

2021 ANNUAL GENERAL MEETING

PRESENTATION
28 MAY 2021

OPENLEARNING LIMITED (ASX:OLL)



Internal use only

YOUR 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. Spiro is currently the Chairman of Atlas Iron and formerly of Splitit Ltd (ASX:SPT).



MAYA HARI

NON-EXECUTIVE DIRECTOR

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

Chairperson's address

Kevin Barry

nal use only

KEY ACHIEVEMENTS IN FY20

→ Delivered strong growth in core business (as at FY20 year end):

- 42% growth in SaaS ARR to \$1.35m in FY20, driven by a 169% increase in SaaS clients to 167 education providers
- 48% increase in gross sales to \$2.87m, with 42% growth in cash receipts from customers to \$3.18m
- Delivered a range of new functionality and features in the OpenLearning platform for the benefit of our clients

→ Signed major partnerships to drive future growth:

- 5-year agreement to deliver the UNSW Transition Program Online for international students to gain entry into UNSW
- 5-year agreement with UNSW and The University of Queensland to be the technology and operating partner of the Biomedical Education and Skills Training (BEST) Network, whose members include ten of the world's leading biomedical schools
 - Strategic partnership and platform agreements with Australia Catholic University, DeakinCo., High Resolves and Alibaba Cloud

→ Launched OpenCreds to drive micro-credential market development

- Launched OpenCreds, Australia's first cross-sector micro-credentialing framework for lifelong learning, and subsequently launched a Malaysian version later in the year
- Signed agreements with Open Universities Australia, the country's largest higher education marketplace with 450,000 alumni
- Launched the OpenCreds Investment Fund, which signed up 8 higher education providers to build 26 OpenCreds

→ Ended FY20 with a strong cash position of \$8.6m, bolstered by a successful \$5.94m capital raise

GROWING REVENUE AND SUCCESSFUL TRANSITION TO A PLATFORM DRIVEN BUSINESS MODEL

In FY20, the Company continued to focus on growing high margin platform SaaS revenue by expanding its sales and marketing resources to acquire more customers and increase usage of existing customers.

Key Highlights:

- Platform SaaS fees grow to become the Company's largest source of revenue.
- 47.8% y-o-y increase in gross sales for FY20, driven by strong growth in Platform SaaS and Marketplace gross sales, which grew by 56% and 91.3% y-o-y respectively.
- Statutory net loss for FY20 reduced by 27.1% to \$(5.62m). Significant reduction in loss was mainly due to incurrence of pre-IPO and IPO related expenses in FY19

The Company's hard work and adaptability over the past year has provided a strong foundation for revenue growth in FY21 for both its Platform SaaS business and recently signed partnerships, which are already generating revenue.

The Board is confident in the Company's strategy and is grateful to shareholders for their support.

	2020	2019	Inc/(Dec)
	\$	\$	%
Revenue comprised of the following:			
Platform SaaS fees	1,127,453	722,525	56.0
Marketplace sales	1,121,159	585,928	91.3
Services sales	619,886	632,309	(2.0)
Gross sales	2,868,498	1,940,762	47.8
Less: revenue shared with course creators	(979,862)	(338,149)	>100.0
Revenue from ordinary activities	1,888,636	1,602,613	17.8

CEO Presentation

Adam Brimo

Internal use only

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

177

Education providers
delivering courses

2.8M

Unique registered
learners around the world

50M

Peer interactions
between learners

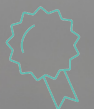
OPENLEARNING'S ALL-IN-ONE SOLUTION ENABLES EDUCATION PROVIDERS TO MOVE ONLINE

Personal use only



MARKETPLACE

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



OPENCREDITS

Transportable micro-credentials issued through the platform could lead to credit in a degree



