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**Janison.**

# **FY22 Trading Update.**

AGM

29 October 2021

**JAN.ASX**



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# Janison is a market leader in digital assessments.

- We operate in a **large and growing market** – **school assessments**.
- Our **standardised assessment platform** has been built in partnership over 10 years.
- Our assessment **products** are flagships in the market.
- Our assessment platform delivered **6m digital exams** in **117 countries**.
- Our platform is the global benchmark for **high-volume, high-stakes** exams.
- COVID has **rapidly accelerated a permanent adoption** of digital assessments.



**6.5m+**

Digital  
assessments  
in FY21



**4.5m+**

Students



**200K**

Remote  
proctored  
exams



**117+**

Countries



**160**

Employees  
50:50 gender



**1998**

Founded



**ASX**

Listed 2017

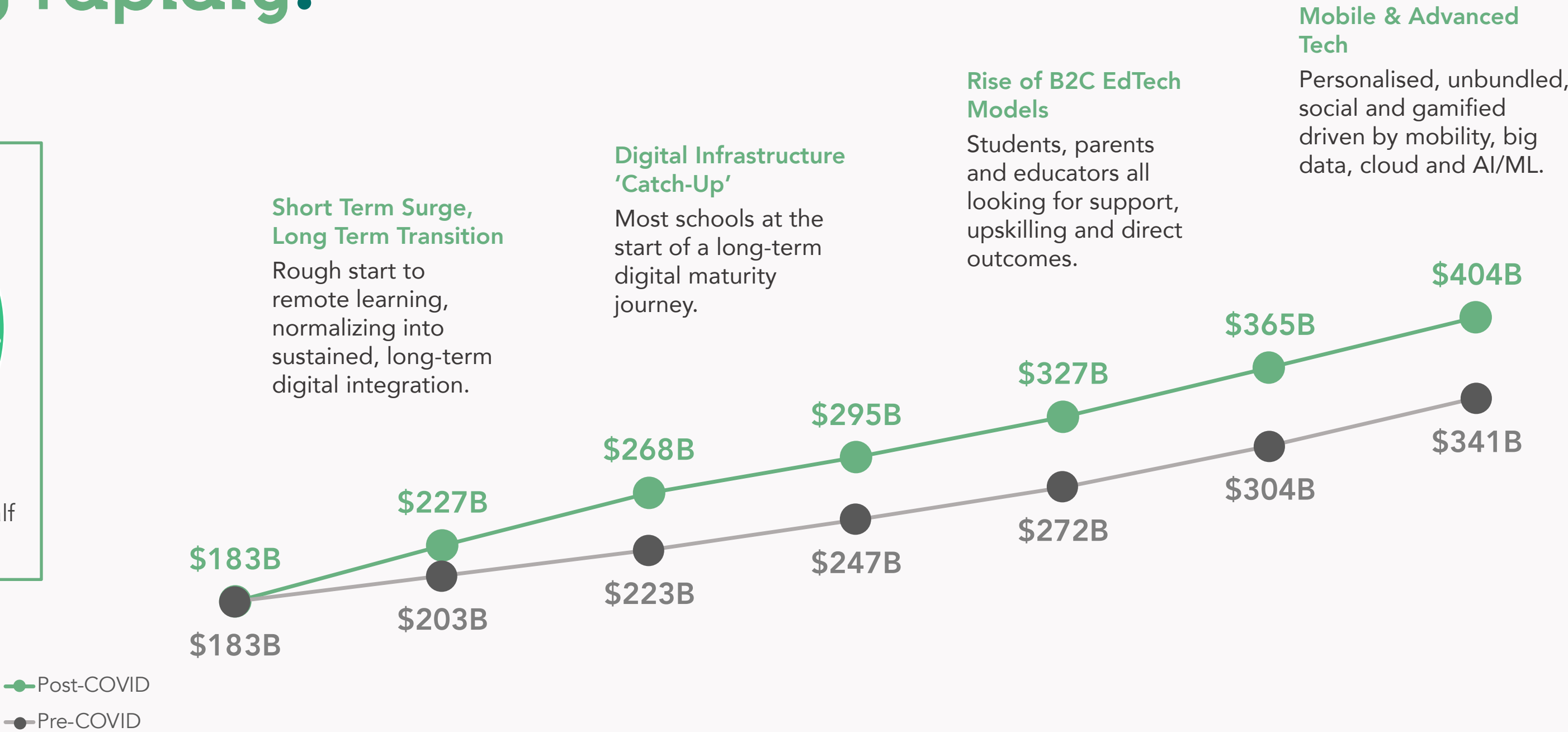
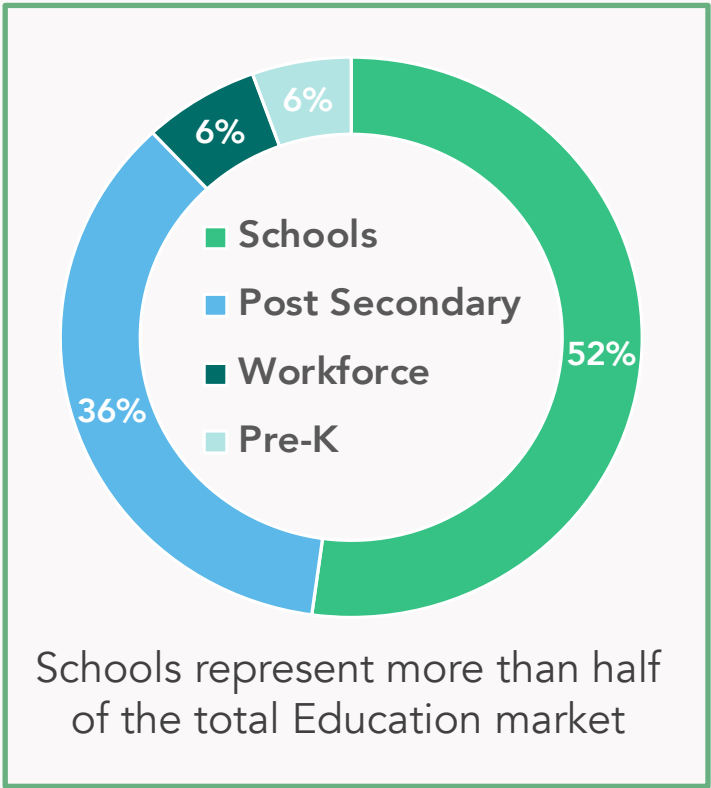


