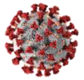
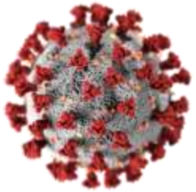


Excellence In Education. Since 1995

Q4 FY19-20 Investor Presentation



Presented by: **CL EDUCATE LIMITED**

Core Values

R
Risk Taking

O
OPENNESS

O
OWNERSHIP

H
HONESTY &COMMITMENT

I
INNOVATION

Safe Harbor

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Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements.

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FY 18-19 or FY 19 means the year ending March 31, 2019
FY 19-20 or FY 20 means the year ending March 31, 2020

Q4 FY20 means period ending Mar 31, 2020
Q4 FY19 means period ending Mar 31, 2019

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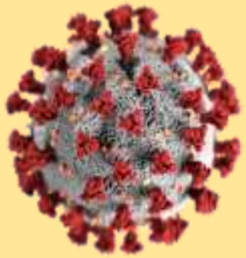
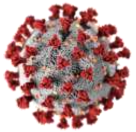


COVID Impact

Business Updates

Asset Light Model

Financial Updates



COVID 19

- Reduced Industry segment – Touch & Non-Touch; Education (non-Touch) → Premium Education (Touch)
- New business development – Consumer & Enterprise – restricted to digital services

Impact

- Enterprise Biz – Q4 struggles; Consumer Biz – Second half Mar 20 washed out
- FY21 to be hugely affected

Observations

- Uncertainty is a reality – Exams postponed; Semester start dates unknown; Conducting exams is challenge
- Wallets tightly held – Corporate cost cuts; Personal consumption reduced. Pricing pressure increases.
- Psychological factors – Fear, Uncertainty, Job losses, Health risk.

3 Challenges

- Growth
- ARPU sharp decline
- Re-writing - Organization & Mindset

3 Opportunities

- Disruptive state
- Basket expansion with no Additional capital
- Building Digital Competencies

3 Strategies

- Defend the defensible – Financial health priority
- Unified & Rewired for “No Touch” Era
- Focus on Cash & Vol – Upfront cash, Minimize Bad Debts

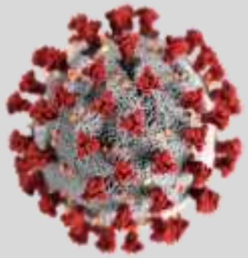
3 Outcomes

- Revenue Impact ~ 25 Cr
- BCP Kicked-in: WFH, BRG, SAAS, Project Unified
- Cost Management - Fixed: People, Rent, Admin / Var: FRP, Project, etc.

Product Focus Matrix

A1	B1	C1	**Top Tier**
A2	B2	C2	**Mid Tier**
A3	B3	C3	**Sachet**
Mature	**Growth**	**Incubation**	