ONLINE EDUCATION

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

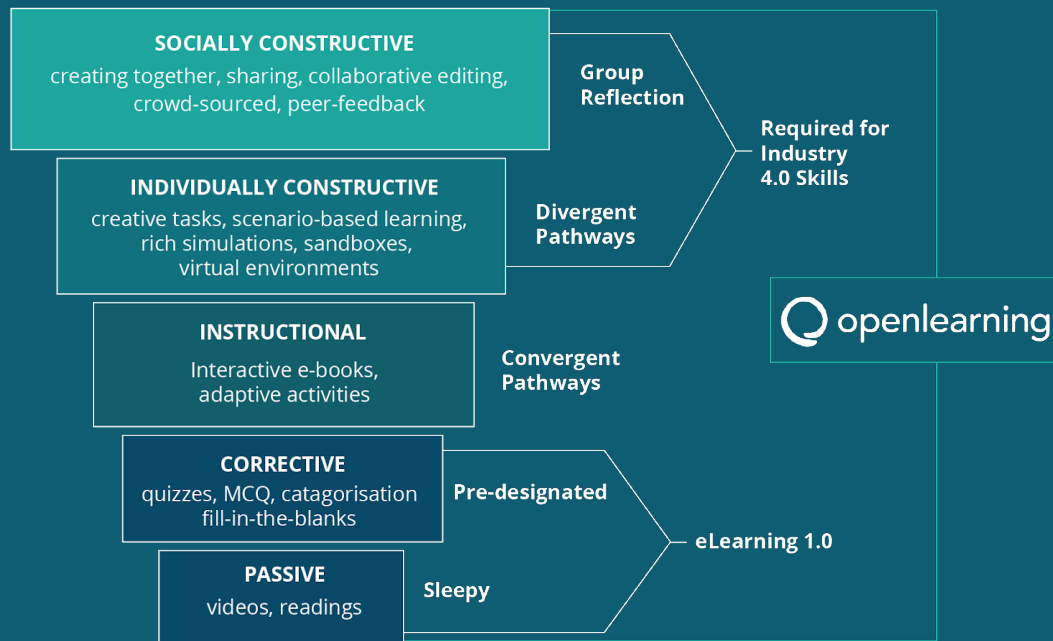


PORTFOLIOS

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

CUTTING-EDGE PLATFORM DESIGNED FOR THE FUTURE OF EDUCATION

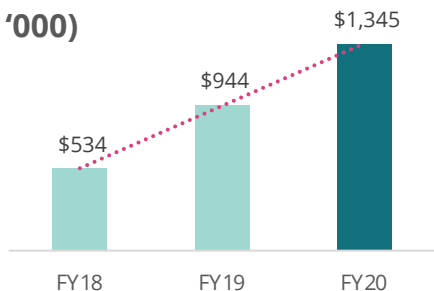
- Proprietary technology
- Research – backed approach
- Outcome-based education
- High student engagement
- Soft skills and practical skills
- Innovative assessment system
- Automatically generated portfolio



