



November 05, 2018

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

Glossary

Bank	Banking PO
BP	Business Partner (Franchisee)
BPL	Below Poverty Line
CA	Chartered Accountancy
CDC	Career Development Center
CFE	Center for Future Employability
Civils	Civil Services
CRT	Campus Recruitment Training
GATE	Graduate Aptitude Test in Engineering
IE	International Education
IIT JEE	Indian Institute of Technology Joint Entrance Examination
Marcomm	Marketing Communication
MBA	Masters in Business Administration
PDP	Personality Development Programme
SSC	Staff Selection Commission
TP	Test Preparation & Training
WAIN	Worldwide Academia Industry Network

Contents

Key Initiatives

H1 FY19 Financial Performance

H1 FY19 Operational Performance

Overview & Key Initiatives

Consumer: 3D

- Distribution
- Delivery
- Digital

Enterprise

- Kestone
- TEQIP
- Amazon
- WainConnect

In-Focus: Innovation

- Aspiration.Ai
- Alexa
- Biz Tech

Corporate Updates

- Restructuring
- Asset Sale

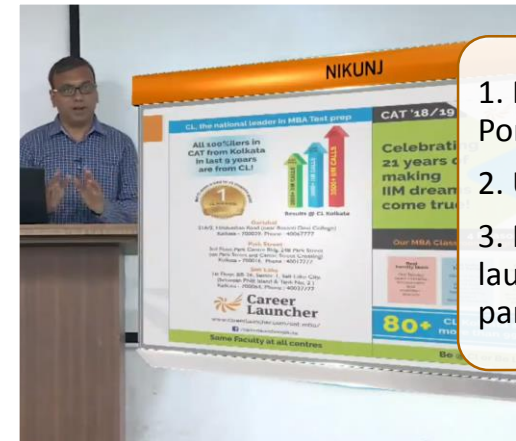
Consumer Biz: 3D

Distribution



