

## ASX Announcement | 31 May 2023

### AGM Presentation

Sydney, Australia, 31 May 2023: Global lifelong learning platform **OpenLearning Limited** ('the Company') (ASX: OLL) provides the 2023 AGM Presentation for the Annual General Meeting to be held at 2pm AEST today, as required by ASX Listing Rule 3.13.3.

#### Ends.

#### Authorised by:

Adam Brimo

Group CEO & Managing Director

#### Stay up to date with OpenLearning news as it happens:

Visit the Investor section of the OpenLearning website at: <https://solutions.openlearning.com/investor-home/>. There you can download the Company's Prospectus and see recent ASX Announcements and press coverage.

In addition to signing up for OpenLearning news directly from the Company, we also encourage shareholders to register to receive electronic communications from our share registry, Automic. To sign up for e-communications from Automic, please visit <https://www.automicgroup.com.au/>.

Thanks for your ongoing support. We look forward to sharing OpenLearning news with you.

#### For further information, please contact:

##### Company

##### Nova Taylor

Joint Company Secretary

P: +61 3 8678 4091

E: [investors@openlearning.com](mailto:investors@openlearning.com)

##### Investor Relations

##### Matthew Reede

Dominion Partners

P: +61 414 483 054

E: [matt@dominion.partners](mailto:matt@dominion.partners)

#### About OpenLearning

OpenLearning Limited is a higher education technology company that provides a scalable online learning platform to education providers and a global marketplace of world-class courses for learners of all levels.

OpenLearning's platform enables the delivery of project-based, social learning to encourage interaction among users and foster a community of collaborative learners. The Company's unique service provides a complete learning environment for all types of online education - from short courses through to micro-credentials and online degrees.

With more than 3 million learners worldwide across over thousands of courses provided by over 250 education providers, OpenLearning is at the forefront of a new wave of online education delivery.

To learn more, please visit: <https://solutions.openlearning.com/>

For personal use only



# AI-POWERED SAAS PLATFORM FOR LIFELONG LEARNING



OpenLearning Limited (ASX:OLL)  
Annual General Meeting  
31<sup>st</sup> May 2023

only  
use  
only

# Your Board of Directors



## **Spiro Pappas**

Non-Executive Chairman

Spiro is the former executive GM 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 OpenInvest. He is also a NED of DataMesh Group, Cognian Technologies, BrewAI and Football Australia.



## **Adam Brimo**

Managing Director & Group CEO

Adam started his career at Macquarie Group and Westpac Institution Bank before founding OpenLearning with fellow UNSW computer science and engineering graduate 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.



## **John Merakovsky**

Independent Director

John is veteran of the technology industry, served as the former CEO of Flybuys, and the former CEO of ASX-listed Integrated Research Ltd. Prior to that, he was the GM of Seek Learning. John started his career in EdTech sector as the founder and CEO of a leading provider of enterprise learning solutions that was acquired by Talent2.



## **Rupesh Singh**

Non-Executive Director

Rupesh is the founder and CEO of Education Centre of Australia (ECA). ECA is one of Australia's largest diversified, multiple-sector education groups that partners with universities from Australia, UK and India, offering end-to-end services to 7,000 students per year from academic delivery to employment opportunities.

# Chair's Address

## Spiro Pappas

Final use only



DeakinCo

### Insights and Trends in Data-Driven Marketing

Discover how to collect, synthesise and report on data to gain critical insights to enhance customer experience, brand and marketing campaign performance

OpenCred [On now](#)



UNSW Short Courses

### Artificial Intelligence and Machine Learning: In-depth Short Course

You've heard of AI, but do you understand it? Learn AI today: explore algorithms, apply machine learning, solve problems and prepare yourself for the future of work.

129 learners [On now](#)



Laneway Education

### Creative and Critical Thinking Skills

Did you know that creative and critical thinking skills are some of the most sought-after skills for employers in the 21st century? Complement your professional expertise, elevate...