STRONG GROWTH ACROSS ALL KEY METRICS IN FY20

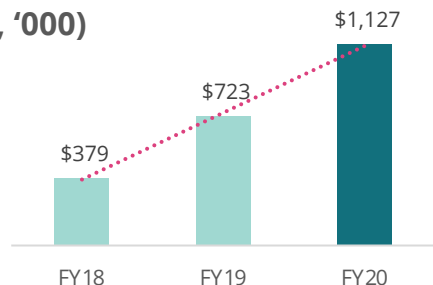
**SaaS ARR
(AUD, '000)**

+42%



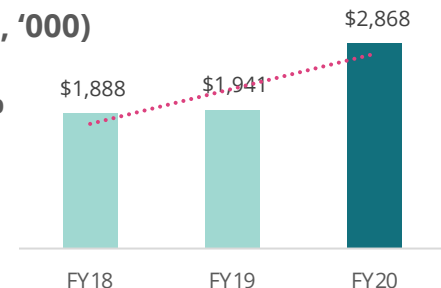
**SaaS Revenue
(AUD, '000)**

+56%



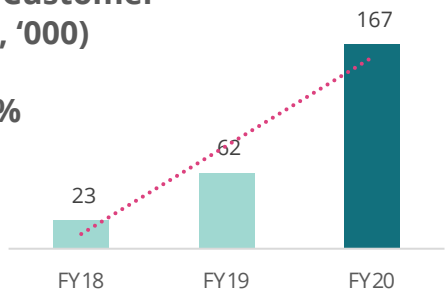
**Gross Sales
(AUD, '000)**

+48%



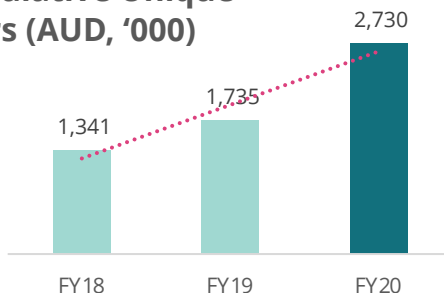
**SaaS Customer
(AUD, '000)**

+169%



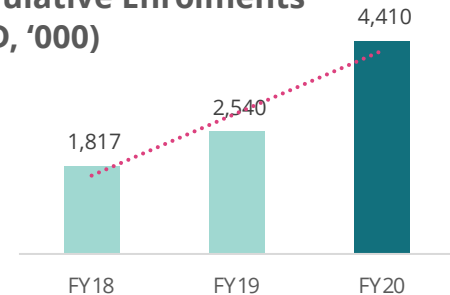
**Cumulative Unique
Users (AUD, '000)**

57%



**Cumulative Enrolments
(AUD, '000)**

74%



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.

STEP CHANGE IN Q1 FY21 PLATFORM REVENUE

ACCELERATING PLATFORM REVENUE

→ Strategy focused on capturing a greater share of the value created by the OpenLearning platform and the Company's education expertise

→ Platform driven revenue is comprised of:

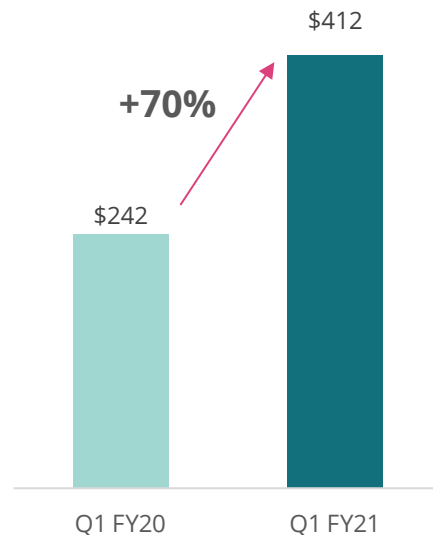
1. **SaaS:** recurring revenue from education providers
2. **Partnerships:** revenue share on courses (incl. UNSW Transition Program Online)

RECORD CASH RECEIPTS

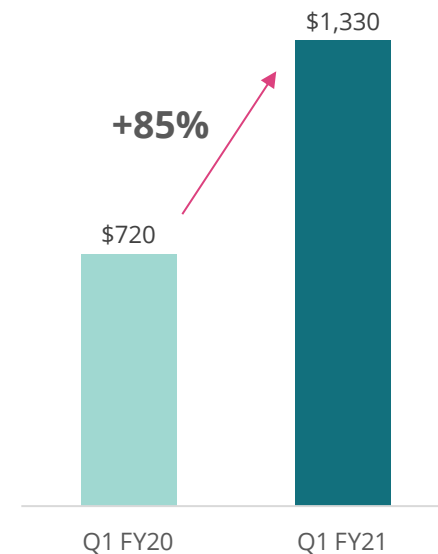
→ Strong SaaS sales and contract renewals resulted in \$480k in SaaS customer receipts

→ First intake of the Transition Program Online (TPO) started on 22nd March resulting in \$511k of customer receipts; only 8 days of revenue were accrued in Q1

PLATFORM REVENUE¹
(AUD, '000, UNAUDITED)



CUSTOMER CASH RECEIPTS²
(AUD, '000)



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

OUR VISION IS TO BE THE NO.1 LIFELONG LEARNING PLATFORM IN AUSTRALIA & SOUTHEAST ASIA

A holistic platform for continuous learning that people come back to throughout their life

EMPLOYMENT

- Skills demand / future of work insights (enable learning, upskilling rediscovery)
- Connect learners to career opportunities at scale

ASSESSMENT

- Measurable learning outcomes and authentic assessment
- Portfolio of skills, evidence, competencies and credentials



DISCOVERY

- Library of quality courses for lifelong learning and upskilling
- Learning pathways to enable skills transformation in people at scale

LEARNING

- Socially constructive learning experiences, community of practice and project-based activities
- Course authoring and delivery tools for learning designers and educators

THREE PHASES TO REALISE THIS VISION

#1. Establish sustainable business models that realise the value of our technology platform and capabilities

#2. Grow platform revenue and deliver learning outcomes at scale, providing a large user-base and data insights/analytics

#3. Expand into an integrated model that connects learners with education and career opportunities at scale

2020-2021

2022

2023 and beyond

TWO CORE BUSINESS MODELS TO REALISE THE VALUE OF OUR PLATFORM AND CAPABILITIES



Model 1: Software as a Service (SaaS)

To enable all types of education providers to access a high-quality learning platform and deliver quality education at scale

Model 2: Partnerships

To partner with top institutions to deliver flagship programs that demonstrate measurable outcomes for a large accessible market.