**+38%**

FY21 revenue  
growth



# Global EdTech market valued at US\$268B in 2021 and expanding rapidly.



	2019	2020	2021	2022	2023	2024	2025
Total education spend	\$6.1T	\$5.4T	\$5.5T	\$6.0T	\$6.4T	\$6.8T	\$7.3T
Digital education spend (EdTech)	\$183B	\$227B	\$268B	\$295B	\$327B	\$365B	\$404B
EdTech share of total education	3.1%	4.2%	4.8%	4.9%	5.1%	5.3%	5.5%

# Janison's platform revenue: Products & Platform.

## Assessment Products



PISA for  
Schools



ICAS  
Assessments

ARR (at 30 June 2021)	\$3 million	\$5 million
School customers	2,500	1,000
Parent customers	n/a	63,000
Countries	15	6
Horizon Target	\$30+ million p.a.	\$20+ million p.a.

## Assessment Platform

Select platform customers



Education



Transport  
Roads & Maritime  
Services



NAPLAN  
NATIONAL ASSESSMENT PROGRAM  
Literacy and Numeracy



UNIVERSITY  
OF LONDON

ARR	FY20	FY21
All Assessment Platform	\$8 million	\$10 million
Horizon Target	\$20+ million	

# FY21 Highlights

- Janison accredited by the OECD as the national service provider of PISA for Schools in the UK and Australia
- First successful delivery of ICAS – 290,000 tests, \$5m in new revenue
- Group revenue exceeds \$30 million
- Gross Margin continues to increase with standardised assessment platform delivery and scale benefits
- Janison achieves workforce gender balance with 50% female population

\$30m

OPERATING  
REVENUE



+38%

\$18m

ASSESSMENT  
ARR



+117%

\$23m

(ARR) ANNUALISED  
RECURRING REVENUE



+75%

55%

GROSS  
MARGIN



+9PPS

\$3m

EBITDA



+21%

\$23m

CASH ON HAND  
(NO DEBT)