1. CoCo to BP
2. 10 New Centers added
3. CD (Master Class) CA-CS, IAS, GATE

Delivery



1. Product Portfolio Exp.
2. Upskilling
3. Fin-school launched – BDO partnership

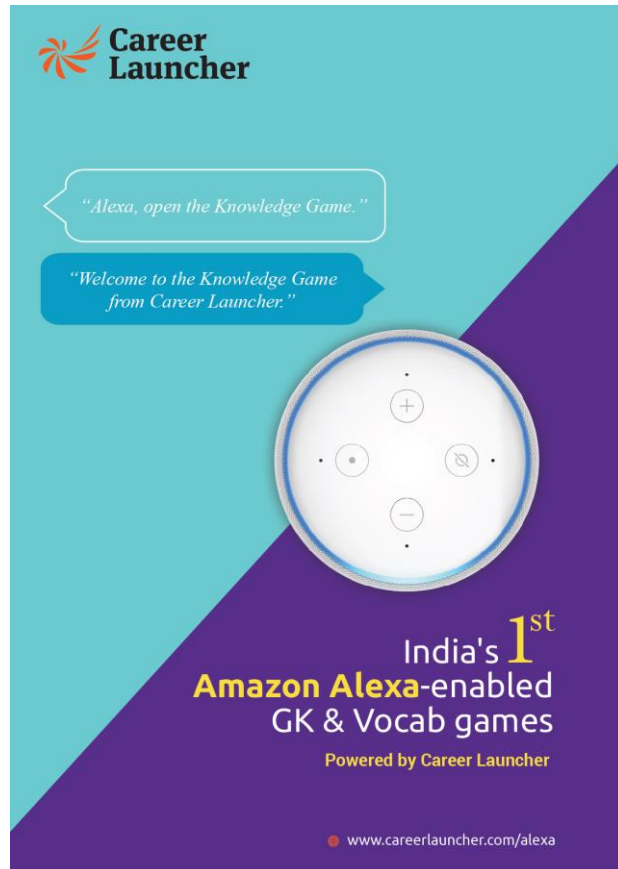
Digital



1. Aspiration
2. Amicus
3. CAT NC+DC



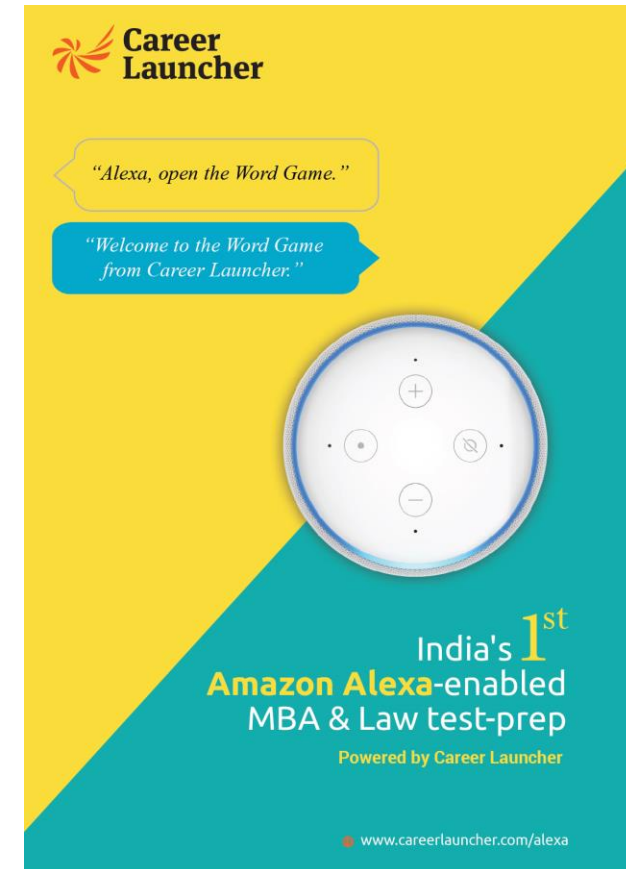
ALEXA – GK / VOCAB SKILLS



SEATTLE DEVELOPER CONFERENCE



ALEXA – MBA / LAW SKILLS



Career Launcher releases voice enabled educational skills built on Amazon's Alexa platform



Word Game

Knowledge Game

The MBA Skill

- Colleges
- Exams
- Advisories – Best School, Comparisons
- Linked to CL Student performance

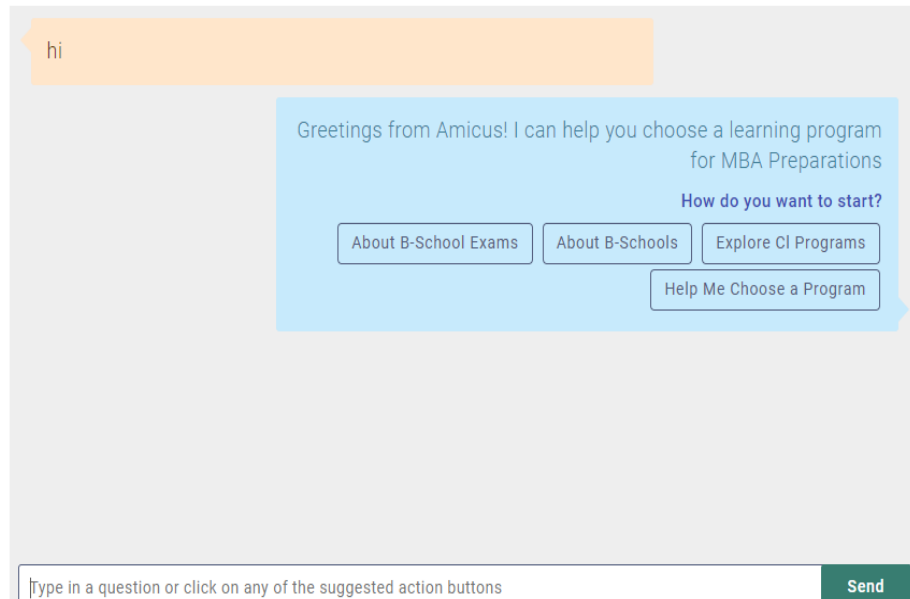
The Law Skill

The Lex Experience

Amicus – The Lex Bot

Amicus - The AI Advisor for MBA Aspirants

I am Amicus. You can take my help to select the best product to help you crack your MBA prep



hi

Greetings from Amicus! I can help you choose a learning program for MBA Preparations

How do you want to start?

About B-School Exams About B-Schools Explore CI Programs Help Me Choose a Program