SCALABLE SAAS BUSINESS MODEL ENABLES LOW COST EXPANSION INTO NEW MARKETS/SEGMENTS

GROWING IN AUSTRALIA AND MALAYSIA

- Strong growth from new clients sign-ups and a move to usage-based SaaS model in both countries
- Expecting OpenCreds to be a key driver for institutions to sign up to the platform

ROLLING OUT SELF-SERVICE MODEL TO INSTITUTIONS

- Self-service model enables institutions with up to 4,000 learners to subscribe, pay and onboard online, shortening sales cycle and increasing efficiency
- Continued investment in sales and marketing, new platform features, functionality and automation

EXPANDING INTO INDONESIA

- Indonesia has over 4,000 education institutions and is rapidly adopting education technology; Eight local universities already use OpenLearning
- Key market for Australia higher education providers to expand their operations and promote courses

SAAS SUBSCRIPTION PLANS

	Personal	Institution	Enterprise
Customer profile	<ul style="list-style-type: none"> • Online trainer • Teacher • Lecturer 	<ul style="list-style-type: none"> • Uni / private tertiary provider • Vocational training • CPD provider • Corporate training 	<ul style="list-style-type: none"> • University • Government • Large corporate
No. of learners	250	Up to 4,000	4,000+
No. of educators	1	From 5 to unlimited	Unlimited
Annual recurring revenue	\$600	\$5,400 - \$27,000	Tailored pricing (starting from \$30,000)
No. of existing clients¹	63	103	11

1. As at 31st March 2021, no. of customers with annual recurring revenue >\$500

STRONG Foothold IN TARGET MARKETS WITH A LARGE SAAS REVENUE OPPORTUNITY

\$140m REVENUE OPPORTUNITY IN AUSTRALIA, MALAYSIA AND INDONESIA
BASED ON CURRENT USAGE-BASED SAAS PRICING

\$46m
UNIVERSITY AND OTHER
HIGHER EDUCATION

\$44m
TECHNICAL AND
VOCATIONAL EDUCATION

\$39m
CORPORATE AND
PROFESSIONAL
DEVELOPMENT

\$11m
INDUSTRY
ASSOCIATIONS



* Management estimates compiled from publicly available information, full references available on request.

SELECTED PARTNERSHIPS TO TARGET LARGE ADDRESSABLE MARKETS

OVERVIEW

- Partnering with top institutions to develop / deliver flagship programs for a large accessible market
- Improving upon the traditional online program management (OPM) model by leveraging OpenLearning's socially constructive approach and technology platform

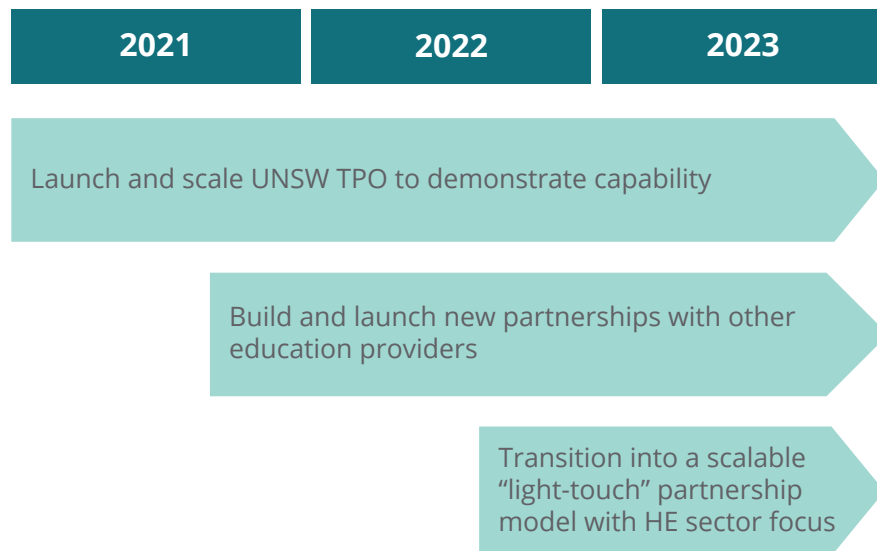
DEMONSTRATING CAPABILITY BY UNSW TPO

- UNSW Transition Program Online demonstrates the Company's capability to handle all spectrums of program delivery, from admissions, learning design, teaching, student support to assessment