Temasek Temasek Polytechnic

### AI for Managers

Artificial Intelligence (AI) has become a part of all of our lives. Many of us work in industries that are becoming more reliant on AI technology every day. Some of us may even be...

OpenCred [On now](#)



Charles Sturt University Zeynep Taçgin PhD

### Utilising Mixed Reality Technology in Education

Are you an educator? Are you curious about virtual and augmented reality? Would you like to design and develop your own mixed reality application? Then this course is for you! ...

550 learners [On now](#)



Sunway University

### AR VR The Promise of Sci-Fi

Ever wanted to dive into the world of AR/VR?

2,241 learners [On now](#)



Temasek Temasek Polytechnic

### Fundamentals of Cybersecurity and Applications

Join Temasek Cyber Division, a highly skilled team of cybersecurity experts in their fight against NEON, a dark web organisation intent on disrupting Emerald City Airport's...

OpenCred [On now](#)

Frontend Web Development Foundations



Deakin University

### Frontend Web Development Foundations

Working with the latest technologies, you'll gain an understanding of how client-side web applications work, with the opportunity to conceptualise and implement web-related...

OpenCred [On now](#)



Western Sydney University

### Setting your Path to Net Zero

An immersive introduction to what it really means to be a net-zero business

OpenCred [On now](#)

# FY22 Review

## Focus on Platform SaaS business

In FY22 we restructured our sales teams and centralised our operations offshore to focus on platform SaaS

Focused on growing annual recurring revenue from major institutions

The profile of the Group's revenue is now stronger and more reliable

## Cost Optimisation Program Completed

FY22 cost optimisation was significant and yielded annualised savings of circa \$3.3 million<sup>1</sup>, one third of business expenses

Early signs are that SaaS revenues continue to grow under a lower cost base as we leverage our technology

## Capital Management

Education Centre of Australia (ECA) took a significant stake in the business

This consolidated our share register and will enable us to expand into India with a trusted partner

Note: 1. Based on the annualised difference between Q4 2021 and Q4 2022 actual operating expenses and cost of sales associated with platform subscription. All cost optimisation initiatives completed in Q3 2022, cost saving benefits was only partially reflected in FY22 financials.

# FY23 Recent Developments

## Platform SaaS Revenue Continues to Grow

Our platform SaaS revenue **growth rate has accelerated to 19%** in Q1 FY23 while the group's cost base continues to fall as a result of ongoing cost controls

## Significant Customer Interest in AI

Release of the AI Assistant pilot generated significant customer interest with **over 1,000 registrants at the recent demo webinar**

Large universities are already piloting the features

Multiple further releases are planned for this year

## International Expansion into India

Agreement with ECA to launch OpenLearning India

Sales and marketing efforts are underway and the **course marketplace is live**



# CEO's Address

## Adam Brimo

Final use only




DeakinCo

### Insights and Trends in Data-Driven Marketing

Discover how to collect, synthesise and report on data to gain critical insights to enhance customer experience, brand and marketing campaign performance

OpenCred [On now](#)



UNSW Short Courses

### Artificial Intelligence and Machine Learning: In-depth Short Course

You've heard of AI, but do you understand it? Learn AI today: explore algorithms, apply machine learning, solve problems and prepare yourself for the future of work.


129 learners [On now](#)



Laneway Education

### Creative and Critical Thinking Skills

Did you know that creative and critical thinking skills are some of the most sought-after skills for employers in the 21st century? Complement your professional expertise, elevate...



Temasek Polytechnic

### AI for Managers

Artificial Intelligence (AI) has become a part of all of our lives. Many of us work in industries that are becoming more reliant on AI technology every day. Some of us may even be...

OpenCred [On now](#)



Charles Sturt University




Zeynep Taçgin PhD

### Utilising Mixed Reality Technology in Education

Are you an educator? Are you curious about virtual and augmented reality? Would you like to design and develop your own mixed reality application? Then this course is for you! ...

550 learners [On now](#)



Sunway University


### AR VR The Promise of Sci-Fi

Ever wanted to dive into the world of AR/VR?