+109%

50%

FEMALE  
WORKFORCE



+19%

\$16m

ORGANIC ASSESSMENT  
REVENUE

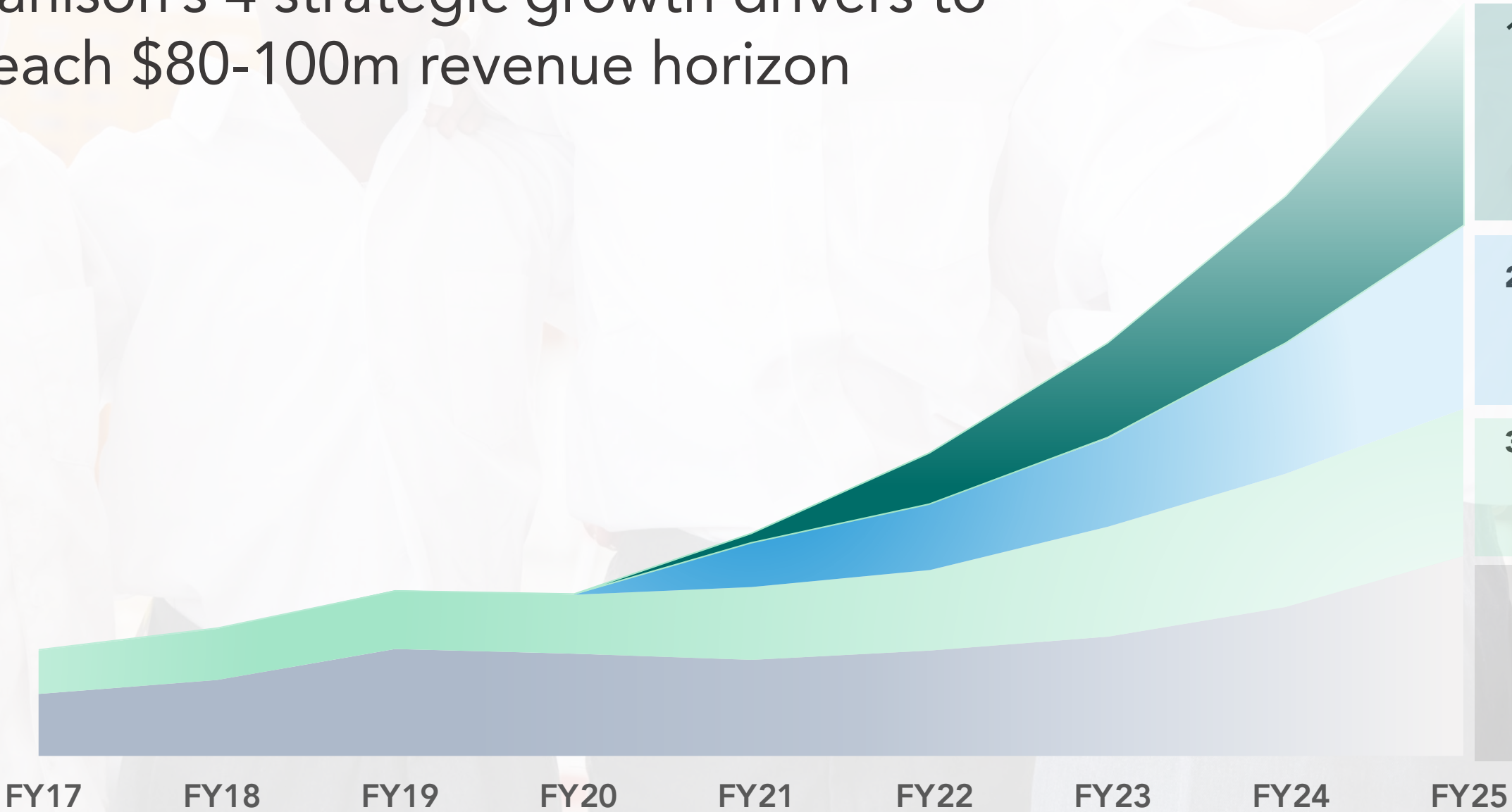


+91%



# Our key revenue growth drivers for FY25.

Janison's 4 strategic growth drivers to reach \$80-100m revenue horizon



## GROWTH DRIVERS

### 1. PISA for Schools

Expanding into 30+ more countries as the IPP (platform provider) and securing 3,000 schools in the US, UK and Australia combined as the NSP (national service provider)

### 2. ICAS Assessments

Growing to 1 million ICAS assessments p.a. and a suite of new school assessment products

### 3. Assessment Platform Clients

Doubling existing revenue from \$10m to \$20m with the acquisition and expansion of assessment platform clients.