Contents



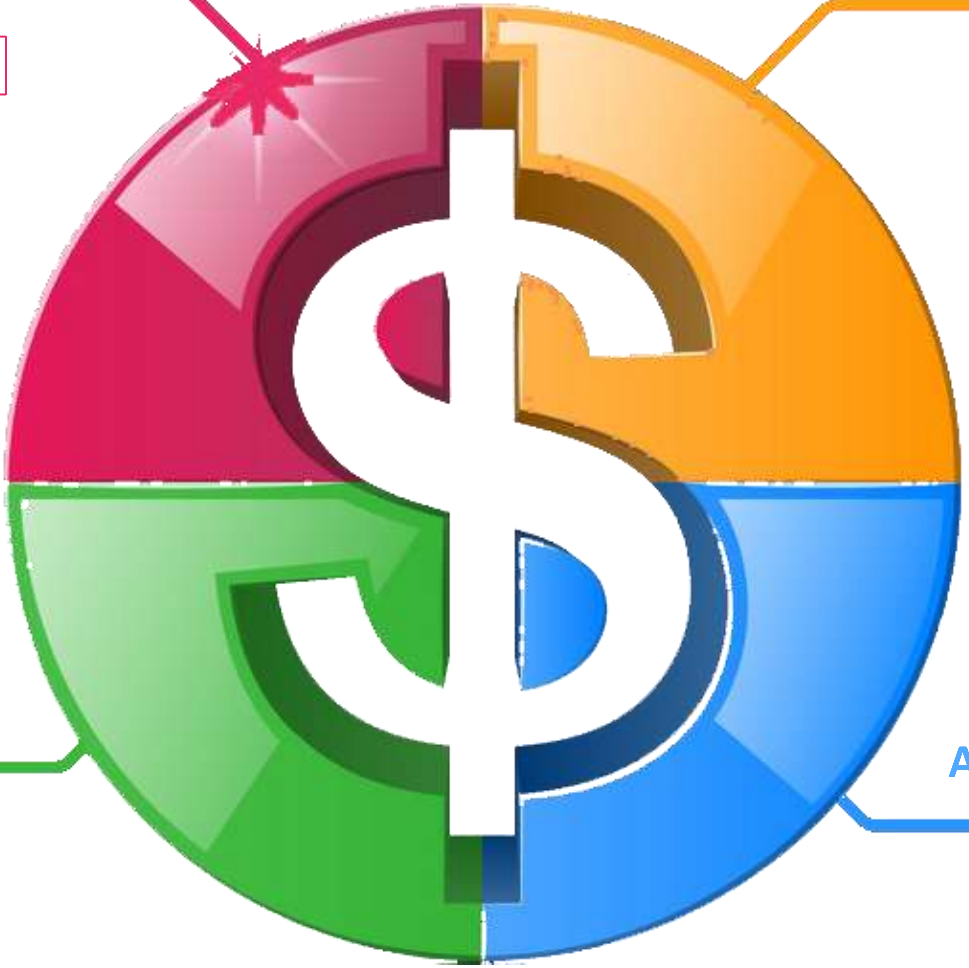
COVID Impact

Business Updates

Asset Light Model

Financial Updates

FY20 Consolidated **Business Snapshot**



Enrollments

↑ 36%

- ✓ 115,791 – Mar 20
- ✓ 85,272 – Mar 19

COVID Impact: 10K

Business EBITDA

↓ 12%

37.3 Cr – Mar 20
42.5 Cr – Mar 19

COVID Loss: 10 Cr

Total Revenue

↓ 8%

- ✓ 324 Cr – Mar 20
- ✓ 352 Cr – Mar 19

COVID Loss: 25 Cr

Adjusted Net Profit

↓ 38%

- ✓ 12.8 Cr – Mar 20
- ✓ 20.8 Cr – Mar 19

COVID Loss: 7.5 Cr

Business Update - Consumer Segment

Consumer KPIs	FY20	FY19
No. of Test - Prep Centers	211	203
No. of enrolled TP students	115,791	85,272
%age of online TP students	49.3%	30.6%
No. of books sold	981,674	1,150,433
%age of books sold to Online distributors	19.6%	20.7%

Digital & Sachet Biz – Powering Growth

- Enrolments up ~36%. All products showing +ve growth
- Engg & Medical enrolments up by ~90%; IPM up by ~44%
- Billing Flat (~198Cr) due to Covid impact.
- Digital Biz grew 30% (Y-o-Y). Enrolments through digital mode – 2x
- Sachet programs – pilots launched : ~30,000 Students
- 27 New Business Partners added

Publishing - Snapshot

- Higher returns taken due to change in e-commerce environmental conditions.
- Significant COVID impact

Enterprise Segment

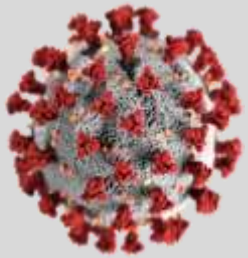
The Virtual Events Platform (VEP)

https://www.youtube.com/watch?v=ipg4aHF-lS4

Enterprise Biz - Snapshot

- Corporate:
  - Biz impact of COVID 19 felt during entire Q4 FY20. ~10 Cr
  - Singapore Biz doubled.
  - Digital channels being accessed for delivery of services
  - VEP looks promising
- Institutional:
  - Advt Biz has been flat. Covid impact seen in final quarter.
  - Digital / Online inventory being monetized. DIY being explored.
  - Research Biz saw several key tie-ups during the year – IIT-Kanpur, T-hub (Andhra Govt Project)

Contents



COVID Impact

Business Updates

Asset Light Model

Financial Updates

Focus on Continuing Business Lines

- Merger
  - Consolidation of entities
    - ✓ Acquired businesses
    - ✓ Related entities
    - ✓ Legacy businesses