2,241 learners [On now](#)



Western Sydney University



Temasek Polytechnic

### Fundamentals of Cybersecurity and Applications

Join Temasek Cyber Division, a highly skilled team of cybersecurity experts in their fight against NEON, a dark web organisation intent on disrupting Emerald City Airport's...

OpenCred [On now](#)




Deakin University

### Frontend Web Development Foundations

Working with the latest technologies, you'll gain an understanding of how client-side web applications work, with the opportunity to conceptualise and implement web-related...

OpenCred [On now](#)



Western Sydney University

### Setting your Path to Net Zero

An immersive introduction to what it really means to be a net-zero business

OpenCred [On now](#)



# AI-Powered SaaS Platform for Lifelong Learning



**10,000+**  
Courses



**165**  
Countries



**100+ million**  
Peer interactions



**5+ million**  
Enrolments



**3.4 million**  
Learners



**225**  
Active education  
providers\*

Note: Stats as of March 2023.

\*The number of paying customers who subscribe to the platform

2012

Founded in **Sydney, Australia**

2019

Listed on Australian Stock Exchange (**ASX:OLL**)

2020

Launched **OpenCreds Micro-credential Framework** in Australia and Malaysia

2021

Launched the UNSW Transition Program Online for students to gain entry into 10 universities

2022

**Strategic investment from ECA**, completion of cost optimisation and strategic review

2023

**Expansion into India** in partnership with ECA and the launch of **OpenLearning's AI Assistant**



# FY22 Financial Highlights

**\$1.72m** ▲ 16%

Dec FY22 Platform SaaS ARR

**\$3.17m** ▼ 10%

Group Revenue

**(\$5.6m)** ▼ 16%

FY22 Net Loss

**245** ▲ 20%

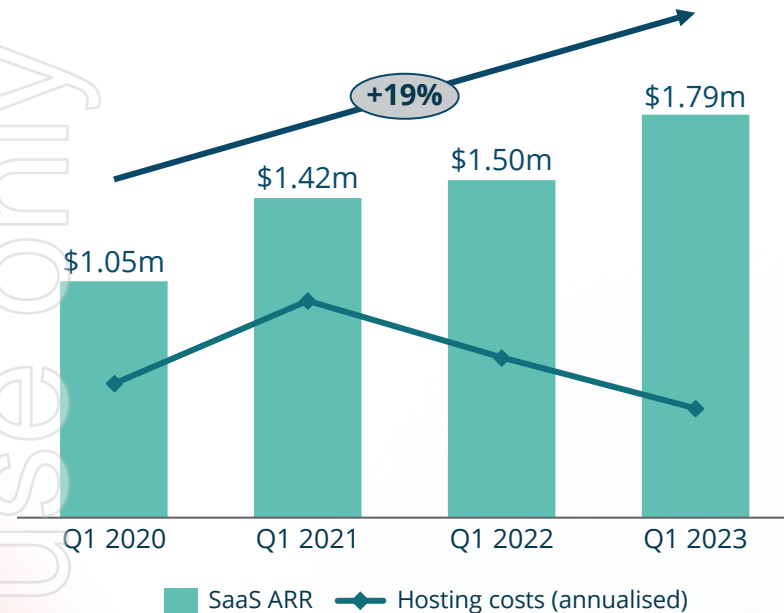
FY22 SaaS Customers

**(\$8.5m)** ▼ 16%

FY22 Total Operating Costs

- Cost optimisation is only partially reflected in FY22. It includes a 37% decrease in cloud hosting costs
- Decrease in group revenue in part as a consequence of focusing on Platform SaaS
- Revenues derived from the UNSW Transition Program Online (TPO) declined 36% due to lower international student numbers
- Restructured TPO, resulting in reduced delivery costs and reduce break-even point by c.40% from FY23 onwards

# Leveraging technology at scale



## Key metrics summary

- SaaS ARR grew strongly at 19% YoY to reach \$1.79m in Q1 2023
- CAGR of 19% since Q1 2020
- Average revenue per customer increased strongly to \$7,948 in Q1 FY23, 36% growth from Q1 FY22
- Hosting costs reduced 50% since 2021



Focusing on platform SaaS has led to robust ARR growth even amid cost reductions, demonstrating our ability to leverage technology at scale.