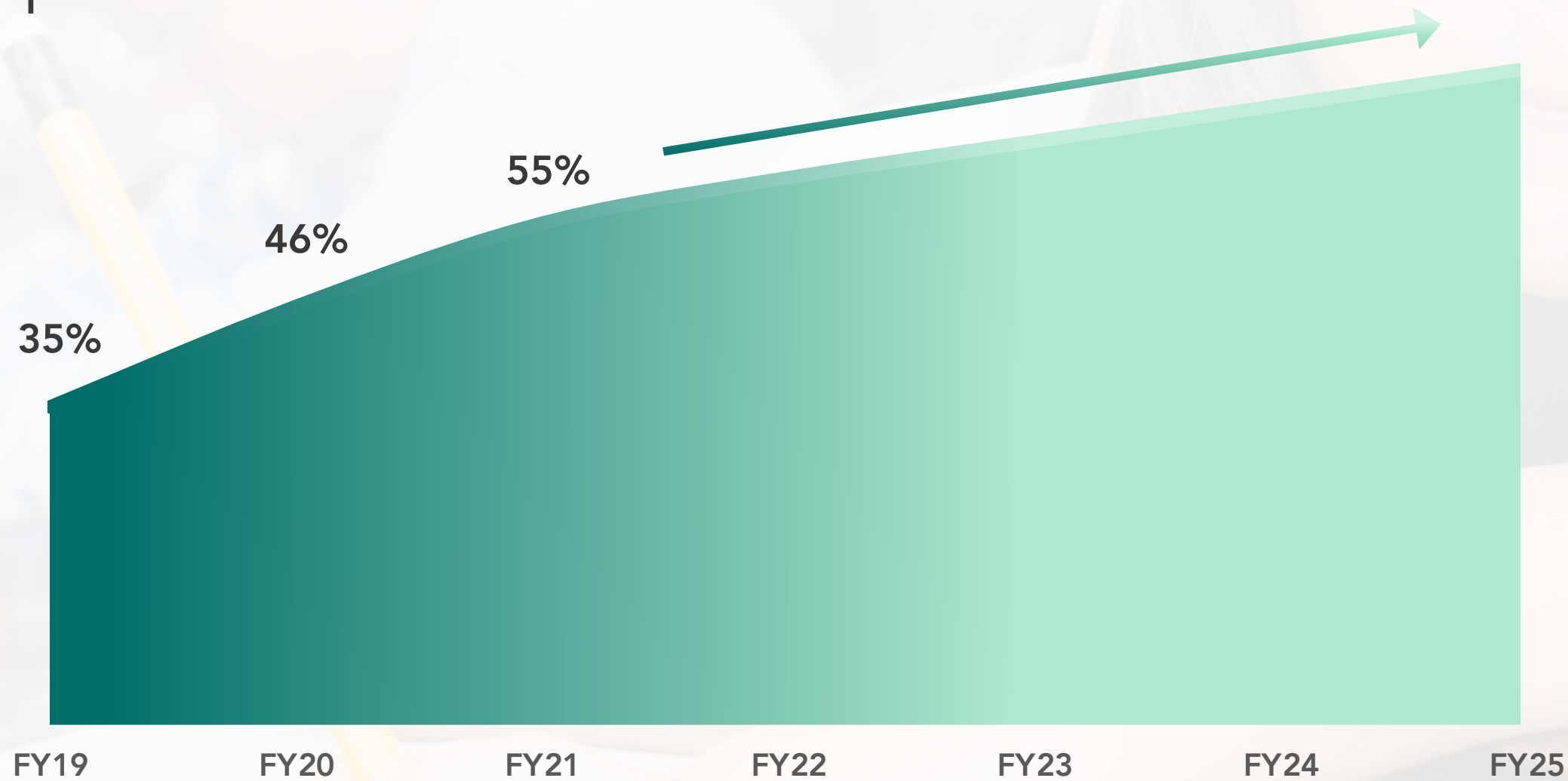
### Acquisitions & existing business units

Acquisition of assessment products and platform customers. Maintaining moderate growth in existing business.



