

INVESTOR PRESENTATION

QUARTER ENDING
31 MARCH 2021

OPENLEARNING LIMITED (ASX:OLL)
20 APRIL 2021

 openlearning

Internal use only

RECORD CASH RECEIPTS

ACCELERATING GROWTH IN Q1 FY21

ACCELERATING PLATFORM REVENUE

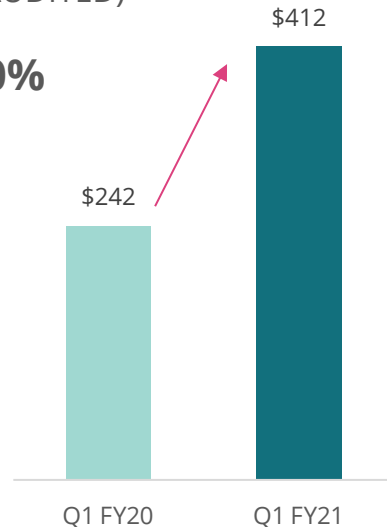
- Strategy focused on capturing a greater share of the value created by its platform and capabilities
- Platform driven revenue is comprised of:
 1. **SaaS:** recurring revenue from education providers (incl. platform and BEST Network)
 2. **Partnerships:** revenue share on courses (incl. UNSW Transition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

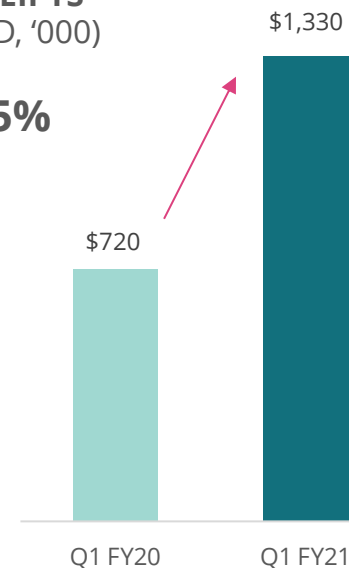
PLATFORM REVENUE¹
(AUD, '000, UNAUDITED)

+70%



CUSTOMER CASH RECEIPTS
(AUD, '000)

+85%



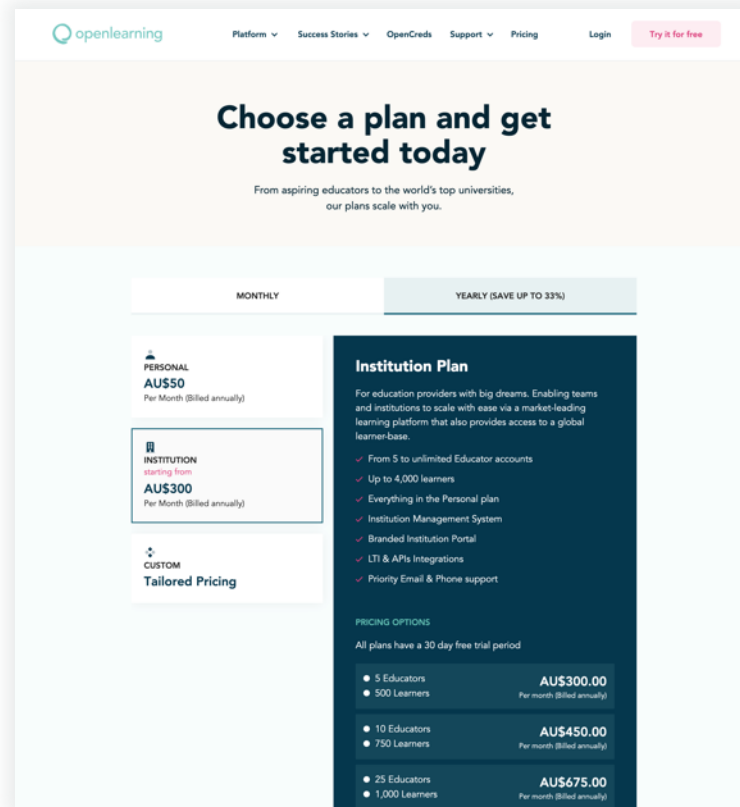
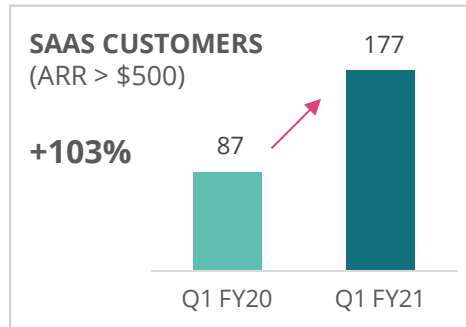
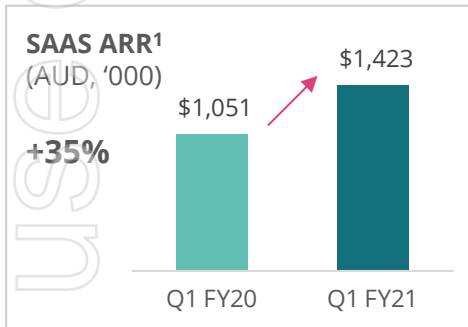
1. Platform revenue includes revenue from SaaS and partnerships that were accrued in the quarter. Marketplace and services are excluded from the platform revenue