FURTHER DEVELOPMENT

- Currently in the progress of developing other opportunities in areas with strong educational demand / career benefits
- The long-term goal is to transition from a "high-touch" model to a scalable model that education delivery is undertaken by education providers (who apply OL's proven delivery approach) and OL provides tools / technology support

PATH TO SCALING PARTNERSHIPS MODEL



TRANSFORMATIVE ONLINE PATHWAY PROGRAM FOR INTERNATIONAL STUDENTS

UNSW TPO 1st INTAKE SUCCESSFULLY COMMENCED

- Five-year agreement with UNSW Global to deliver the online pathway program to international students
- 1st intake commenced on 22nd March 2021 and achieved 100% student retention by the census date
- Generated cash receipts of \$511K for Q1 2021
- Three more intakes in Q3 and Q4 2021; similar programs have historically been over twice as popular in the 2nd half of the year
- Students who are accepted into the TPO pay an indicative fee of \$15,960, out of which the Company pays a license fee to UNSW

SIGNIFICANT REVENUE OPPORTUNITY

- Estimated total addressable market of 3,500+ students¹
- Provides a more affordable pathway into a top tier university, opening up new fast-growing markets (e.g. Southeast Asia and the Middle East)
- Aiming to get more universities globally to accept the TPO as a pathway

UNSW Global
Learning, reimagined
UNSW Transition Program Online
University pathways, reimagined by 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 across the world with life-changing learning opportunities over the past 40 years. We are committed to innovation.

1. Total addressable market is based on the estimated number of students in Australian pathway programs who do not attend a Group of Eight university and an adoption rate of 20%

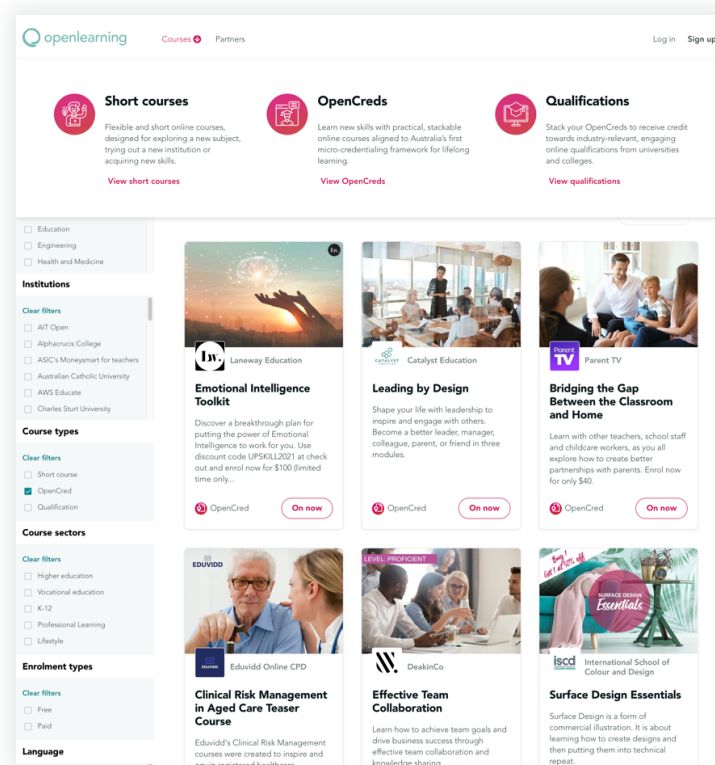
DEVELOPING THE AUSTRALIAN AND MALAYSIAN MICRO-CREDENTIAL MARKETS

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
- 27 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

- Two large Australian universities have adopted OpenCredits across their institutions and interest from other universities is growing
- 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 a revenue-share model
- Partnership with Accreditable, 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/>