- Discontinued lines of Operation
  - Write-Offs
    - ✓ Lighter Balance Sheet
    - ✓ Easier to decipher
    - ✓ Financial Statements reflect active business lines

One-time Exceptional Write-Offs FY20

Vocational

- Outstanding FY-19 ~24.6 Cr
- **Write Off Taken: ~10.3 Cr**
- No new projects since 2015
- Existing Projects wound-up
- ECL + Provisioning: ~ 6 Cr
- **Effective Balance: ~11.67 Cr**

Schools

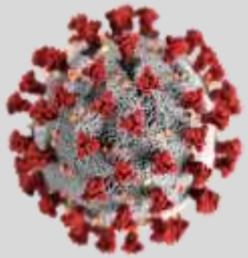
- **Impairment Taken: ~41.5 Cr**
- **Related Asset Impairments: ~9.1 Cr**
- **Total Impact:~ 50.6 Cr**
- Legal Action initiated against B&S

Others

- **Write Off Taken: ~5.8 Cr**
  - BP Balances & Other Receivables: ~1.9 Cr
  - DTA Correction: ~3.9 Cr

Total One-time Write-offs Taken during the year: ~66 Cr

Contents



COVID Impact

Business Updates

Asset Light Model

Financial Updates

FY20 Consolidated Financial Snapshot

EBITDA

- ✓ 8.6 Cr – Mar 20
- ✓ 40.1 Cr – Mar 19

Adjusted EBITDA
37.3 Cr– Mar 20

Net Profit

- ✓ (52.6) Cr – Mar 20
- ✓ 20.1 Cr – Mar 19

Adjusted PAT
12.8 Cr– Mar 20

Total Revenue

- ✓ 323.9 Cr – Mar 20
- ✓ 352.5 Cr – Mar 19

ROCE

- ✓ (1.8%) – Mar 20
- ✓ 8.6% – Mar 19

Adjusted ROCE
7.8% – Mar 20

FY 2020 Business EBITDA & PAT

Rs. In Cr.

	FY20	FY19
Business EBITDA	**37.3**	**42.5**
Add: SP Revenue	0.1	2.4
Less: Vocational write off	10.3	4.8
Less: One time Write-Offs (NF, BPs, etc.)	18.6	-
EBITDA	**8.6**	**40.1**
Finance Cost	8.3	6.2
Depreciation	14.1	9.5
Adjusted PBT	**15.0**	**26.8**
Adjusted Net Profit for the year	**12.8**	**20.8**
Adjusted EBITDA Margin	**11.5%**	**12.1%**
Adjusted ROCE	**7.8%**	**9.3%**

- ✓ Exceptional items: 41.5 Cr – One-time impairment write-off
- ✓ School Related Asset Impairment: 9 Cr
- ✓ Vocational Write offs: Rs 10.3
- ✓ IND AS 116 impact(5.6 Cr) taken in FY20, will be present in all upcoming financials
- ✓ Effective Tax rate:
  - ✓ FY20: 25%
  - ✓ FY19: 31%

FY2020 Consolidated Financial Results

	FY20	FY19	Y-o-Y (%)
Revenue from operations	308.7	339.3	-9.0%
Total Income	323.9	352.5	-8.1%
Total expenses	337.6	328.1	2.9%
EBITDA	**8.6**	**40.1**	**-78.5%**
Exceptional items	41.5	-	
Net Profit	**(52.6)**	**20.1**	
Adjusted Net Profit	12.8	20.8	-38.2%

	Mar 20	Mar 19
Business EBITDA Margin	11.5%	12.1%
Adjusted Net Profit Margin	4.0%	5.9%
Adjusted ROCE	7.8%	9.3%

FY 2020 Segmental Metrics

Rs. In Cr.

	Particulars	FY20	FY19	YoY (%)
Revenue	Total Revenue from Operations^	**308.4**	**339.0**	**-9.0%**
	Consumer	**173.0**	**194.5**	**-11.1%**
	- Test Prep	174.6	182.1	-4.1%
	- Publishing*	(1.6)	12.5	-112.6%
	Enterprise	**135.4**	**144.5**	**-6.3%**
	- Corporate	115.4	126.0	-8.5%
	- Institutional	20.0	18.4	8.5%

* *Negative figure due to higher returns taken during the year pertaining to previous years*

^ *Excludes "Others"*

Consolidated: Cash Position

Rs. In Cr.