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

* Webpage: <https://www.unswglobal.unsw.edu.au/programs-courses/transition-reimagined/>

UNSW Global
Learning, reimagined
UNSW Transition Program Online
University pathways, reimagined by UNSW Global

Curious?
Sign up to find out more about the UNSW Transition Program Online.
We'll be hosting demo classes and information sessions. Sign up to find out more.

FIRST NAME:

LAST NAME:

EMAIL ADDRESS:

COUNTRY/REGION OF CITIZENSHIP*
Country / Region:

AREA:

FREQUENCY:

Agree to the Privacy Policy and to receive marketing emails from UNSW Global

UNSW and OpenLearning are taking online education to the next level with our new UNSW Transition Program Online.

Applications are now open for 2021. Enrol now and prepare for success at a Top 50 university from anywhere in the world.

Start in 2021:
March | August | September

Bridge the gap between school and university
Master independent learning skills and build your confidence with this university-recognised online transition program. Prepare to progress directly to an undergraduate degree at UNSW Sydney.

A supportive experience
With small group daily check-in sessions and portfolio reviews with your study coach built into your weekly schedule, you'll be supported while you build real connections with your peers and teachers.

Collaborative, project-based learning
Put your new skills to work with group and individual projects, and build an online portfolio with regular feedback to keep you on track.

Why UNSW Global?
UNSW is one of Australia's leading research and teaching universities, consistently ranked in the global Top 50. As Australia's pioneer in foundation studies and pathway programs, UNSW Global has supported over 20,000 students from around the world with life-changing learning opportunities over the past 50 years. We are committed to investing in new online teaching platforms to better prepare more students for success at university.

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
- OpenCredits are exclusive to OpenLearning and designed to accelerate adoption of the platform and generate new revenue
- 24 OpenCredits 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 OpenCredits market
- OpenLearning SaaS clients can build OpenCredits on their own and submit them for approval to OpenLearning's review process
- Initiatives to develop OpenCredits with Open Universities Australia, Australia's largest higher education marketplace, and the OpenCredits Investment Fund to build courses on revenue-share
- Partnership with Accredible, the world's most comprehensive digital badge and certificate platform, for OpenCredits and SaaS clients

* More information on OpenCredits is available at: <https://solutions.openlearning.com/opencreds/>

The screenshot displays the OpenLearning platform interface. At the top, there are navigation links for 'Courses' and 'Partners', and user options for 'Log in' and 'Sign up'. Below the navigation, there are three main sections: 'Short courses', 'OpenCredits', and 'Qualifications', each with a brief description and a 'View' button. The main content area features a grid of course cards, each with a title, description, and 'On now' badge. The cards include 'Emotional Intelligence Toolkit' by Laneway Education, 'Leading by Design' by Catalyst Education, 'Bridging the Gap Between the Classroom and Home' by Parent TV, 'Clinical Risk Management in Aged Care Teaser Course' by Edvivid Online CPD, 'Effective Team Collaboration' by DeakinCo, and 'Surface Design Essentials' by International School of Colour and Design. On the left side, there are filter panels for 'Institutions', 'Course types', 'Course sectors', and 'Enrolment types', each with a 'Clear filters' button and a list of options.

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

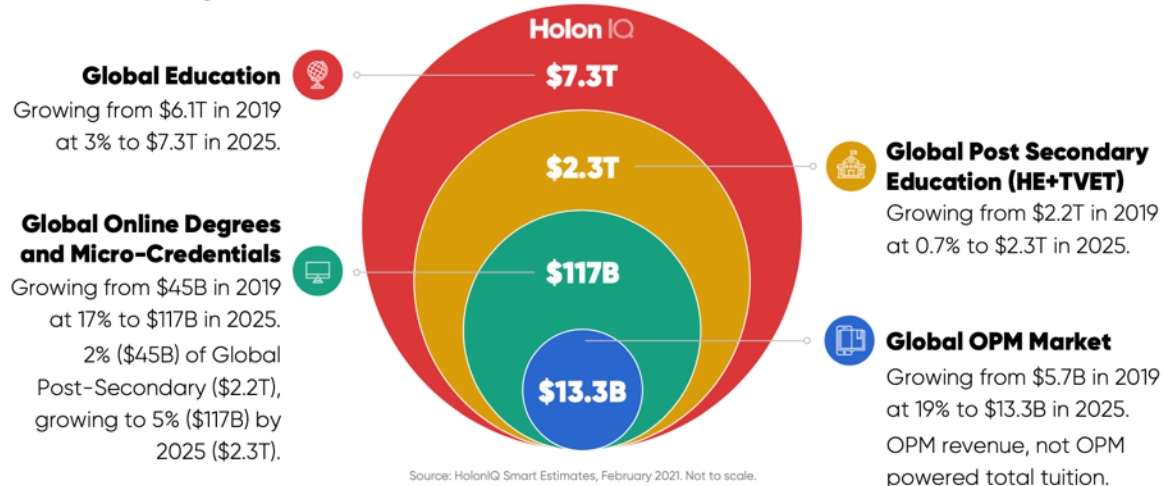
- Continuing to gain market share in Australia and Malaysia; starting expansion into Indonesia
- Products tailored to key markets e.g. OpenCreds, BEST Network, TPO
- Self-service platform SaaS model enables entry into U.S., Canada and Europe

