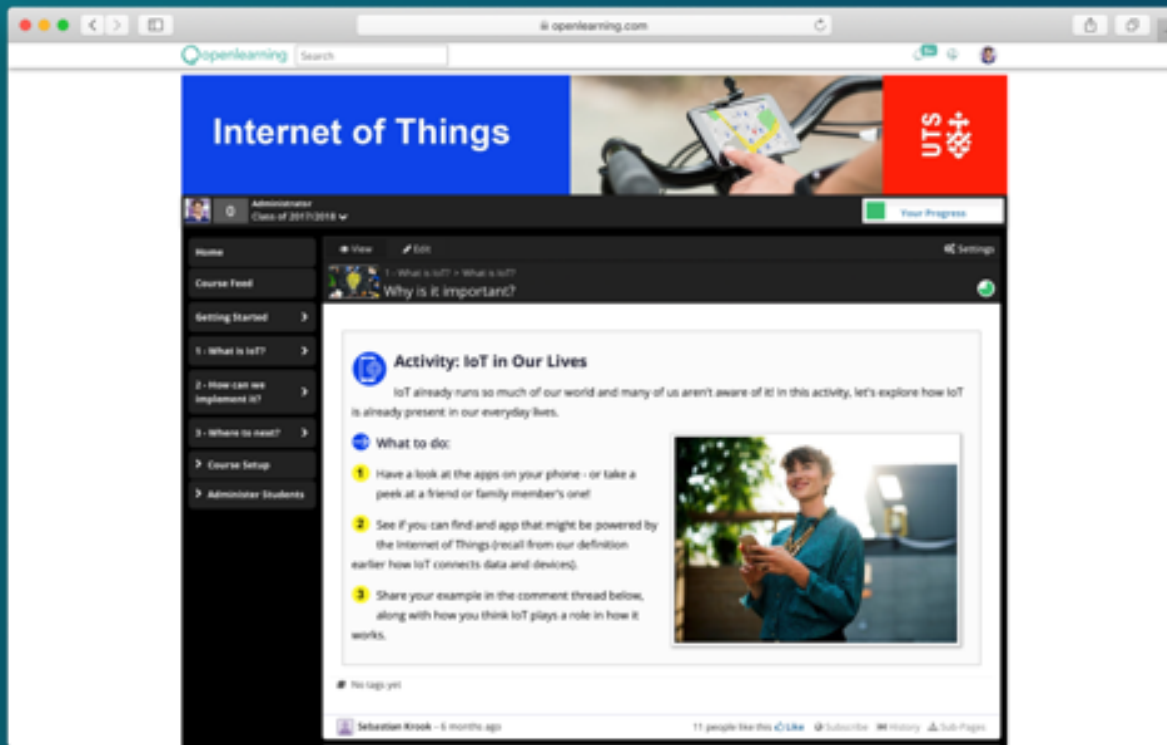
APPENDIX

EXTENSIVE DOMAIN EXPERTISE

- OpenLearning's team has experience designing courses and degrees in a range of disciplines, languages and countries.
- Successfully designed courses at all levels, from primary school through to undergraduate, postgraduate and executive education.
- Courses range in duration from 1 hour professional development courses through to masters degrees with 700 hours of learning time.



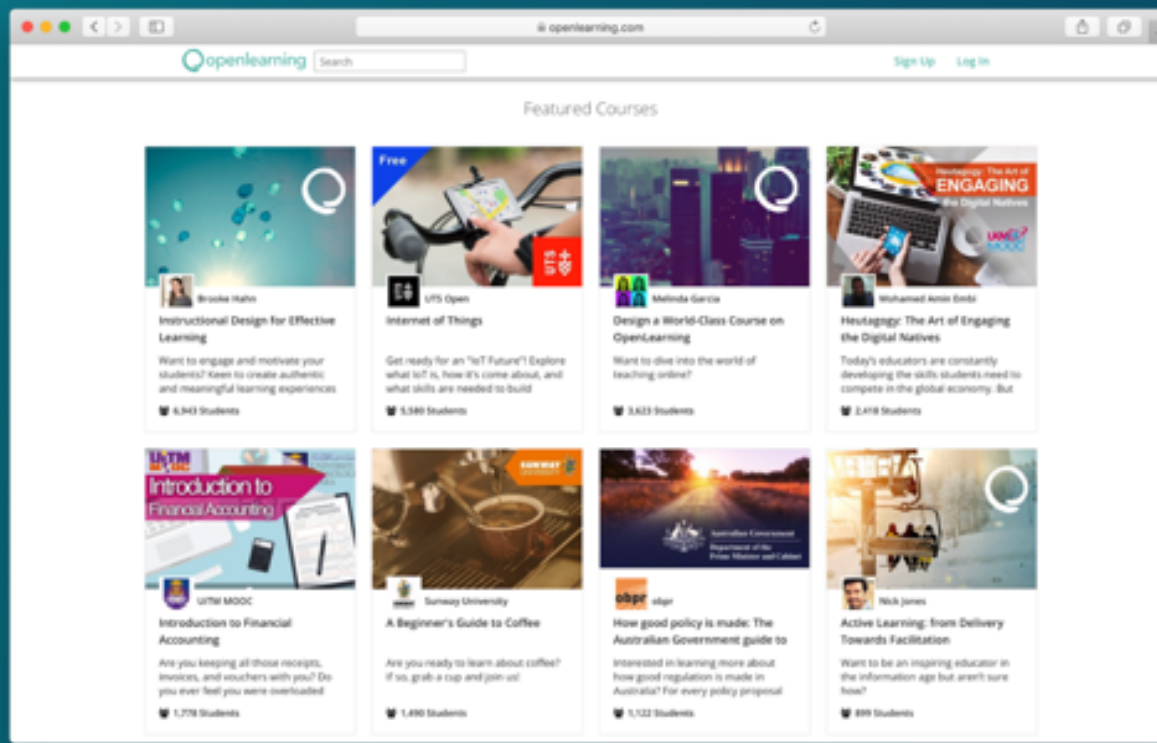
PROJECT-BASED SOCIAL LEARNING EXPERIENCE