1. ARR (annualised recurring revenue) is calculated based on multiplying the December monthly accrued SaaS revenue by 12. The ARR calculation does not take into account the future expiry of the term of any contract under which SaaS revenue is generated by any customers lost during the relevant month.

# Our flywheel: AI-powered lifelong learning platform that closes the loop between education and employability

Talent Search to connect learners with career opportunities at scale

Skills demand / future of work insights (enable learning, upskilling rediscovery)

Measurable learning outcomes and authentic assessment

Portfolio of skills, evidence, competencies and digital credentials to combat usage of generative AI by learners



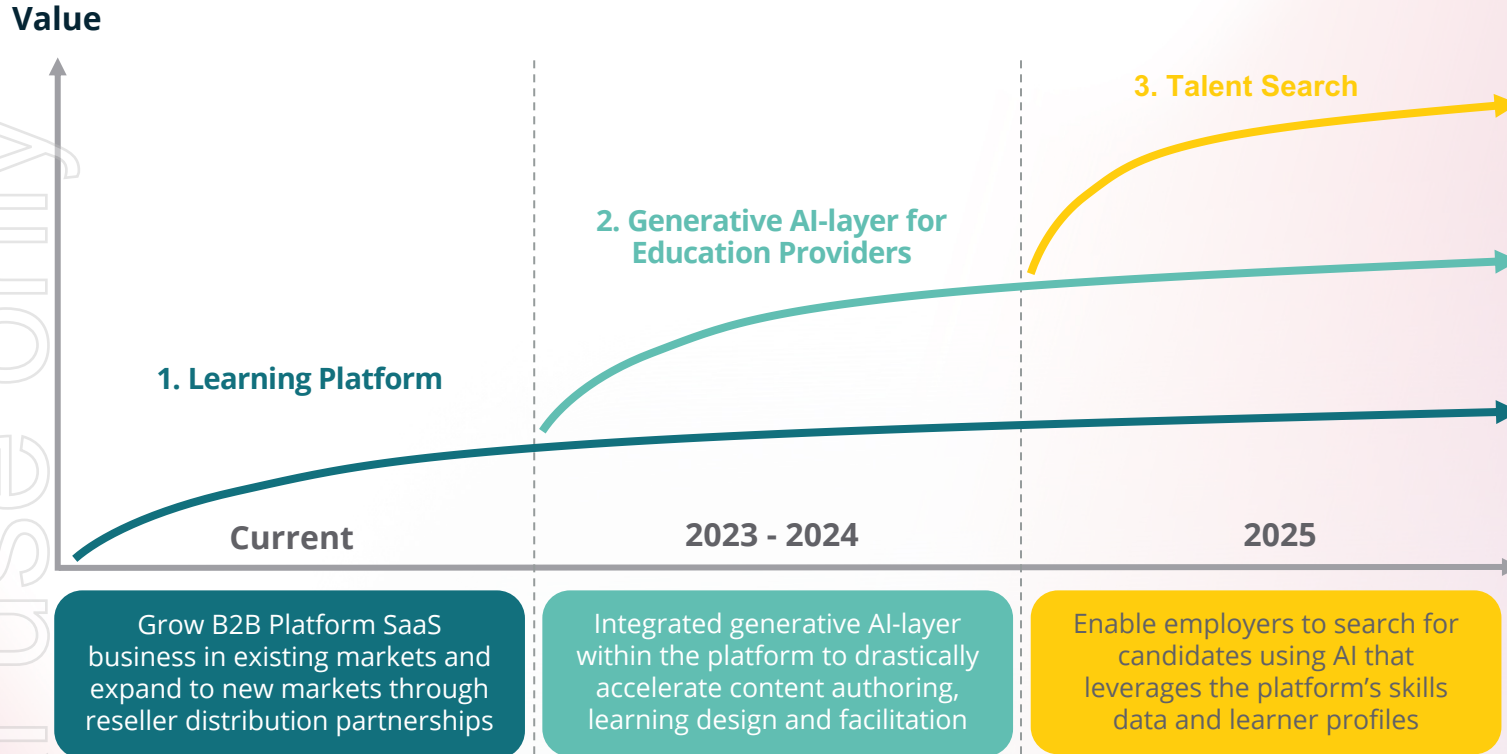
Socially constructive learning experiences, community of practice and project-based activities