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



* HolonIQ market size: <https://www.holoniq.com/markets/higher-education/global-online-degree-and-micro-credential-market-to-reach-117b-by-2025/>

OPENLEARNING ENABLES EDUCATION PROVIDERS TO DELIVER HIGH QUALITY ONLINE EDUCATION

Personal use only



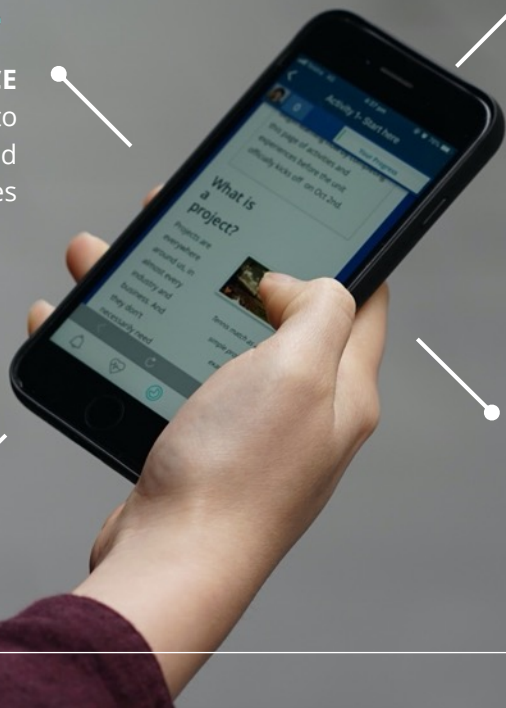
MARKETPLACE

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

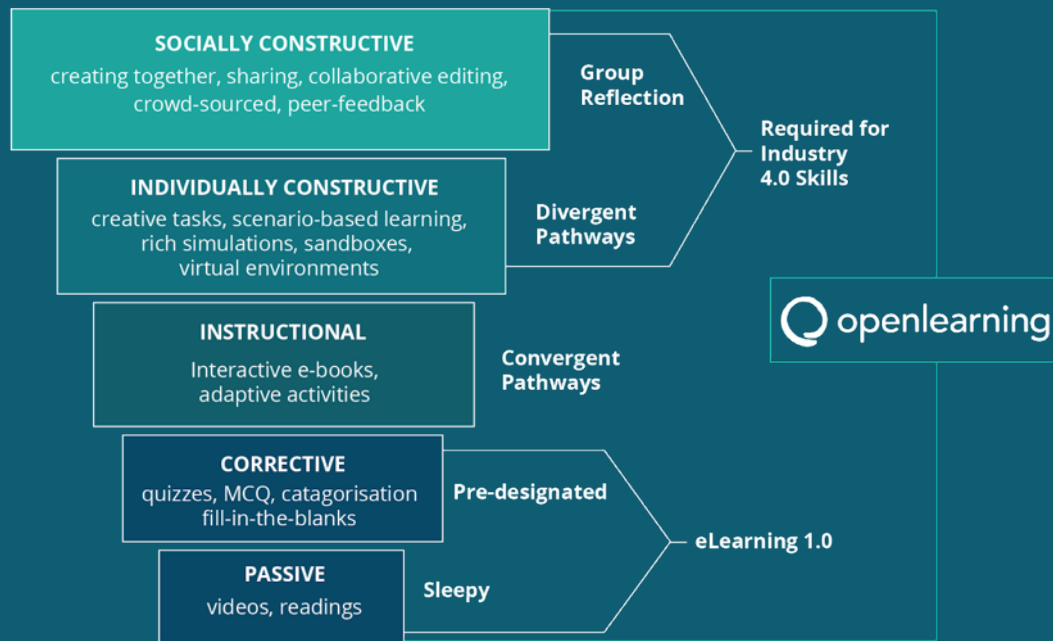


PORTFOLIOS

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

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.



openlearning

ASX:OLL

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

Australia

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

Malaysia

Found8 KL Sentral
5, East Wing, Level 3
KL Sentral, 50470 Kuala Lumpur