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ASX/Media Release (ASX: KNM)

ENTERS INDIAN EDUCATION SECTOR WITH KNEOWORLD LICENSING AGREEMENT

- **Agreement signed with private investment company Augustya which is deploying KNeoWorld into the large Indian private education market**
- **Favourable licensing terms – KNM to receive ~A\$40.00 for each KNeoWorld licence sold with Augustya having exclusivity to the technology for 10 years**
- **Low-cost market entry for KNM – agreement sees Augustya responsible for all sales, marketing and distribution**
- **Engagement with schools has commenced – first sale to a recognised private international school is pending following an extensive review of KNeoWorld by ~80 teachers**
- **India has over 1.5 million Kindergarten to Year 12 schools, with over 250 million students enrolled – private education market accounts for 40% of India’s student population**

Online education publisher **KNeoMedia Limited (“KNeoMedia” or the “Company”) (ASX: KNM)** is pleased to announce its entry into India’s large private school education market through an exclusive licensing agreement with Indian-based education technology investment entity, Augustya, which will deploy the KneoWorld SaaS platform into schools there.

KNM has been working with Augustya for six months to advance this licensing agreement and it allows the Company to gain a secure foothold in the large and well-funded Indian private education market for minimal cost outlay. Augustya will have 10-year exclusive agreement (subject to KPIs to be agreed) to market, sell and distribute the KneoWorld SaaS technology with KNM receiving ~A\$40.00 for each seat licence sold.

The first sale will be consummated in the next few weeks following extensive testing and reviewing by a respected international school in Mumbai. Over 80 teachers and education administrators there were engaged in the initial review program which has bypassed the pilot stage.

Whilst the agreement signifies a major step in KNM’s geographical expansion plans, it is too early to forecast its revenue impact; the Company will however keep the market informed of developments as sales occur.

India has over 1.5 million Kindergarten to Year 12 schools (K-12) with over 250 million students enrolled. Of this, 40 percent or 100 million students¹, are educated in private schools which are not dependent on government funding. Augustya is specifically targeting well-funded private schools.

KNM has already developed local content for the Indian market and the technology platform is now ready for sales and distribution through KneoWorld.in. The Company’s Content Management System (CMS) and library has been provided to the licensee partners to enable them to create more localised content to broaden appeal in the Indian market and enhance the platform’s functionality

¹ <https://yourstory.com/2017/04/private-education>



The founding team at Augustya, Krishan Rattan, Ajoy Veer Kapoor and Vasavi Vittal have successful track records in investment management and private equity in the UK, India and other regions. They have a large network of contracts in India and have already identified sales and distribution channels for KneoWorld. Their biographies are below.

Comment

Chief Executive Officer James Kellett said: “This licensing agreement with Augustya is an outstanding development for KNM. It allows us to capitalise on a huge market with a well-connected and credentialed local team that have excellent in-country contacts and established channels to market. The speed with which they have introduced the first quality sales opportunity reflects this.

“The licensing agreement is a low-cost entry into India for KNM. The agreement has been structured in a way that Augustya is well incentivized to drive sales growth. Dealing with the private education sector means they are working with a sector that is already funded. Our priority is to assist Augustya lock in these first sales which will provide the catalyst and validation to scale up in what is undoubtedly a very large market.”

KNM continues to focus on locking in more deployments in the United States and an update on US progress will be provided next month.

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 special and general education classrooms via its KneoWorld portal special and general education classrooms via its KneoWorld portal. 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 James Kellett, CEO.

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Augustya Team Biographies

Krishan Rattan has spent the better part of two decades questioning the microstructure of financial intermediation from a variety of perspectives. His professional career spanned a variety of capital market roles across New York and London. In his last job as the Global Head of the Alternative Capital Solutions group at Societe Generale in London, Krishan was tasked with delivering a new revenue stream to a globally recognised equity derivatives platform. This role involved the conception, hiring and delivery of a global team of senior professionals. The business delivered in excess of USD 200 million in revenues to the bank and continues to be a class leading cross asset financing platform to this day. Prior to Societe Generale, Krishan also spent time in the emerging markets business at Deutsche Bank and Credit Suisse, in a variety of trading and solutions roles.

Since 2012, Krishan has been an entrepreneur within financial services. During this phase, he has been involved with the conception, capital raising and implementation of an ECB regulated challenger bank, River Bank which is headquartered in Luxembourg. He was also involved with the creation and growth of a non-bank liquidity provision firm focussed on the global foreign exchange markets.



Ajoy Veer Kapoor is a banker, private equity manager, angel investor, mentor and entrepreneur. His career and professional experience has been spread across the globe, giving him a unique overview and incisive micro-view of a range of different sectors. Ajoy began his career as a retail banker at Barclays Bank and migrated to treasury, investment banking and then on to senior roles within the management structure of Standard Chartered and HSBC. He left HSBC and founded The Saffron Group – an independent private equity house investing in India through a variety of listed, unlisted and managed funds.

Ajoy created and led a team of 39 private equity professionals managing and fund raising over 425 million dollars across three funds. The business was eventually acquired by leading private equity houses. More recently, Ajoy has focused on expanding his personal portfolio, investing in and mentoring start-up businesses across the globe.

Vasavi Vittal has over 15 years' experience in evaluating companies in venture capital, private equity and public equity markets in the US, UK and India. Vasavi has worked on the sell-side and buy-side in generating actionable investment ideas in a variety of sectors such as healthcare, technology and consumer. Most recently, she was the Head of Corporate Finance for an agri-tech start-up, where she was a core member of the founding team and led the corporate finance, business development and strategy functions. Vasavi has also served on the board for an environmental NGO, Platform anthropocene, with which she continues to be associated.