



AI-POWERED SAAS PLATFORM FOR LIFELONG LEARNING

Market Update Q4, 2023

Building a Resilient Annual Recurring Revenue Stream in Edtech

Q4 2023 Highlights

\$1.903m ▲ 11%
Platform SaaS ARR (PCP end Q4)

228 ▲ 3
SaaS customers Q1-Q4 2023

\$8,347 ▲ 19%
Avg Customer Value (PCP end Q4)

3.6m ▲ 7.5%
Total Users (PCP end Q4)

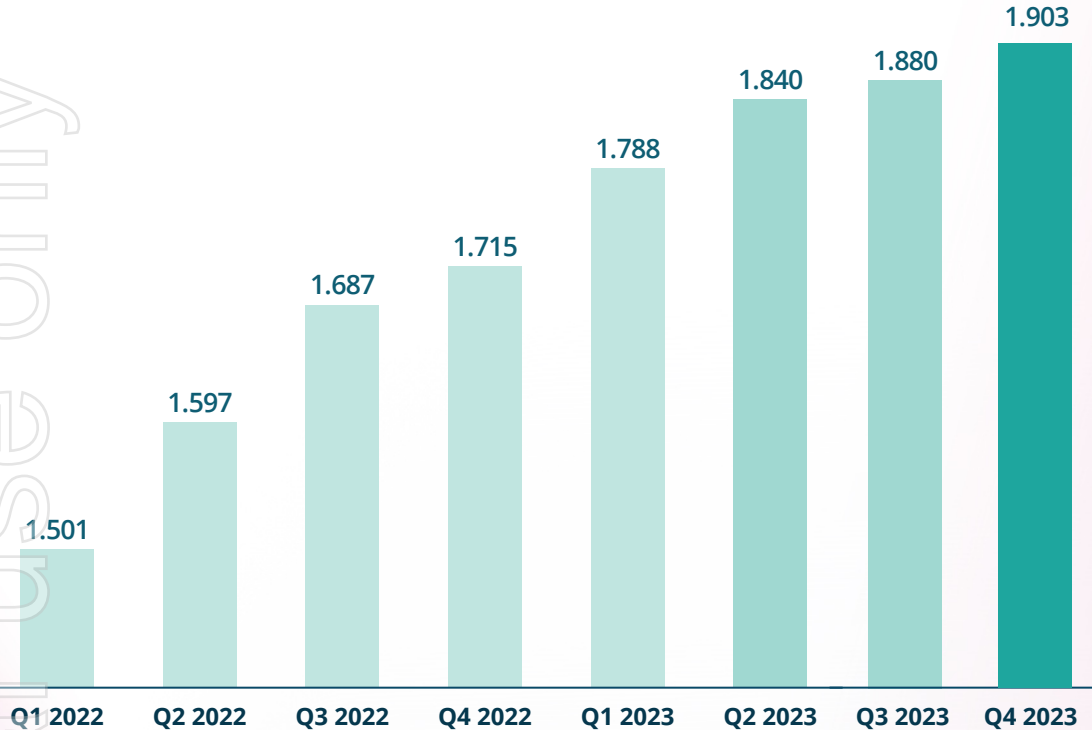
- Double digit growth in platform SaaS continues in Q4
- Growth in average annual customer value accelerates further to 19%
- AI is now an integral part of our technology offering and set to drive platform usage and average customer value further
- Net operating cash outflows decrease by 34% prior corresponding period (PCP) as cost optimisation program shows good results

The **Course Builder** tool was successfully integrated into our AI Assistant in December 2023. This feature brings program development together allowing education providers to plan, author and publish an entire end to end course using AI and cutting course authoring and development time by a factor of up to 10X.

The **AI Assistant** is now an integral part of the SaaS platform offering, driving platform usage and average subscription revenue per client.

9 Consecutive Quarters of SaaS Revenue Growth

SaaS ARR (AUD \$million)



- SaaS ARR approaches \$2m end Q4.
- **Consistent growth of platform SaaS, every quarter for 9 consecutive quarters.**
- Strong customer retention with major large education institution customers
- AI adoption rates have been high. Bundling AI credits with SaaS plans to attract and retain customers
- Course Builder tool was launched in late 2024 and is expected to be a strong driver of higher platform usage.
- **Revenues continue to rise as costs fall and break-even approaches**

