

FY21 Financial Year Summary and Trading Update

Janison Education Group Limited (ASX:JAN) ("Janison" or the "Company") is pleased to release a summary of its unaudited financials for the full year to 30 June 2021 ("FY21") and a business trading update. Despite the profound impact of the COVID-19 pandemic on the education sector, Janison recorded its most successful year on record. Below is a summary of the highlights and commentary to support the results.

FY21 Financial Scorecard

Full year ending 30 June	FY21	FY20	Growth	
Group Operating Revenue	\$30m	\$22m	+\$8m	+38%
- Group ARR ¹	\$23m	\$13m	+\$10m	+74%
- Assessment ARR	\$18m	\$8m	+\$10m	+116%
Gross Profit Margin	55%	46%	+9pps	
EBITDA	\$3.0m	\$2.5m	\$0.5m	+23%
Cash on Hand	\$23m	\$11m	\$12m	+109%
Closing Share Price	\$0.89	\$0.33	\$0.56	+170%

FY21 Non-Financial Highlights

Total Assessments Delivered	6.5m	5.5m ²	+1.0m	+18%
Total Customers ³	1,088	208	+880	+423%
PISA for Schools - IPP Countries	9	7	+2	+29%
PISA for Schools - NSP Countries	6	1	+5	+500%
Workforce Gender Balance	50% F	48% F	+2pps	

¹ Annualised Recurring Revenue "ARR" as at 30 June.

² Normalised for NAPLAN not running in 2020. Actual number of assessments in FY20 was 2.5m with an estimated 3.0m assessments from NAPLAN Online, assuming the test had not been cancelled.

³ The acquisition of Educational Assessments and the FY21 delivery of ICAS to schools resulted in an approximately 700 schools as being added as customers in FY21.

Group Operating Revenue

In FY21, Janison delivered its strongest year on record with +38% year-on-year growth in Group revenue, surpassing \$30 million in total for the first time in the Company's history and representing a compound annual growth rate (CAGR) of +20% for the past 4 years.

The growth in revenue in FY21 was fuelled by successful customer acquisition in the following three strategic growth areas:

PISA for Schools

Janison entered 7 new countries in partnership with the OECD to deliver the PISA for Schools assessment on the Janison Insights platform during FY21. Janison was also accredited by the OECD as the national service provider (NSP) in Australia, the UK, and secured a 3-year extension in the US. As NSP in Australia, Janison was able to successfully leverage its existing relationships with schools and education departments across Australia to secure more than 200 schools to register for PISA for Schools within the first few months.

ICAS Assessments

FY21 marked the full integration and rebranding of the business acquired from UNSW Global in June 2020 including the first successful delivery of the ICAS competition in 1H21 which surpassed expectations both in terms of the number of tests delivered and customer expectations – parents, students, schools, teachers.

Assessment Platform Clients

Janison signed 6 new assessment platform clients in FY21 including Chartered Accountants ANZ and expanded its existing client base to deliver approximately \$5 million of additional revenue from clients choosing to manage their online assessments on Janison's platform.

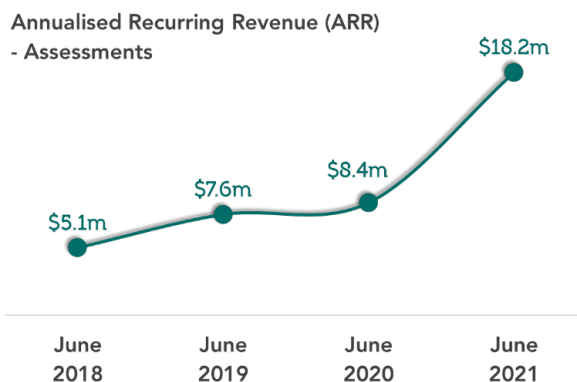
Organic vs Acquired Revenue Growth

Organic revenue growth in FY21 from Janison's underlying business was +42% or +\$6.7 million. Revenue growth from Janison's acquisitions of **ICAS Assessments** (formerly 'Educational Assessments', in June 2020) and **JEM** (formerly 'LTC', in April 2019) was +29% or \$1.7m combined, with COVID heavily impacting the higher education sector customers within JEM.