ONLINE LEARNING TO GROW FROM 2% TO 5% OF POST-SECONDARY EDUCATION BY 2025

GROWTH ACCELERATING POST-COVID

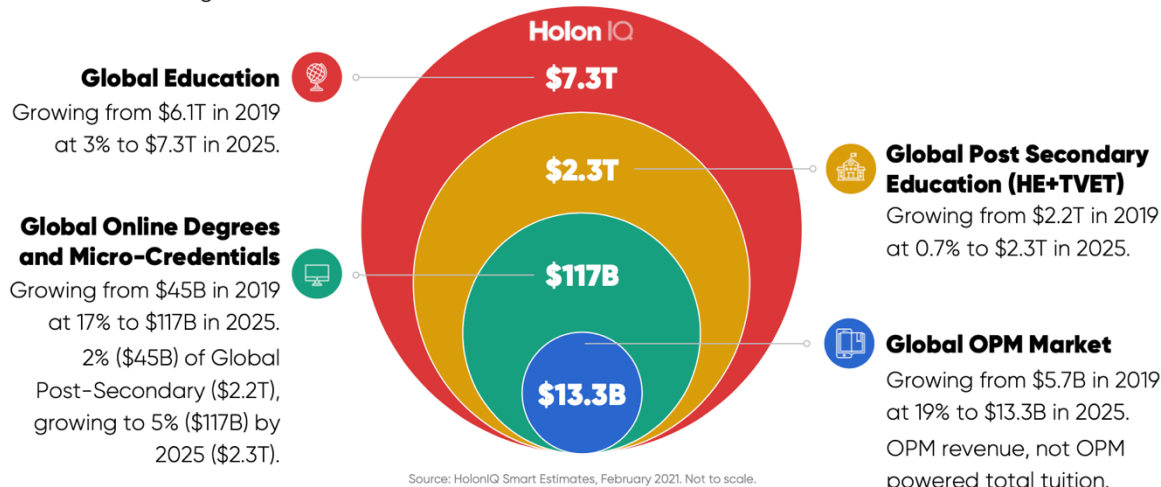
- COVID has increased awareness and acceptance of online education
- Stop-gap measures in 2020/2021 have highlighted challenges in capability and quality at higher education providers
- Accelerated CAGR of 17% expected through 2025 compared to projected CAGR of 14% pre-COVID
- Online learning to grow to 5% of post-secondary education by 2025, still significant opportunity for further penetration

HOLONIQ. GLOBAL ONLINE DEGREE & MICROCREDENTIAL MARKET

HolonIQ

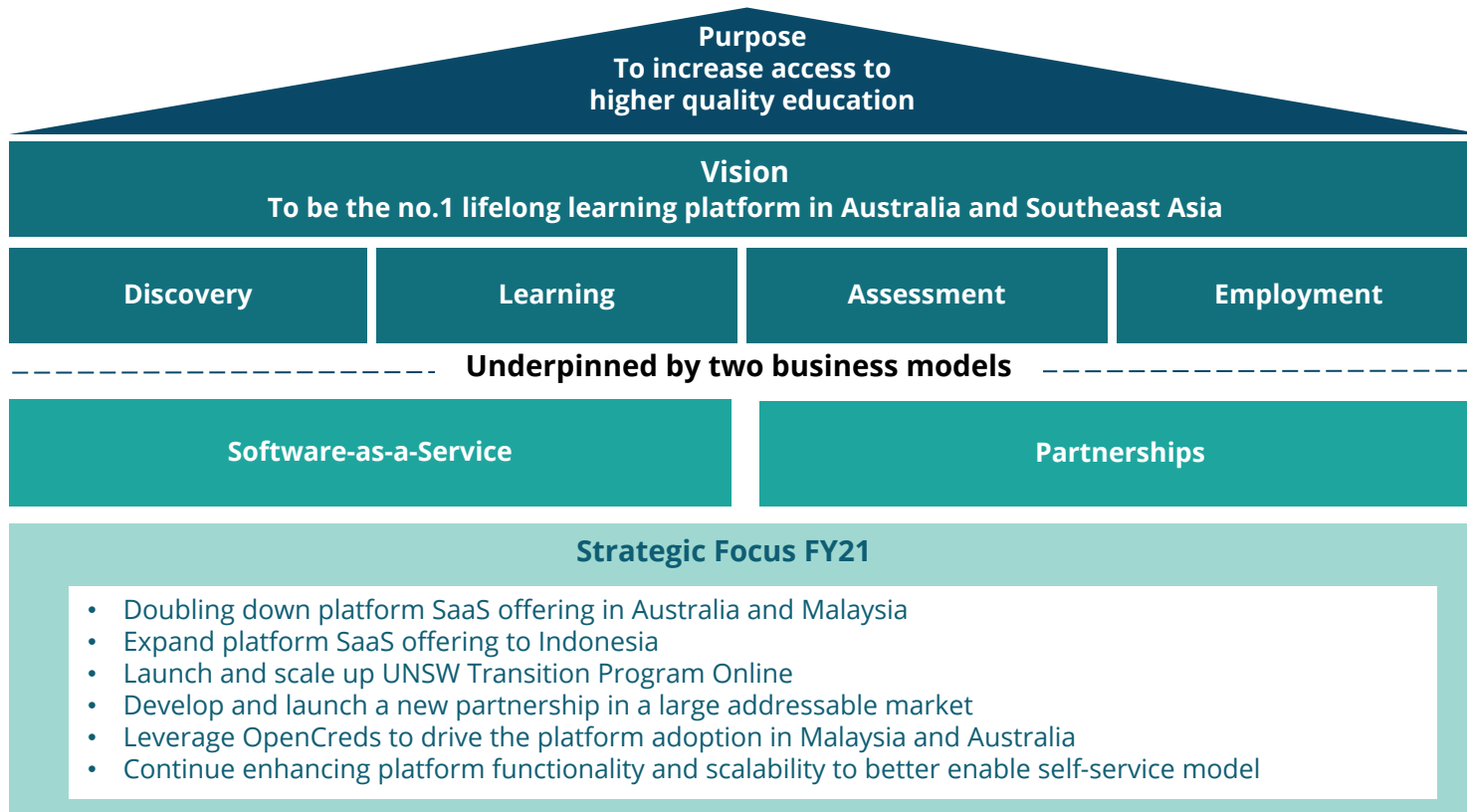
\$117B Online Degree and Micro-Credential in 2025