# Gross margin expansion drivers for FY25.

Sales mix and product volumes driving margin improvement and scale benefits



## GROWTH DRIVERS

### Sales Mix – Assessment Platform

- Historically Janison developed custom assessment platforms for government and large enterprises. As the market matured, Janison consolidated its Assessment functionality and IP into one standardised but highly configurable assessment platform – Janison Insights, since FY20.
- Through the efficiency and scale benefits of this transition Janison has seen significant improvement in Gross Profit margin and expects this trend to continue into the coming years.

### Volume – Assessment Products

- Janison produces off-the-shelf school assessment products such as the annual ICAS competition and associated products and practice assessments.
- The cost to produce these products is predominantly fixed in nature, so as Janison continues to increase the volume of these assessment products sold each year it will increase its gross profit and profit margin.



# ① PISA For Schools: New signings in October and US / UK roll-out wins. World class delivery



## National Service Provider (NSP) Update:

- 250 schools contracted in Australia. In addition, successful pilot with with Australian National Catholic schools in 1H22, go-live expected in 2H22
- 60 Schools in the US contracted
- 50 Schools in the UK committed (across all countries)

## International Platform Provider (IPP) Update:

- European Schools, ~\$200k in Yr. 1 + PGB approval in 6 European countries
- Andorra committed in October
- Russia renewing for its 3<sup>rd</sup> year at ~\$500k p.a.
- Brazil delivering in FY22 for the 2nd time, ~\$250k p.a

## Delivery in China, Russia, Australia:

- "I've never worked with a more professional or capable team who made something so complex into something so easy" Professor Jia Liu, CEO BenBen (China NSP)

J.

	Country	Janison's role	Signed
1	Brazil	Platform Provider	<a href="#">June 2019</a>
2	Russia	Platform Provider	<a href="#">September 2019</a>
3	USA	Platform & Service Provider	<a href="#">October 2019</a>
4	Portugal	Platform Provider	<a href="#">January 2020</a>
5	Spain	Platform Provider	<a href="#">January 2020</a>
6	Pakistan	Platform Provider	<a href="#">February 2020</a>
7	Japan	Platform Provider	<a href="#">February 2020</a>
8	Thailand	Platform Provider	July 2020
9	Australia	Platform & Service Provider	<a href="#">March 2021</a>
10	China	Platform Provider	March 2021
11	England	Platform & Service Provider	May 2021
12	N. Ireland	Platform & Service Provider	May 2021
13	Scotland	Platform & Service Provider	May 2021
14	Wales	Platform & Service Provider	May 2021
15	Kazakhstan	Platform Provider	May 2021
16	European Schools	Platform Provider	October 2021
17	Andorra	Platform Provider	October 2021
17	<b>Total</b>	<b>11 x Platform, 6 x Service</b>	
90	<i>Total Addressable</i>	<i>~90 countries (PISA Study)</i>	