Full year ending 30 June	FY21	FY20	Growth	
Organic Revenue	\$22.6m	\$15.9m	+\$6.7m	+42%
Acquisition Revenue	\$7.6m	\$5.9m	+\$1.7m	+29%
- ICAS Assessments (formerly 'EA')	\$6.4m	\$2.0m	+\$4.4m	+210%
- JEM (formerly 'LTC')	\$1.2m	\$3.9m	\$(2.7)m	(69)%

Assessment ARR

At 30 June 2021, Janison had \$18.2m of annualised recurring revenue (ARR) from its assessment customers. This includes assessment platform clients, and schools and parents purchasing assessment products such as ICAS and PISA for Schools, representing a growth of +116% on FY20.

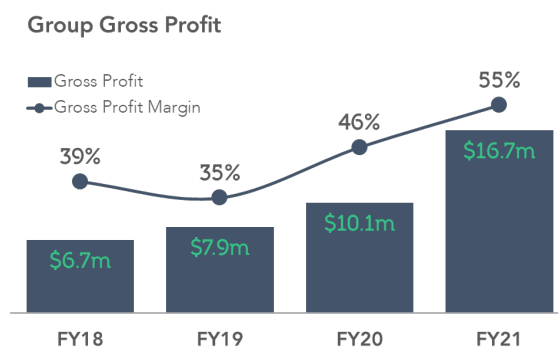


Gross Profit

In FY21 Janison delivered an improvement in Gross Profit from \$10.0 million in FY20 to \$16.6 million in FY21 - an increase of \$6.6 million or +65% on the prior financial year. Gross profit margin rose from 46% of revenue in FY20 to 55% in FY21 – an increase of nine percentage points and represents the highest margin since listing and is a continued step closer towards traditional SaaS margins because of the improved customer mix.

Over the past two years Janison has directed the business away from its origins in developing bespoke assessment software for large strategic clients (which often involved multi-year, complex projects at low margins) and has consolidated its product functionality to provide a standardised assessment platform offering and scalable products (as outlined above in the three strategic growth areas) which has delivered significant margin improvement.

In FY22 Janison intends to continue the acquisition of standard assessment platform clients and broaden its portfolio of assessment products. Further expansion in the number of schools and parents purchasing its school assessment products – ICAS and PISA for Schools will continue to provide scale benefits arising from the improved customer and product mix.



Trading Update

FY22 began in a similar manner to FY21 with many schools closed and state-wide lockdowns in force. Janison successfully navigated these conditions last year to deliver a strong ICAS event and has taken learnings from FY21 to adapt this year's sales, marketing and event delivery approach to stabilise and even expand the ICAS competition this year. This will provide schools and students with greater flexibility to cope with the ongoing impact of COVID.

These flexibility measures allow Janison to utilise its Exam Management IP and invigilator network to offer alternate exam locations, multiple sitting windows and remote invigilation for students unable to attend school – particularly for the high stakes HSC trials currently taking place in NSW where Janison and its Exam Management team are playing a critical role in allowing these exams to continue.

Outlook

Management is confident in its 1HFY22 contingency plans to deal with the impact of COVID on the ICAS competition and can see a path to a strong first half result, continuing the momentum and growth of FY21 into the current year.

Release of Annual Report

Janison will be publishing its Annual Report on **Tuesday 24 August 2021**. A webinar will be held on the morning after release for investors to listen to a live update from management and with an opportunity for questions. Further details and a link to the webinar will be released in the next few days.

-ENDS-

This announcement has been approved by the Board.

For further information, please contact Stuart Halls at: IR@janison.com

About Janison

Janison is an education technology pioneer helping to **unlock the potential in every learner**. A multi-award-winning Microsoft education partner, Janison delivers high-stakes, high-scale, online assessments to millions of students in more than 110 countries every year for organisations including the Australian state and federal government, Chartered Accountants ANZ, British Council, the University of London, the Organisation for Economic Co-operation and Development (OECD) and the Singaporean government.

Janison's business comprises:

Online Assessments

- **Products** – world-class schools' assessment products including ICAS, REACH, JET, SCOUT and PISA for Schools, developed either in-house by world-leading test and item developers or licensed from global partners such as the OECD.
- **Platform** – a market-leading full-suite assessment platform for high-stakes and high-scale online exams with the capability to author, test, mark and provide insightful analysis. The platform is used by millions of students globally across 120 countries in schools and professional accreditation bodies such as the Chartered Accountants ANZ. The platform includes remote proctoring capability allowing educators to deliver exams in a remote setting with the confidence and exam integrity required for high-stakes assessments.
- **Professional Services** – Janison provides world-class professional services to assist clients in onboarding their assessments and students on to the Janison assessment platform. Janison also offers a range of assessment services including content and test development, exam management, and event delivery support for customers globally.