The screenshot shows a web browser displaying an OpenLearning course page. The browser's address bar shows 'openlearning.com'. The page has a blue header with the text 'Internet of Things' and a red box with 'UTS' and a logo. Below the header, there's a navigation menu on the left with items like 'Home', 'Course Feed', 'Getting Started', and 'What is IoT?'. The main content area features a course feed item titled 'Activity: IoT in Our Lives'. The activity description states: 'IoT already runs so much of our world and many of us aren't aware of it! In this activity, let's explore how IoT is already present in our everyday lives.' It includes a 'What to do:' section with three numbered steps: 1. 'Have a look at the apps on your phone - or take a peek at a friend or family member's one!', 2. 'See if you can find an app that might be powered by the Internet of Things (recall from our definition earlier how IoT connects data and devices)', and 3. 'Share your example in the comment thread below, along with how you think IoT plays a role in how it works.' There is a photo of a woman in a blue shirt looking at her phone. At the bottom, it says 'No tags yet' and '11 people like this'.

WATCH: <https://www.youtube.com/watch?v=jvvqyYFAh9w>

GLOBAL MARKETPLACE FOR EDUCATION



The screenshot displays the OpenLearning website interface. At the top, there is a navigation bar with the OpenLearning logo, a search bar, and links for 'Sign Up' and 'Log In'. Below the navigation bar, the page is titled 'Featured Courses' and displays a grid of eight course cards. Each card includes a course image, the instructor's name, the course title, a brief description, and the number of students enrolled.

Course Title	Instructor	Enrollment
Instructional Design for Effective Learning	Brooke Hahn	6,943 Students
Internet of Things	LFS Open	5,580 Students
Design a World-Class Course on OpenLearning	Melinda Garcia	3,623 Students
Heutagogy: The Art of Engaging the Digital Natives	Muhammed Amin Ebnis	2,418 Students
Introduction to Financial Accounting	UTM MOOC	1,778 Students
A Beginner's Guide to Coffee	Surrey University	1,490 Students
How good policy is made: The Australian Government guide to	obpr edge	1,132 Students
Active Learning: from Delivery Towards Facilitation	Nick Jones	899 Students

WATCH: https://www.youtube.com/watch?v=-cv_owDce80

PORTFOLIOS: AUTOMATICALLY **SHOWCASE SKILLS,** OUTCOMES AND MICRO-CREDENTIALS



DISCLAIMER

This presentation has been prepared by OpenLearning (**The Company**). It does not purport to contain all the information that a prospective investor may require in connection with any potential investment in the Company. You should not treat the contents of this presentation, or any information provided in connection with it, as financial product advice or advice relating to legal, taxation or investment matters.

This presentation and the information contained herein and all electronic and/or hard copy documentation which comprise it are being provided to you solely for your information and may not be copied, reproduced, distributed, disclosed or published, in whole or in part, to any other person for any purpose whatsoever at any time without the prior written consent of the Company. This presentation is not an offer to any person nor is it a prospectus.

The Company has prepared this document based on information available to it at the time of preparation. No representation or warranty (whether express or implied) is made by the Company or any of their officers, advisers, agents or employees as to the accuracy, completeness or reasonableness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this presentation or provided in connection with it, or any omission from this presentation, nor as to the attainability of any estimates, forecast or projections set out in this presentation.

This presentation is not investment or financial product advice (nor tax, accounting or legal advice) and is not intended to be used for the basis of making an investment decision. The information contained in this presentation has been prepared without taking into account the objectives, financial situation or needs of individuals.

This presentation is provided expressly on the basis that you will carry out your own independent inquiries into the matters contained in the presentation and make your own independent decisions about the affairs, financial position or prospects of the Company. The Company reserves the right to update, amend or supplement the information at any time in their absolute discretion (without incurring any obligation to do so).

The Company, nor their related bodies corporate, officers, their advisers, agents and employees accept any responsibility or liability to you or to any other person or entity arising out of this presentation including pursuant to the general law (whether for negligence, under statute or otherwise), or under the Australian Securities and Investments Commission Act 2001, Corporations Act 2001 (Cth), competition and any such responsibility or liability is, to the maximum extent permitted by law, expressly disclaimed and excluded.

Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in the Company.

This presentation contains reference to certain intentions, expectations, future plans, strategy and prospects of the Company.

Those intentions, expectations, future plans, strategy and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of the Company may be influenced by a number of factors, many of which are outside the control of the Company. No representation or warranty, express or implied, is made by the Company, or any of their directors, officers, employees, advisers or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved.

Given the risks and uncertainties that may cause the Company actual future results, performance or achievements to be materially different from those expected, planned or intended, recipient's should not place undue reliance on these intentions, expectations, future plans, strategy and prospects. The Company does not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended.

This document does not constitute any part of any offer to sell, or the solicitation of any offer to buy, any securities in the United States or to, or for the account or benefit of any "US person" as defined in Regulation S under the US Securities Act of 1993 (Securities Act). The Company shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any US person without being so registered or pursuant to an exemption from registration including any exemption for qualified institutional buyers.