AI-powered course authoring environment and delivery tools that improve efficiency and outcomes

A large number of quality courses for learning and upskilling

Learning pathways to enable skills transformation in people at scale

# Delivering through three phases



# AI is a Game Changer for EdTech

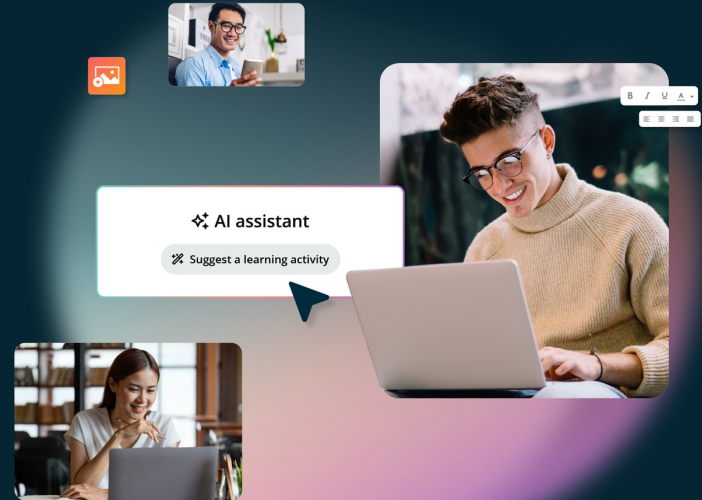
We've launched AI Powered tools to address one of biggest challenges faced by education providers – content authoring

- Short courses may take 1-2 weeks to develop
- University length course may take up to 2 months to develop
- Course development costs are between \$5,000 to \$30,000

OpenLearning's AI-powered course creation tools are a paradigm shift for educators and learning designers, significantly reducing course creation and development times

## Strong interest from customers

- Recent **webinar demonstration attracted >1,000 registrations** with a surge in sales enquiries
- Pilot program now extended to 14 customers due to high demand



# Embedded Generative AI delivers superior results

**Domain/Industry knowledge**

## Consumer Generative AI Tools

- General purpose consumer tools
- Prompt engineering required for quality output

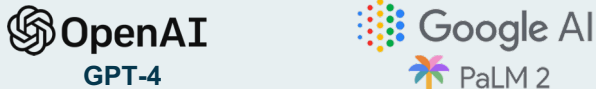
**Data ownership, privacy and security**

- Varies, data often used for model training

**Limitations on usage and availability**

- Often have low limits for prompts and output

**Examples**



**Foundational Large Language Models**

## Embedded Generative AI in Platforms

- Domain-specific fine-tuning of prompts and models
- Ability to reason about platform features

