Webinar: Education Technology – India Market Insights

19 June 2019
<table>
<thead>
<tr>
<th>Indian Time</th>
<th>AEST</th>
<th>Session Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1130 am</td>
<td>1600 pm</td>
<td>Webinar commences &amp; Introduction to the webinar by P S Krishnan, Head of Marketing for South Asia, Austrade</td>
</tr>
<tr>
<td>1135 am</td>
<td>1605 pm</td>
<td>Emerging opportunities in India by Peter Coleman, Trade Commissioner, Austrade</td>
</tr>
<tr>
<td>1145 am</td>
<td>1615 pm</td>
<td>Ed-Tech landscape in India by Aurobindo Saxena, Vice President, Technopak</td>
</tr>
<tr>
<td>1155 am</td>
<td>1625 pm</td>
<td>TATA CLASSEDGE – Foot print in Indian Education ecosystem by Sanjay Radhakrishnan, Chief Operations Officer, Tata Classedge</td>
</tr>
<tr>
<td>1205 pm</td>
<td>1635 pm</td>
<td>Matific, an Australian Ed-Tech company in India by Scott Smith, Vice President, Global Business Development, Matific</td>
</tr>
<tr>
<td>1215 pm</td>
<td>1645 pm</td>
<td>Q&amp;A</td>
</tr>
<tr>
<td>1230 pm</td>
<td>1700 pm</td>
<td>Webinar Concludes</td>
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Ed-Tech Landscape in India
Presentation for Webinar | June 19, 2019
Indian Demographics and Key Statistics - 2019

Indian Economy

- Population: 1.33bn
- GDP: USD 2.7bn
- Growth Rate: 6.8%
- Unemployment Rate: 6.1% (2017-18)

Device Penetration

- Smart Phones: 40%
- PC: 15%
- Tablet: 5%
- Wearables: 4%

Technology Usage

- Internet Users (Dec. ‘18): 566mn
- Mobile users (Dec.’18): ~1bn
- Active Social Media Users: 560mn
- Mobile Apps Downloaded (2018): 17.16bn

Key Statistics

- Median Age: 28.2
- Overall Literacy: 79%

India is the third largest start-up base in the world with over 4,750 technology start-ups.

India’s foreign exchange reserves were US$ 405.64 billion in the week up to March 15, 2019, according to data from the RBI.

The M&A activity in India reached US$ 129.4 billion in 2018 while private equity (PE) and venture capital (VC) investments reached US$ 20.5 billion.
OVERVIEW OF INDIAN EDUCATION SECTOR

The current market size of the Indian Education Sector (in 2018) is estimated at US$ 148bn

<table>
<thead>
<tr>
<th>Schooling</th>
<th>Higher Education</th>
<th>Vocational Education &amp; Skill Development</th>
<th>Ancillary Segments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early Childhood Education (Pre-schools)</td>
<td>Graduation (General &amp; Professional)</td>
<td>Vocational Education in Manufacturing</td>
<td>Test Preparation and Tutoring</td>
</tr>
<tr>
<td>Corporate Day-care</td>
<td>Post Graduation (General &amp; Professional)</td>
<td>Vocational Education In Services</td>
<td>Content: Textbooks and e-Learning</td>
</tr>
<tr>
<td>K-12 Schools</td>
<td>Research (PhD.)</td>
<td>Hobbies and Self-help learning programs</td>
<td>Allied Services etc.</td>
</tr>
</tbody>
</table>

<table>
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<tr>
<th>Segments</th>
<th>Market Opportunity</th>
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</thead>
<tbody>
<tr>
<td>Schooling</td>
<td>Market Size: $72.5bn</td>
</tr>
<tr>
<td>Higher Education</td>
<td>Market Size: $30bn</td>
</tr>
<tr>
<td>Vocational Education &amp; Skill Development</td>
<td>Market Size: $5bn</td>
</tr>
<tr>
<td>Ancillary Segments</td>
<td>Market Size: $40.5bn</td>
</tr>
<tr>
<td>CAGR</td>
<td>CAGR: 14%</td>
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<tr>
<td>CAGR: 15%</td>
<td>CAGR: 18%</td>
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<tr>
<td>CAGR: 22%</td>
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<th>Regulations</th>
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<tr>
<td>ECE and Day-care: For Profit</td>
</tr>
<tr>
<td>K-12: Not for Profit</td>
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<tr>
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Segmentation of K-12 Schools in India