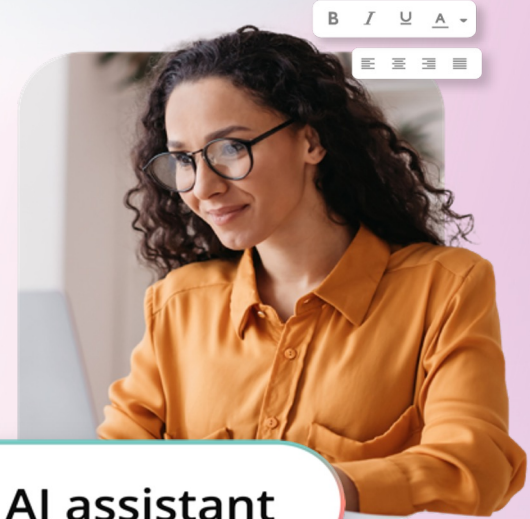
AI Tools Show High Adoption Rates >60%

AI tools were used by 140 customers in Q4

- More than 60% of customer base are active users of new AI tools
- While most customers are using their free trial credits, we are seeing some early AI credit purchase from larger customers
- Course Builder feature rolled out in January 2023

AI Feature Roll Out Schedule

- Content Creator – live June 23
- Activity Generator – live June 23
- Image Generator – live Aug 23
- Course Builder – live Jan 24
- Student Feedback
- Ongoing enhancements



✦ AI assistant

✎ Suggest content



Expanding Our Capability Across the Value Chain

OpenLearning is set to expand into the **Learner Discovery segment** of the Edtech market with the acquisition of 3 leading student marketplaces at the start of Q1, 2024¹.

Annually, these marketplaces attract over 800,000 users and list over 15,000 courses and degrees from 70 institutions.

This acquisition enhances the value proposition of existing platform by expanding learner acquisition capability and opens up attractive cross-selling opportunities in the higher education sector.

The websites for the marketplaces are:

postgradaustralia.com.au theuniguide.com.au studynewzealand.nz



1. Detailed in ASX Release 02 January, 2024.

Our vision for EdTech

OpenLearning currently operates in the Learner Discovery and Learning Delivery segments of the Edtech market. Our longer-term vision is to expand into adjacent segments across the value chain, such as student support, student administration and employment.

LEARNER DISCOVERY

Technology that allows education institutions to connect with prospective students

Course marketplaces
Student recruitment platforms



LEARNING DELIVERY

Software that enables the design and delivery of online and blended courses and degrees

Learning Mgt Systems
Advanced Analytics
Assessment Solutions



STUDENT SUPPORT

Business that provides academic or non-academic support to students

Student AI Assistant
Student Engagement Platform

ADMINISTRATION

Business that provides administration or management solutions

Student Admissions
Student Mgt Systems

PATH TO EMPLOYMENT

Business that connects students with career opportunities

Talent search
Skills databases

Growth Strategy

Deeper Geographic Penetration

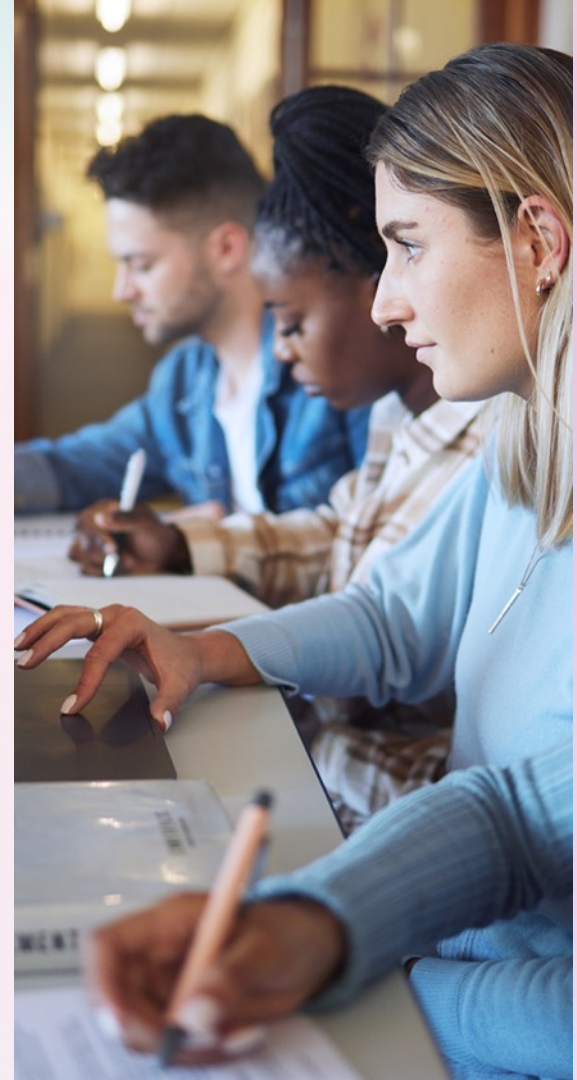
- We already service 228 institutions around the world
- We have a strong presence in Australia and Malaysia. A growing presence across Southeast Asia and **we are now targeting India!**

Growth of Average Client Value

- We plan to strengthen utilisation rates of our software to grow our average annual customer value. This is currently \$8,347 customer pa and growing at 19%.

Expand into new Edtech segments

- We started in learning delivery, and we have now expanded into the student acquisition space with our recent marketplaces acquisition.
- We see valuable opportunities in student support, administration and path to employability.



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