Cash Position	Jun 20*	Mar 20	Mar 19
MF Investments	37.8	37.2	27.4
Fixed Deposits	21.6	9.4	16.5
Cash & Cash Equivalents	21.1	11.4	10.4
Total	**80.5**	**58.0**	**54.4**

** Management Estimates (Unaudited Figures)*

Merger Update

- Merger process stalled due to COVID
  - ✓ Last 4 Hearings postponed
  - ✓ Next Date is in July

- NCLT Chandigarh moving to VC mode, but not hearing Merger matters yet

- As things stand:
  - ✓ Best Case Scenario: December
  - ✓ More Realistic: March ’21

Thank You

For Investor Relations Queries

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WISDOM IR

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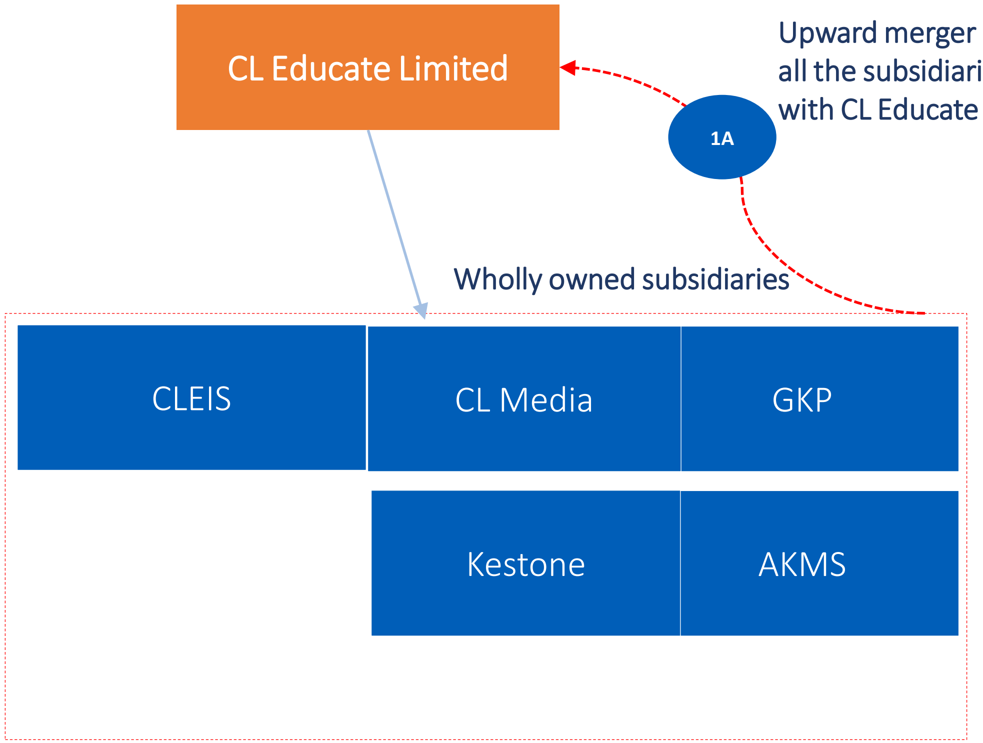
Nirjhar Gupta: nirjhar@wisdomsmith.com