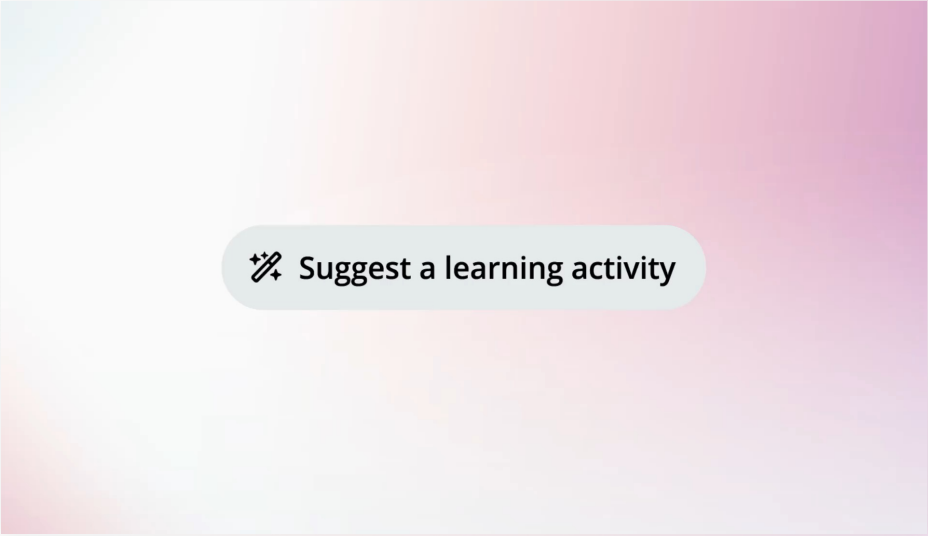
- Data remains private, audit trail available
- Clear policies on data ownership


- Relatively higher limits based on underlying generative AI technology



# At the forefront of embedding Generative AI; transforming the economics of education

- Launched OpenLearning's AI Assistant, the first of many AI enhancements to the Platform for education providers
- Humans are always the decision makers, deciding on which actions to take and approving AI suggestions
- Powered by GPT-4 from Microsoft Azure's OpenAI Service, these tools will generate course content and learning activities in line with OpenLearning's educational philosophy and best practices
- AI Assistant provides tailored suggestions to educators, helping them to create more engaging and effective learning experiences in a fraction of the time



 Suggest a learning activity

We believe that Generative AI can increase the quality of education and improve productivity for education providers



# Generative AI: First to market & moving fast

We are developing a complete suite of embedded Generative AI tools for educators

## AI version release pipeline plan FY23-24

Activity creation following best-practices with learning design templates

BETA

Content generation for various content types

ALPHA

Module structure and activity scaffolding suggestions

Q3 2023

Course structure, curriculum and learning outcomes ideas

Q4 2023  
-Q1 2024

Marking rubric design and assessment suggestions

FY24

Suggestions for learner feedback based on their posts and context

FY24

# India: A massive market for online education

India has one of the world's largest higher education sectors: 1,043 universities, 42,343 colleges, and 11,779 stand-alone institutions<sup>1</sup>

College-age population, projected to reach 126 million by 2026

The government aims to increase India's higher education enrolment ratio from 27%<sup>2</sup> to 50% by 2030<sup>3</sup>

Capacity constraints mean that online learning will be central to this aim

1. [https://www.education.gov.in/sites/upload\\_files/mhrd/files/statistics-new/aishe\\_eng.pdf](https://www.education.gov.in/sites/upload_files/mhrd/files/statistics-new/aishe_eng.pdf). 2. Enrolment ratio measures total enrolment in HE as a % of the eligible college-age population. 3. "India Economics Strategy to 2035 – Navigating From Potential to Delivery", Australia Department of Foreign Affairs



# Entry to the Indian market in progress

Launched OpenLearning India with ECA partnership

OLL's SaaS Platform and a marketplace of short courses, micro-credentials, and online degrees are now available to the India and sub-continent

ECA drives sales, marketing and distribution of the SaaS Platform and OpenLearning operates and provides technology support

OLL to receive 50% SaaS platform subscription revenues and 5% of gross marketplace enrolment fees

A dedicated salesforce in India is being established by ECA, leveraging existing relationships with Indian institutions. Sales meetings with large Indian institutions have taken place and are in progress



# FY23-24 strategic priorities to accelerate the pace to break-even



mal use only

**Q & A**

# Disclaimer

This presentation has been prepared by OpenLearning Limited (**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.





<https://solutions.openlearning.com>

**Authorised by:**

Adam Brimo  
Managing Director & CEO

**Investor Relations**

Matthew Reede  
Dominion Partners  
Matt@dominion.partners