Global Online Degrees and Micro-Credentials and Global OPM Market Size. USD 2019-2025



SUMMARY: STRATEGY ON A PAGE

Internal use only



STRONG FOUNDATIONS FOR **FURTHER GROWTH**

- Cutting-edge lifelong learning platform providing a high quality online learning experience with a strong brand
- Doubling down in Australia and Malaysia and maintaining the market leader position in these two key markets
- Expanding platform SaaS offering into Indonesia
- Investment in self-serve platform model accelerates customer adoption and improves operational efficiencies
- Transformative UNSW TPO in place and set to generate significant core platform revenue
- BEST Network successfully launched, providing a new revenue stream and entry into the medical education sector
- Well placed to capitalise on rapidly growing short course and micro-credentials market
- Strong cash balance of circa \$7.4m at 31st March 2021 to support growth initiatives (e.g. a new partnership)



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

Questions

mal use only

Business of the meeting

nal use only

Resolution 1 – Adoption of Remuneration Report

“That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 31 December 2020 and included in the Directors’ Report, which is attached to the Financial Statements as required under section 300A of the Corporations Act, be adopted by the Company.”

Proxy votes:

For	Against	Abstain/Excluded
36,274,504	311,948	10,133,513

Resolution 2 – Re-election of Mr. Kevin Barry as a Director

“That, Mr. Kevin Barry, who was appointed a Director of the Company on 30 August 2019 by a resolution of the Board, retires by rotation in accordance with Article 14.2 of the Company’s Constitution and ASX Listing Rule 14.5, and being eligible, is re-elected as a Director.”

Proxy votes:

For	Against	Abstain/Excluded
46,483,214	239,221	3,030

Resolution 3 – Re-election of Mr. Spiro Pappas as a Director

“That, Mr. Spiro Pappas, who was appointed a Director of the Company on 30 August 2019 by a resolution of the Board, retires by rotation in accordance with Article 14.2 of the Company’s Constitution and ASX Listing Rule 14.5, and being eligible, is re-elected as a Director.”

Proxy votes:

For	Against	Abstain/Excluded
46,479,426	228,009	18,030

Resolution 4 – Approval of 10% Placement Capacity

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company (at the time of issue), calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Proxy votes:

For	Against	Abstain/Excluded
46,205,875	478,319	26,271

Resolution 5 – Ratification of prior issue of Placement Shares issued under ASX Listing Rule 7.1

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and prior issue of 21,212,495 Placement Shares issued by the Company on 4 November 2020 pursuant to the Placement undertaken by the Company and otherwise on the terms and conditions set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.”

Proxy votes:

For	Against	Abstain/Excluded
35,684,104	285,719	7,556,198

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.