Annexures

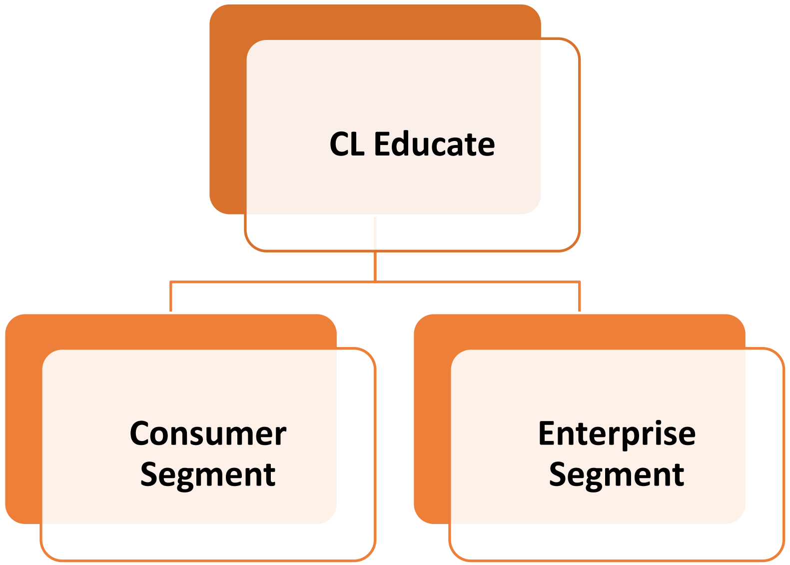
Merger **Scheme**

Pre-Merger Organization Structure



Composite Scheme: Merger of CLEIS, CL Media, GKP, AKMS and Kestone with CL Educate

Post-Merger Organization Structure



Indian Education Landscape

Operating in sizable @$100 bn+, fast-growing industry

A $100 bn+ market growing @16% CAGR

7.2% GDP Growth expected in the $2.2 trillion Indian economy in FY18 (IMF)

Budget'19 allocation to education Is Rs 8,187 bn, Up 10% YoY

Education Industry

Regulated/ Formal
~ 2/3rd of the Industry

K-12 Education
$52 bn growing @ 14% CAGR

Higher Education
$15 bn growing @ 20% CAGR

Vocational Education
28-29 mn people to be trained by FY20 (21-22% CAGR)

CL's focus areas

Unregulated/ Informal/ Entrepreneurial

Test-prep/ Coaching

Figures in Rs Cr

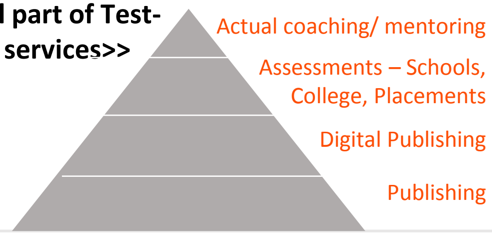
JEE	GATE	Medical	MBA	Law	CA	UPSC, SSC, Bank PO
14,600	1,680	6,400	390	83	2,520	11,500

CL's market-leading offerings

Rs 37,800 Cr in FY16 growing @ 14% CAGR**

Publishing

Integral part of Test-prep services>>



$28 mn with a growth rate of 20%

~$ 5.4 bn academic book publishing by FY21 @ 12% CAGR

Assessments

Research Services

Sunrise segment - Boosted by recently introduced universities ranking (NIRF) by MHRD, increased corporate demand for innovation & research solutions

Skill Training

Huge Employability Skills demand – ~1mn youth enter the job market every month, Government encouraging Public Private Partnerships for Skill Training