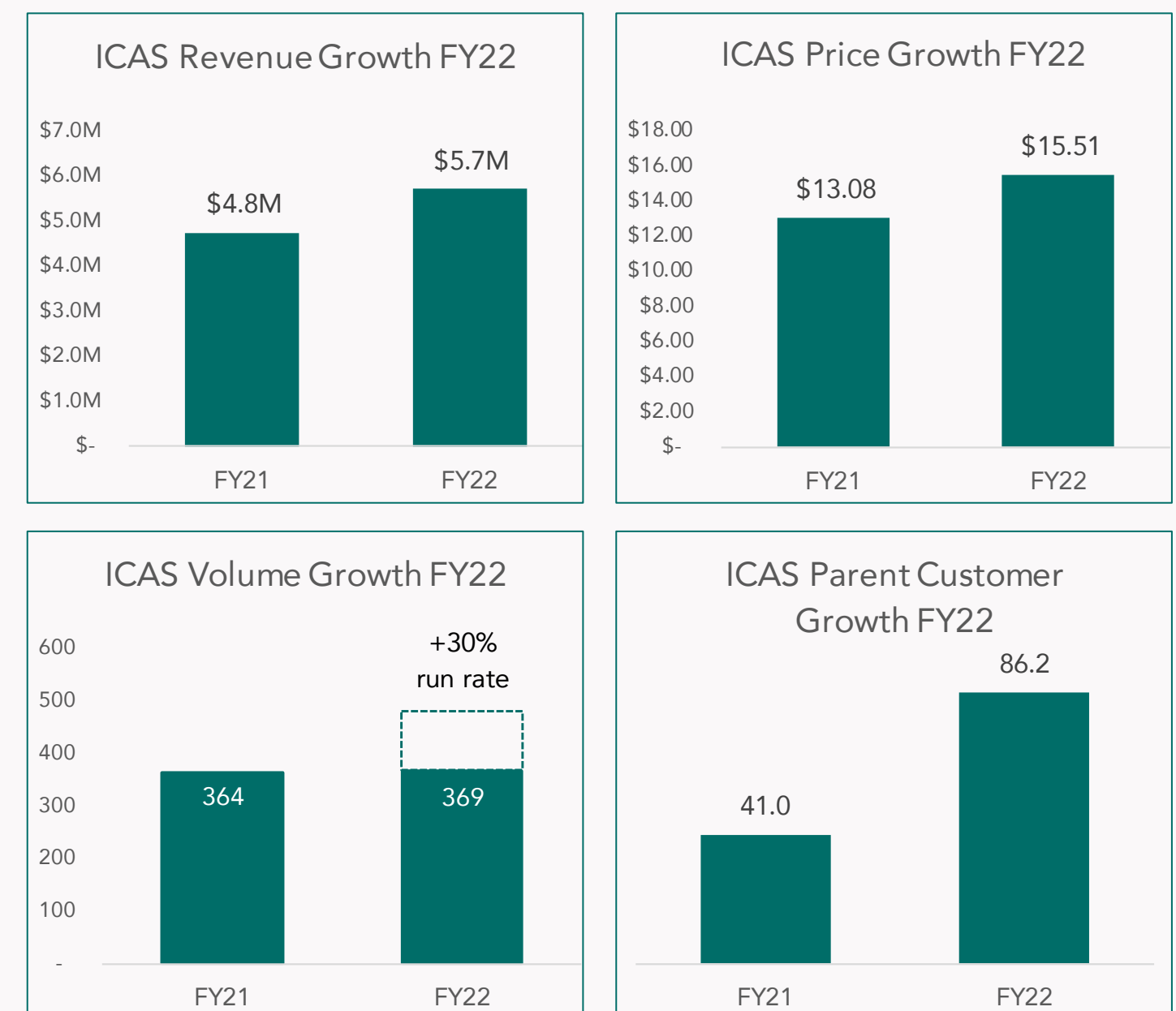


## ② ICAS FY22: 20% growth on track to horizon target.



- \$5.7m gross sales in 1H FY22, +20% growth on pcp<sup>1</sup>
- 369k tests sold and on track for 30% volume growth on LY pre-lockdowns
- Strong price expansion on FY21, +19% increase
- 86k parent customers and contact details (up 45k)
- Price growth outweighed volume growth in FY22, remain on track for FY25
- Accelerating direct to parent model for ICAS, opens up potential to access larger market, beginning 2HFY22

ICAS Results: 1H FY21 vs. 1H FY22 Est.





### ③ Assessment Platform: expansion of existing accounts and strong 2H pipeline.



#### Existing customer expansion

- NSW Check-in exams sitting in November 2021 (1H22) to more school year groups
- Chartered Accountants ANZ (CAANZ) fully implemented and in use
- New assessments being delivered in 1H22 in partnership with Cambridge Assessment

#### Strong pipeline of new customers

- NSW Maritime Services (boat licence testing) implemented and in use
- Healthy funnel of domestic and international sales opportunities
- Deals expected to close and be recognised within 1H22





## ④ **Acquisitions: increased M&A activity in 1H22.**

### QATs (Quality Assessment Tasks)

- QATs acquisition completed on 19<sup>th</sup> October
- Integration underway, synergies being realised
- Combined sales & marketing activity (ICAS + QATs) planned for 2H22



### Pipeline of further acquisitions

- Reviewing other acquisitions, with potential to complete in Q2 FY22
- Revenue & earnings upside expected from acquisitions in 2H22
- Robust funnel of domestic and international acquisition opportunities



## ⑥ 1H22 Financial Outlook: on track to FY22 expectations and horizon target.

- Strong underlying revenue growth expected in 1H22
- 2H FY22 growth rate expected to be higher than 1H22 due to new customer acquisitions in assessment platform and inorganic revenue from M&A
- Continued gross margin growth on 1H21 and 2H21
- Opex will increase on FY21, driven by new product investment acceleration in 1H FY22, annualisation of FY21 hires, and government support ending





Q&A.

Janison.