

28 November 2022

ASX/Media Release (ASX: KNM)

40,000 UNIT '*CONNECT ALL KIDS*' NEW DEPLOYMENT CONFIRMED

- **KNM's share US\$6m or ~A\$9m based on 40,000 Dell Chromebooks linked to KneoWorld technology being distributed in 11 school districts in New York City**
- **40,000 Dell Chromebooks have been delivered and paid for by the New York City Department of Education ('NYC DOE') and KNM expects revenue from its share of the deployment to occur next quarter on completion of commercial terms in line with previous contracts; KNM is a registered NYC supplier which ensures smooth and timely payment**
- **This is the largest-scale '*Connect All Kids*' deployment to date and builds on the ~6,000 Dell Chromebooks already deployed throughout the NYC public school system**
- **Based on ongoing engagement with NYC DOE, similar-sized deployments are anticipated throughout CY2023**
- **KneoWorld is now available in 11 school districts, less than 2% of the New York State public education system which comprises of 686 school districts and 4,360 schools¹**
- **This larger-scale deployment is a major validation of KneoWorld's world-class education and assessment capability and the outcomes it is delivering to students**

Online education publisher KneoMedia Limited (ASX: KNM | OTC: KNEOF) is pleased to announce the largest deployment of the '*Connect All Kids*' education initiative to date with 40,000 Dell Chromebooks being deployed into 11 school districts located in the Boroughs of Manhattan (Harlem), Queens, Brooklyn and The Bronx in New York City.

The total deployment is valued at US\$24m based on 40,000 Chromebooks that have already been delivered and paid for by the New York City Department of Education (NYC DOE). The devices will now be deployed into schools and will be linked to the KneoWorld platform. Once in classrooms, KneoMedia will receive its share of the deployment, valued at US\$6m (~A\$9m) which is anticipated sometime in the March 2023 quarter and subject to completion of commercial terms in line with previously deployed contracts. As reported, KneoMedia is a registered NYC supplier which ensures the timely receipt of funds.

The ~\$A9m of revenue materialising from this deployment, which is for a three-year licencing period and paid upfront in Year 1, underpins KneoMedia's operations and will reduce reliance on external capital. As well, its Software-as-a-Service (SaaS) business model ensures its cost base remains largely the same, irrespective of the size of this and future deployments.

This supply of 40,000 Dell Chromebooks with the KneoWorld platform is the largest and most significant in the Company's history and, based on ongoing engagement with the NYC DOE and '*Connect All Kids*' participants, more deployments will materialise in calendar year 2023 and beyond. The visibility that this deployment creates will also be a key catalyst for more schools wishing to access the technology.

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https://ballotpedia.org/Public_education_in_New_York#:~:text=The%20New%20York%20public%20school,schools%20in%20686%20school%20districts



The expanded rollout is a by-product of the continued successful results achieved through a series of earlier smaller deployments, and the quantum of funding and resources being deployed mark a validation of the technology by leading education policymakers in New York City.

Pleasingly for KneoMedia, the deployment is a rewarding outcome following an extended period of collaboration and cooperation between the Company, Dell Technologies and the National Association for the Advancement of Colored People (NAACP) to build a software solution that provides broader access to technology and world class education products.

The deployment follows an announcement by Dr Hazel Dukes, New York State President for the National Association for the Advancement of Colored People (NAACP), a ‘Connect All Kids’ participant, where she stated to the NAACP member base: *“We have recently negotiated with the NYC Department of Education and will be giving out 40,000 additional devices in this outstanding Dr. Hazel N. Dukes Education Initiative. The Initiative members, Dell Technologies, KneoWorld and STEM Happens Network will continue to provide Professional Development in the schools where these additional devices will be sent to the Districts in our Initiative. We are now in 11 districts (District 3, 4, 6, 7, 9, 10, 15, 23, 27, 28, and 29) within the NYC Boroughs. We have already given out over 6,000 Dell Chrome books and have provided professional development with STEM, along with Story and Task based Learning with Analytics from KneoWorld to the teachers and parents in all the schools in those districts from our outstanding team members.”*

Chief Executive Officer James Kellett added: *“This major expansion of the ‘Connect All Kids’ initiative is an outstanding development for our staff and shareholders following a multi-year process of engagement with key stakeholders in the New York education system. This much larger-scale deployment is also a major validation of KneoWorld’s world-class education and assessment capability and the outcomes it is delivering to students. Whilst it will provide the Company with a material boost to FY23 revenue, it also establishes an exciting platform for further growth through KneoMedia’s status as a preferred education provider to the New York City public school system. Our immediate focus is to continue building scale in the New York State public school system where there are some 686 school districts and 4,360 schools. We have achieved a small percentage of ~2% and as such, we have a lot of headroom to grow.”*

The Company will keep shareholders updated on the progress of this deployment into schools, the receipt of funds and further deployments anticipated.

About KneoMedia Limited:

KneoMedia Limited (ASX: KNM) is a SaaS publishing company that delivers world-class education and assessment products to global markets in both general and special education classrooms via its KneoWorld. Student seat licences are sold to education departments on an annual basis and via distribution agreements. The KneoWorld platform is a story-based and game assessment learning program that provides engaging and effective ways for students to process and apply academic skills and concepts. Researched and evidence based, programs are mapped and measured to curriculum with student performance data delivered via the educator dashboard. KneoWorld is fully compliant with child online privacy protection including US COPPA and European GDPR. Our proven ability to engage, educate and assess provides a global education market opportunity selling on a business to business strategy.

Authorised for release by the Board of KneoMedia Limited.

For further information, please contact:

James Kellett
Chief Executive Officer
T: +61 1300 155 606 M: +61 439 805 070
E: jkellet@kneomedia.com

Eryl Baron
Company Secretary
T: +61 1300 155 606
E: Eryl.baron@boardroomlimited.com.au



Released through: Ben Jarvis, Six Degrees Investor Relations: +61 413 150 448



KneoMedia on Twitter: <http://twitter.com/KNeoMedia>