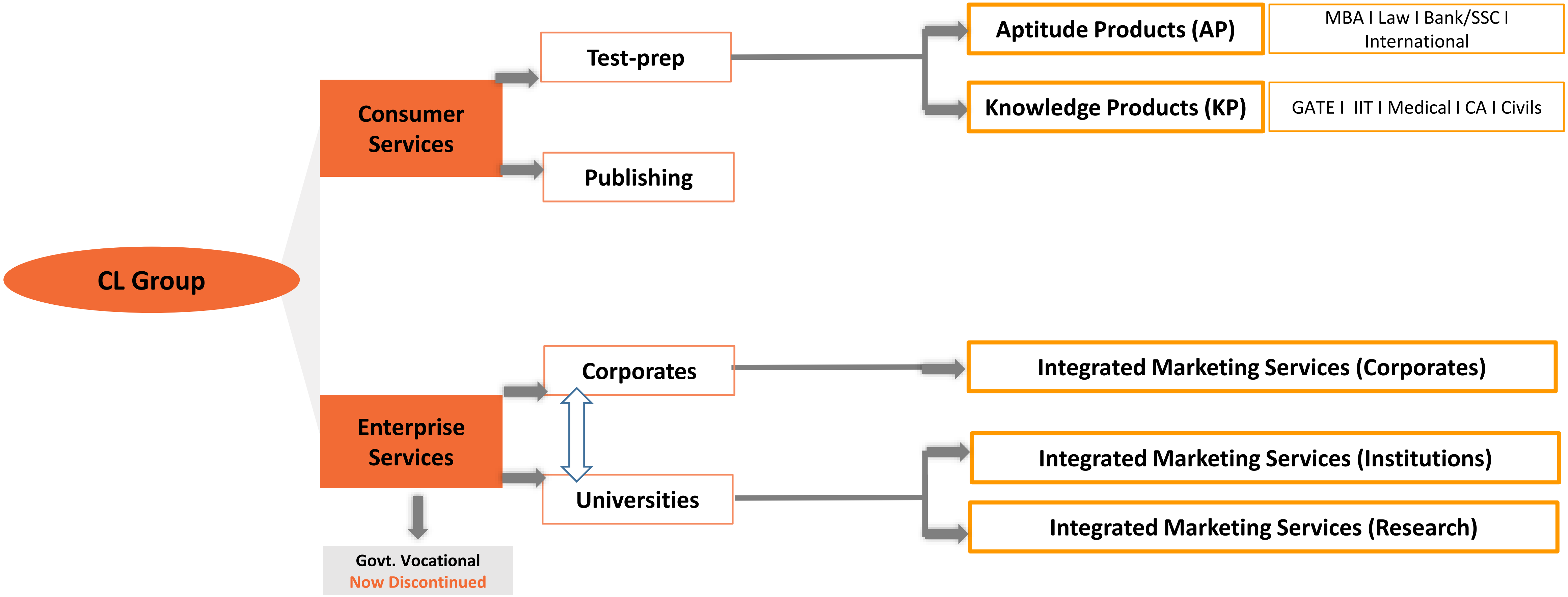
EdTech

India's digital learning market is ~$2bn in 2016, and is expected to reach $ 5.7bn by 2020, , online market to 8-fold by 2021 to reach $2bn

Source: Technopak, CAGR – 2016 to 2020
** Source: CRISIL, Google & KPMG

CL's portfolio

Comprehensive product portfolio in Knowledge & Career Services



CL Group

Consumer Services

Test-prep

Publishing

Aptitude Products (AP)

MBA I Law I Bank/SSC I International

Knowledge Products (KP)

GATE I IIT I Medical I CA I Civils

Enterprise Services

Corporates

Universities

Integrated Marketing Services (Corporates)

Integrated Marketing Services (Institutions)

Integrated Marketing Services (Research)