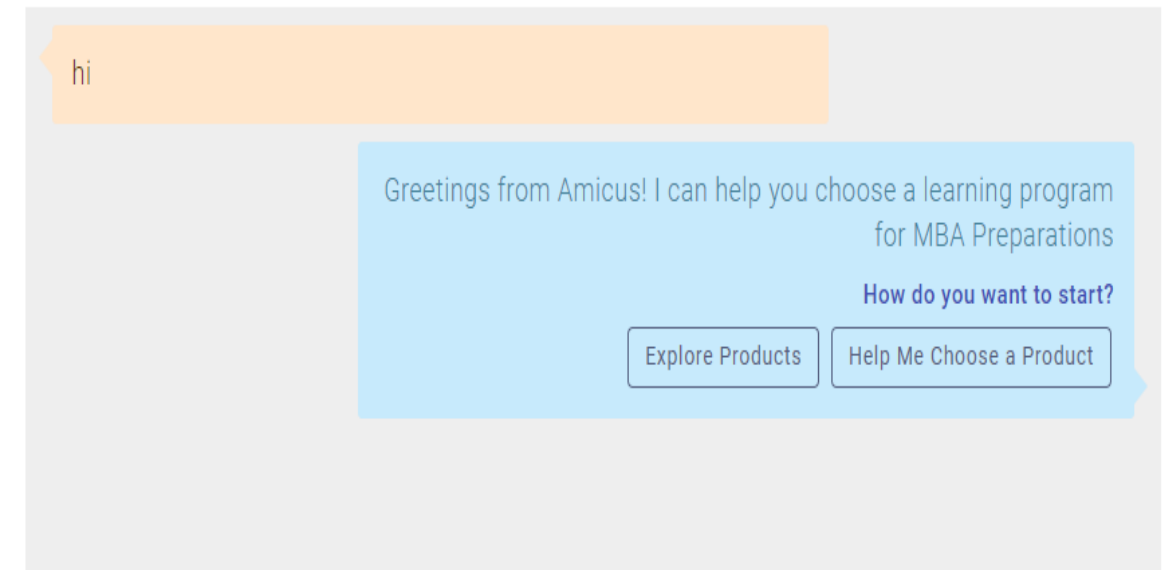
Type in a question or click on any of the suggested action buttons Send



Amicus – The Advisor

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How do you want to start?

Explore Products Help Me Choose a Product

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H1 FY19 Financial Performance

H1 FY19 Operational Performance

Consolidated Financial Results – Brief Snapshot



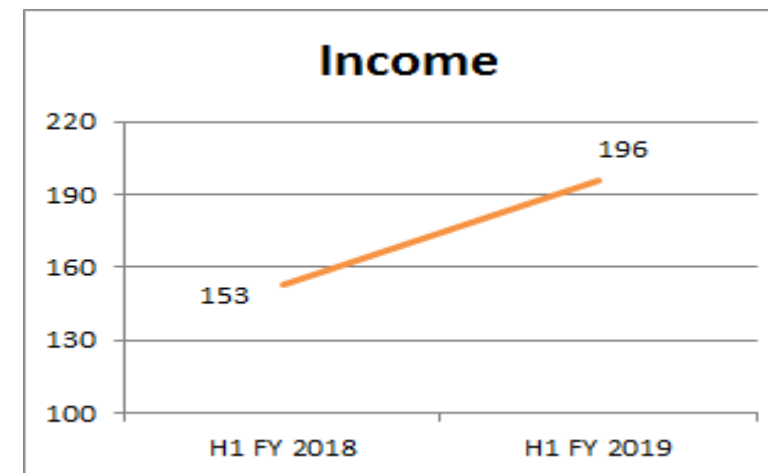
Revenue up 28% Y-o-Y



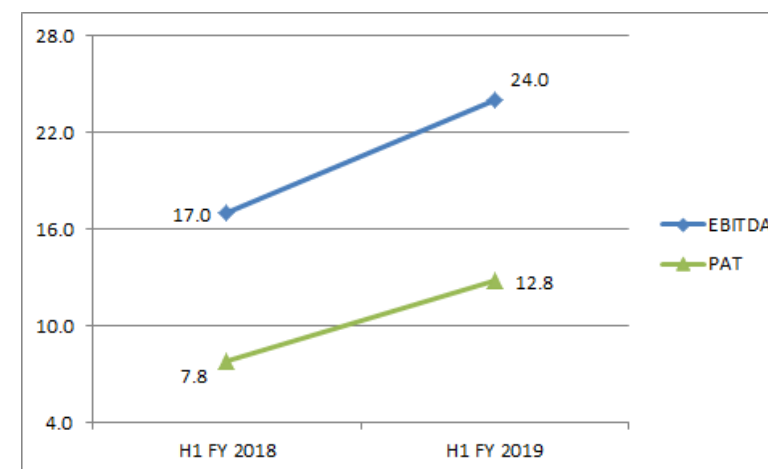
EBITDA up 41% Y-o-Y.
EBITDA Margin up by 116 bps to 12.3%