Govt. Vocational
Now Discontinued

CL Educate Ltd

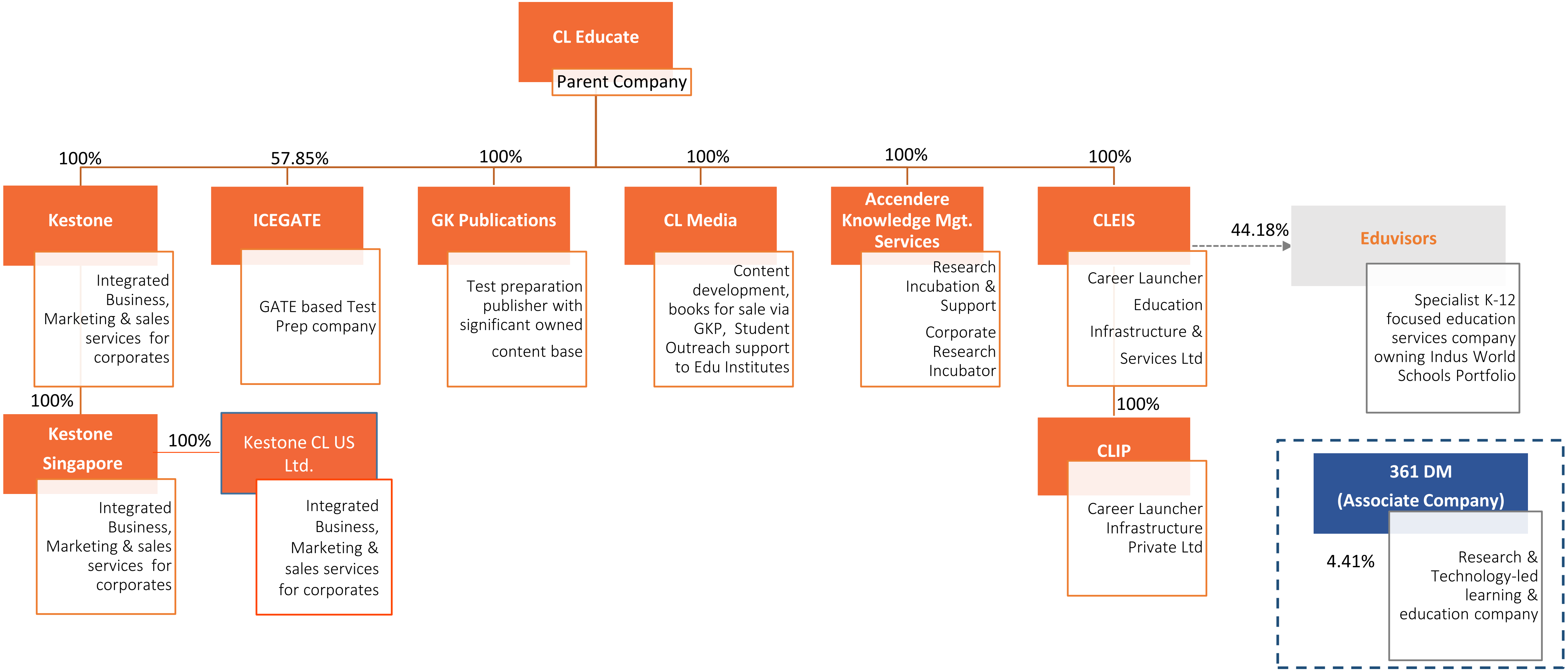
GK Publications Pvt. Ltd

Kestone Integrated Marketing Services Pvt. Ltd

CL Media Pvt. Ltd

Accendere Knowledge Management Services Pvt. Ltd

Corporate Structure



CL Educate

Parent Company

100%

Kestone

Integrated Business, Marketing & sales services for corporates

100%

Kestone Singapore

Integrated Business, Marketing & sales services for corporates

100%

Kestone CL US Ltd.

Integrated Business, Marketing & sales services for corporates

57.85%

ICEGATE

GATE based Test Prep company

100%

GK Publications

Test preparation publisher with significant owned content base

100%

CL Media

Content development, books for sale via GKP, Student Outreach support to Edu Institutes

100%

Accendere Knowledge Mgt. Services

Research Incubation & Support

Corporate Research Incubator

100%

CLEIS

Career Launcher Education Infrastructure & Services Ltd

100%

CLIP

Career Launcher Infrastructure Private Ltd

44.18%

Eduvisors

Specialist K-12 focused education services company owning Indus World Schools Portfolio

361 DM (Associate Company)

4.41%

Research & Technology-led learning & education company

Leader in Test-Prep Segment

Consumer

Bouquet of Products (MBA, Law, Civils, GATE, Engg, etc.)

National **Test-Prep** leader

Well known **Publications** for test-prep

Delivering Successful Outcomes

70
CL Students in top 100 in the CLAT (Law) exam in May 2018

6
out of Top 10 in CLAT 18 & AILET 18

2,939
Students received calls from at least one IIM in CAT 2016 out of 19,020 calls

233
CL Students cleared Civil services (Preliminary) Examination 2016

18
selected in final merit list of the Civil Services Examination 2016 from CL

125
CL students Shortlisted in SBI PO Mains Exam in 2017

Growing Brand Equity from Sustainable Strengths

1. **Most comprehensive product-reach portfolio**: 12 product groups + Network of 212* centers pan India & ~25K online users in FY18

2. **Household Test-Prep Brand -** Market leader in Aptitude Products (AP) MBA & Law offerings

3. **Scalable & asset-light business -** 212* test prep centres with 63* owned & 149 under partnership in FY18

4. **Strong Content –** Comprehensive, fully owned content, complemented by experienced faculty & trainers. *2,665 active titles (FY18) in Publishing*

5. **Technology driven –** Multiple modes to reach students via digital strategies. 28% digital enrolments in FY18

6. **New brand acquisitions -** Addition of Knowledge Products (KP) via ETEN CA & IAS business acquisition; planned majority in ICE GATE Academy

Enterprise Vertical

Knowledge services for Corporates, Educational Institutions

Differentiated offerings + One of the best execution capabilities

Enterprise

Corporates
35% Share

Universities
3% Share

Unique Learning cum productivity DNA in **Corporate services**

Pioneer & Leader in **Research & Ranking** improvement services

Knowledge Services for Corporates

1 Kestone

2,500+
Creative, approachable, multidiscipline Kestonians

100+
Strong reach and infrastructure to Indian cities & 10 + global destinations

Sales
- Managed Manpower Services
- Training & Development

Marketing
- Marketing Communication
- Customized Engagement Programs
- Digital Marketing
- Experiential Marketing