Net Profit Up 61% Y-o-Y.
Net Profit Margin up by 134 bps to 6.5%



EBITDA & Net Profit



Financial Summary

Rs. In Crore

	H1 FY19	H1 FY18	Y-o-Y (%)	Q2 FY19	Q2 FY18	Y-o-Y (%)
Revenue from operations	189.0	144.5	30.8%	101.9	71.5	42.5%
Other income	6.1	8.1	-25.1%	2.4	5.7	-58.1%
Total Income	195.1	152.6	27.8%	104.3	77.2	35.1%
Total expenses	178.8	142.6	25.4%	94.9	70.9	33.9%
EBITDA	24.0	17.0	41.2%	13.7	9.5	44.0%
PBT (Continued Ops)	16.3	10.1	61.4%	9.3	6.3	48.1%
Net Profit (Inc OCI)	12.7	7.9	60.9%	7.8	4.9	59.2%

	Sep 18	Mar 18	Sep 17
Debt Equity	16.75%	16.44%	12.11%
Net Profit Margin	6.43%	1.90%	5.08%

- ✓ All financial health indicators showing positive movement
- ✓ EPS grew to 3.4x viz. Mar-18

[Results – Website Link](#)

Segmental Metrics

Rs. In Crore

	Particulars	H1FY19	H1FY18	YoY (%)
Revenue	Total Revenue from Operations	189.0	144.5	30.8%
	Consumer ^	129.8	103.9	24.9%
	- Test Prep	106.6	84.3	26.6%
	- Publishing	23.1	19.7	17.6%
	Enterprise ^	78.5	54.2	44.7%
	- Corporate	67.3	47.5	41.6%
	- Institution	11.2	6.8	66.3%

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Key Initiatives

H1 FY19 Financial Performance

H1 FY19 Operational Performance

H1FY19 Operational Performance



Consumer Business

Enterprise Business

Consumer Operating Metrics

₹. In Crore

	Particulars	H1FY19	H1FY18	YoY (%)
Revenue ^	Consumer	129.8	103.9	24.9%
	- Test Prep	106.6	84.3	26.6%
	- Publishing	23.1	19.7	17.6%

Consumer KPIs	H1 FY19	H1 FY18
No. of Test - Prep Centers	188	200
No. of enrolled TP students	46,250#	48,545*
%age of online TP students	30.2%	27.2%
No. of active GK Publications titles	2,857	2,392
No. of books sold	612,209	520,394
%age of books sold digitally	21.4%	34.1%

Key Highlights – Business as Usual

TEST PREP

- New Segments contributed ~19 Cr to topline (vs ~4.9 Cr Sep 17)
- Law contribution to test prep biz catches up with MBA program in H1 FY19
- Digital Biz & Test Series showing good growth
- Average TP fees realized per student up by ~31%^

PUBLISHING

- Access Publishing titles acquisition proving successful – Biz sales increased to 3.0 Cr.
- School Biz sales grows to 3.1 Cr on the back of addition of new school titles
- Drop in Technical Vacancies & GATE titles resulted in sluggish sales for rest of the Biz.

H1FY19 Operational Performance



Consumer Business

Enterprise Business

Enterprise Operating Metrics

₹. In Crore

Particulars		H1FY19	H1FY18	YoY (%)
Revenue^	Enterprise	78.5	54.3	44.7%
	- Corporate	67.3	47.5	41.6%
	- Institutional	11.2	6.8	66.3%

[^]Without Segmental Elimination

Enterprise Operating Metrics

INSTITUTIONAL	H1 FY19		H1 FY18		
	# Clients	Revenue* (₹ in Crore)	# Clients	Revenue* (₹ in Crore)	
	Media	49	7.3	53	3.3
	Research Incubation	12	2.0	5	1.8
Total	61	9.3	58	5.1	

* Excl. Opening Unearned Revenue

CORPORATE	H1 FY19		H1 FY18		
	# Clients	Revenue (₹ in Crore)	# Clients	Revenue (₹ in Crore)	
	Domestic	49	59.6	45	45.2
	International	3	0.6	3	0.7
Total	52	60.1	48	45.9	

Enterprise Business – Beyond Numbers

New Partnerships



Large Projects



Dell CIO Forum: Michael Dell Show



Largest Google Developer Show



First ever SMB awards for SAP design, conceptualized and executed

New Chapter



3 out of 10 pitches are solving strategic problems for our clients.