Research Services & Innovation

2 CL Media

\+

3 Accendere

For Corporate & Universities –facilitates wrt reaching out to the right student set and improving their quality of intake. Provides marketing services to corporates

For Universities – facilitates universities wrt improving their rankings through research and start-up incubation

Unique Synergies

Cross-leveraging between consumer & enterprise platforms

Brand recognition across learning life cycle

Multi-monetising of same customer at various stages of life

Using same infrastructure at different times of day and year for high ROI

CONSUMER

CL initial brand contact when she is in school....

G. K. PUBLICATIONS

Publishing division

Career Launcher

Test Prep Platform

...She then meets us in college for test prep or experiences our research services...

ENTERPRISE

...And then again in the workplace...

ACCENDERE

Institutional R&D platform for schools/colleges

KESTONE

Corporate Marketing and manpower services

Cross sell publications to captive test prep/tutoring base

Indirect advertising for test-prep/tutoring in publications

Use Accendere to form tie-ups with schools/colleges and cross sell tutoring /test prep services

Gain student mindshare early through research projects at schools, can be later leveraged to cross sell test prep services

Leverage corporate network of Kestone to arrange industry partners for research projects at schools undertaken through Accendere

Corporate network to aid student placement services in B2B

Strong ethos

Strong team, complete focus on governance & processes

Professionally qualified, experienced and active board

Satya Narayanan R.,
Chairman & Executive Director
- 19+ years of experience in the education sector
- Bachelor's degree in Computer Sciences from St Stephen's
- Post Graduate Diploma from IIM Bangalore

Gautam Puri,
Vice Chairman & Managing Director
- 19+ years of experience in the education sector
- Bachelor's degree in Chemical Engineering from Punjab Engineering College
- Post Graduate diploma from IIM Bangalore

Nikhil Mahajan,
Executive Director & CEO Enterprise business
- 18+ years of experience in finance and education
- Bachelor's degree in Electrical Engineering from Benaras Hindu University
- Post Graduate diploma from IIM Bangalore

Girish Shivani,
Independent Director, Chairman Audit Committee
- 23+ Yrs of exp in IT, Telecom, Media, Finance, Corporate Strategy & Operations
- Co-Founder & Managing Partner – Yournest Venture Capital

Imran Jafar,
Non-Executive & Non-Independent Director
- Co-Founder & Managing Partner Gaja Capital. 18+ Yrs exp. In PE, Pharma & Technology
- MBA from IIM-B, & Masters degree in software engineering from BITS Pilani

Viraj Tyagi,
Independent Director
- Over 21 years of experience in the financial services sector
- Post Graduate diploma from IIM Bangalore

Madhumita Ganguli,
independent Director
- Over 25 years of experience and heads a large part of HDFC

Sanjay Tapriya,
Additional Independent Director,
- CEO Uniworld Sugar Pvt Ltd
- CA & CS

High Corporate Governance

- ✓ Independent/ Nominee Directors are a majority on Board
- ✓ Internal Audit by a reputed external firm
- ✓ Audit Committee, Nomination & Remuneration Committees have only independent/ nominee directors
- ✓ Whistle-blower mechanism
- ✓ Statutory Auditors – Haribhakti & Co LLP

Key Senior Management

Arjun Wadhwa,
Chief Financial Officer (CFO)
- 10+ Yrs of Experience in education space
- Profitable entrepreneurship ventures – Thesportscampus.com & Goals for Souls.
- Post Graduate diploma from MDI, Gurgaon

R Shiva Kumar,
Chief Academic Officer
- 18+ years of experience in the private education sector,
- Bachelor's degree in Technology from IIT Madras,
- Post Graduate diploma from IIM Kolkata

Sreenivasan .R,
Chief Customer Officer
- Over 15 years of experience in the education sector,
- Master's degree in Technology from Jawahar Lal Nehru University;
- Master's degree in Business Administration from IIM Bangalore

Sujit Bhattacharyya,
Chief Digital Officer
- Over 15 years of experience in the education sector,
- Bachelor of Technology degree in Electrical Engineering from IIT Kharagpur;
- Post Graduate diploma from IIM Bangalore

Two Big Rocks - Corporate

Consolidation

Realignment