New age tech adoption to solve marketing problems and create IPs

Enterprise Business – Brief Snapshot



- # Clients – 52; # New Clients - 23
- Revenue Mix –
 - Event & MMS – 66%
 - Digital, Marcomm & CEP – 31%
 - Others – 3%
- Focus to push Digital, Marcomm & CEP
- Pitching for larger integrated execution projects with higher margins



International biz kicks off



Singapore self sustaining. Dubai Biz in early stages

Thank You

CONTACT US



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Annexures

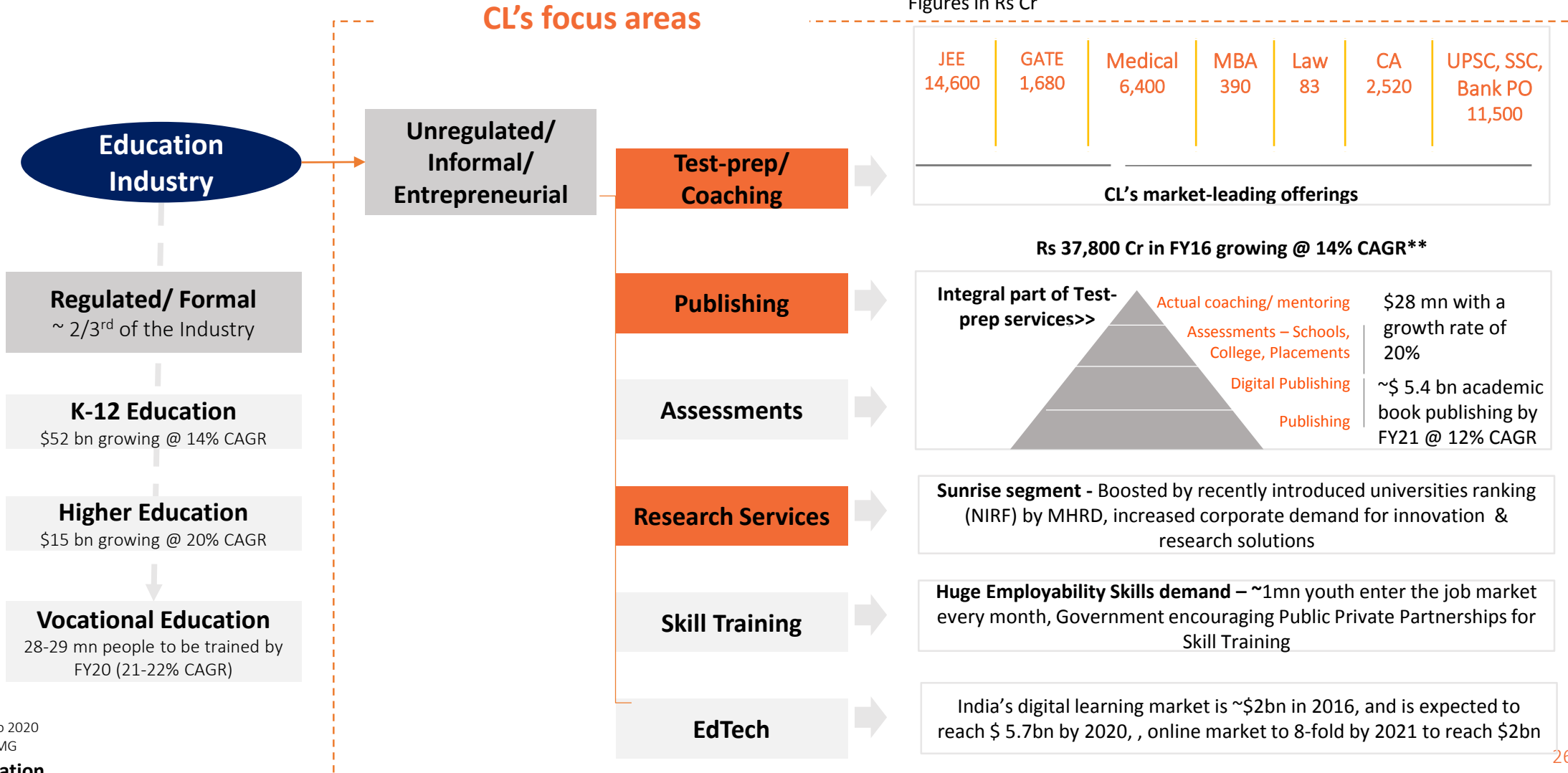


Operating in sizable @\$100 bn+, fast-growing industry

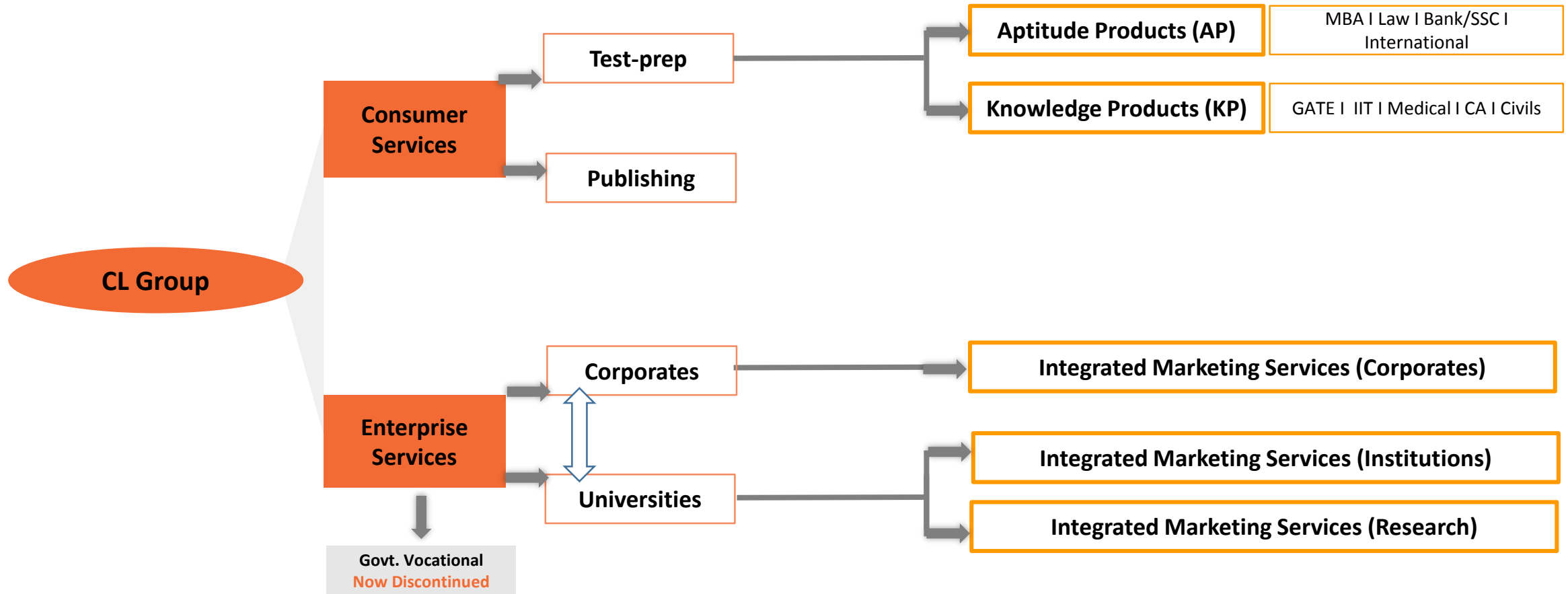
A \$100 bn+ market growing @16% CAGR

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



Comprehensive product portfolio in Knowledge & Career Services



CL Educate Ltd



GK Publications Pvt. Ltd



Kestone Integrated Marketing
Services Pvt. Ltd

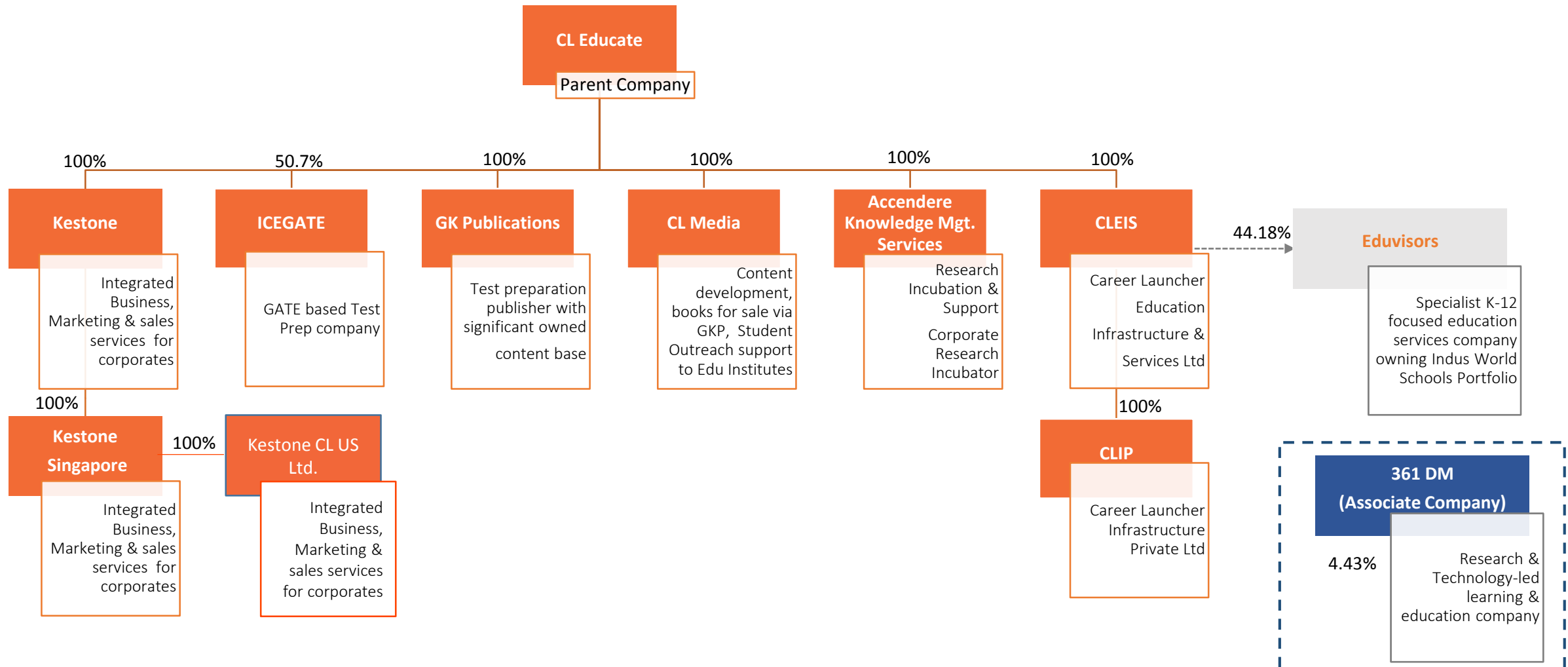


CL Media Pvt. Ltd



Accendere Knowledge Management
Services Pvt. Ltd

Corporate Structure



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



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

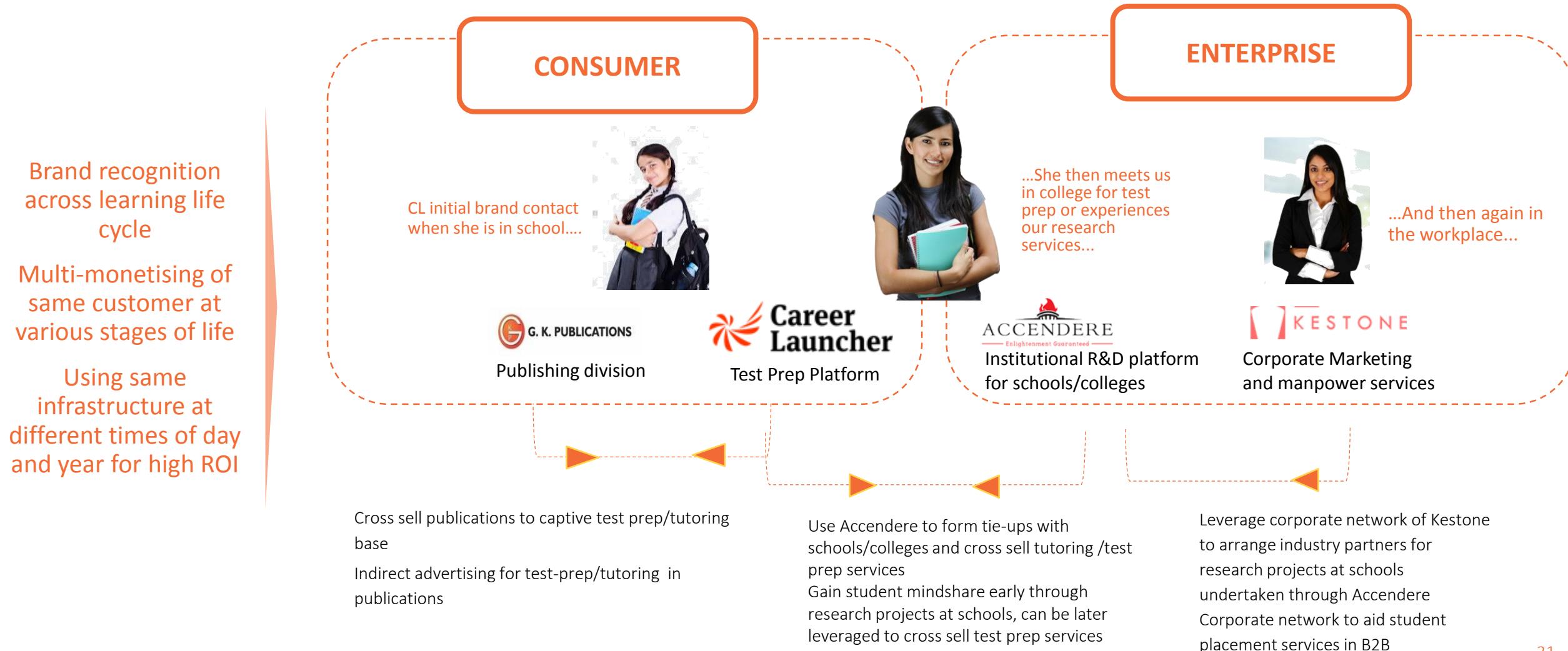


3 Accendere

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

Cross-leveraging between consumer & enterprise platforms



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,
*Additional Independent Director,
Chairman Audit Committee*

- 23+ Yrs of exp in IT, Telecom, Media, Finance, Corporate Strategy & Operations
- Co-Founder & Managing Partner – Yournest Venture Capital

S K Roongta,
Independent Director

- Over 30+ years of Experience
- Ex. Chairman - SAIL

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

Paresh Thakker,
Independent Director

- Co-founder of Value quest Capital with 21 years of investing experience

Imran Jafar,
*Additional Director
(Non Executive &
Non-Independent)*

- 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

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

Consolidation (Capital Reallocation)



K12 ASSETS SALE

- BTA deal did not fructify; fund raising & related challenges
- Alternate asset sale conversations underway

GREATER NOIDA ASSET SALE

- Lack of demand – Outright Sale
- Potential Option – to lease out the infrastructure

Realignment (Effort and Capital)

GUIDING PRINCIPLES

- Strengthen Market Share, growth and profitability
- Strategic Entry into large addressable, scalable segments

YARDSTICKS

- Return of Investment in 3 – 4 years
- Post return, RoCE @ 20%

BUSINESS SEGMENT	PRODUCTS	BRANDS
CONSUMER	Civil Services/ CA	
	GATE	
	IX-XII (Maha)	
	Campus Training	
ENTERPRISE	Research	

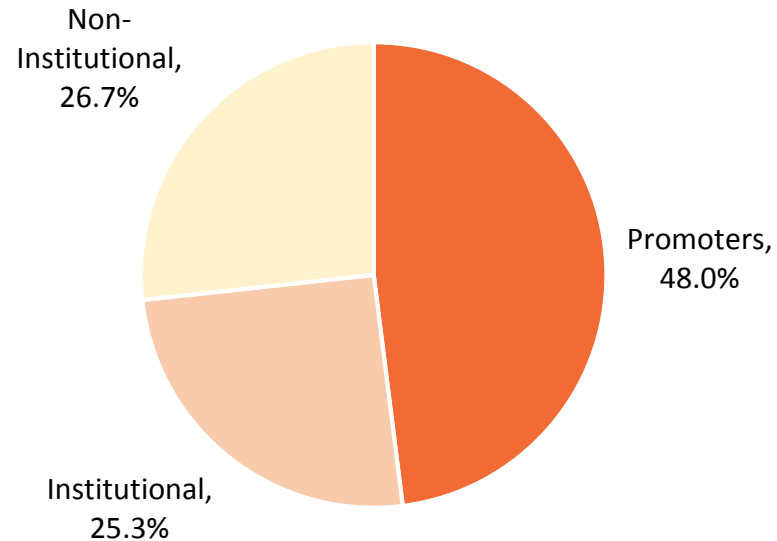
Capital Deployed since April 2017 – 22 crs

(FY 2018) 7,500 students, 26 crs Revenue, (4) crs EBITDA

(FY 2019 Estd.) 10,000 students, 37 crs Revenue, 4 crs EBITDA

Shareholding Pattern

Outstanding Shares (Sep 30, 2018)
14,165,678



Key investors > 1%

Investors	Shareholding %
GPE (INDIA) LTD / GAJA TRUSTEE COMPANY PRIVATE LIMITED	8.45
SUNDARAM MUTUAL FUND A/C	6.24
HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED	4.19
DSP BLACKROCK MICRO CAP FUND	3.68
BNP PARIBAS ARBITRAGE	3.18
PRINCIPAL MUTUAL FUND	3.01
ARJUNA PTE LTD.	2.97
ASHOKA PTE LTD	2.59
OCEAN DIAL GATEWAY TO INDIA MAURITIUS LIMITED	1.83
ICICI LOMBARD GENERAL INSURANCE COMPANY LTD	1.72