- **Fees <$300 p.a.**
  - Percentage of Students Enrolled: 0.53%
  - Number of Schools: ~1.25mn
  - Market Size (2018): USD 3.8bn

- **Fees $300 – 1,400 p.a.**
  - Percentage of Students Enrolled: 61.58%
  - Number of Schools: ~0.3mn
  - Market Size (2018): USD 58.2bn

- **Fees $1,400 – 7,000 p.a.**
  - Percentage of Students Enrolled: 37.88%
  - Number of Schools: ~3,500

- **Fees >$7,000 p.a.**
  - Percentage of Students Enrolled: 0.01%
  - Number of Schools: ~200
  - Market Size (2018): USD 1.5bn

(Total students = 250mn, Total number of schools = 1.55mn)
Indian Higher Education Segment (2018) – Key Insights

Total Market Size: US$ 30bn

**Higher Education**

- Private Institutions
- Government Institutions

**Total Higher Education Institutions in India - 55,446**

<table>
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<tr>
<th>Category</th>
<th>Count</th>
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<tr>
<td>Institute Under State Legislature Act</td>
<td>40</td>
</tr>
<tr>
<td>Central Universities</td>
<td>47</td>
</tr>
<tr>
<td>Central Open University</td>
<td>1</td>
</tr>
<tr>
<td>State Open University</td>
<td>13</td>
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<td>State Private University</td>
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<td>Colleges</td>
<td>42,338</td>
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<td>12,100</td>
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<tr>
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**Indian Higher Education Segment (2018)**

- Agricul... 0.80%
- Arts      17%
- Com...     5.95%
- Engin...   16.30%
- Law       14.92%
- Mana...    18.67%
- Medic...   40.28%
- Science   13%
- Teach...   13%
- VET       0.10%
- Others    0.20%

- Share of Students
  - Institute Under State Legislature Act 37.40%
  - Central Universities 13%
  - Central Open University 1%
  - State Open University 13%
  - State Public University 40.28%
  - State Private University 4.60%
  - Colleges 17.60%
  - Stand Alone Institutions 6.40%
  - Deemed University – Govt. 7.60%
  - Deemed University – Private 0.47%
  - Deemed University – Govt. Aided 0.10%
  - Institute of National Importance 0.17%
  - Private Institutions 1.20%
  - Government Institutions 0.03%

**Higher Education Market Size**

- 42,139...
- 23.35...
- 12.35...

**Indian Higher Education Segment (2018) – Key Insights**

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Key Sub-segments of the Ancillary Education Segment

- **Services**
  - Curriculum Management: US$ 120 mn
  - Sports Management: US$ 704 mn
  - Child Skill Enhancement: US$ 79 mn
  - Education Travel: US$ 112 mn
  - Stationary: US$ 988 mn
  - Transportation: US$ 8,640 mn
  - Uniform: US$ 2,880 mn

- **Digital**
  - Smart Class Solutions: US$ 1.3 bn
  - Online Test Prep: US$ 85 mn
  - LMS: US$ 30 mn
  - Simulation: US$ 33 mn
  - E-books: US$ 73 mn
  - Devise Based Solutions: US$ 97 mn
  - Online Tutoring: US$ 6 mn
  - Children’s “DIY”, Stem Learning, AR: US$ 49 mn

- **Content**
  - Educational Resources (Print Textbooks): US$ 33,103 mn
  - Educational Resources (Digital): US$ 1,919 mn
  - Children’s “DIY”, Stem Learning, AR: US$ 49 mn

- **Psycho-socio-economic Factors**
  - Psychological and Career Counseling: US$ 49 mn
  - Tutoring (Brick and Mortar): US$ 7,503 mn
  - Tutoring (Brick and Mortar): US$ 11,637 mn
  - Tutoring (Brick and Mortar): US$ 988 mn
  - Tutoring (Brick and Mortar): US$ 2,880 mn
  - Tutoring (Brick and Mortar): US$ 16 mn

**Key Financials**

- US$ 704 mn
- US$ 79 mn
- US$ 383 mn
- US$ 7,503 mn
- US$ 11,637 mn
- US$ 988 mn
- US$ 8,640 mn
- US$ 2,880 mn
- US$ 16 mn

**Total**

- US$ 33,103 mn
OVERVIEW OF INDIAN ED-TECH SEGMENT

ONLINE COURSES
Byjus, Simplilearn, Edukart, etc.

TECHNOLOGY – AR/VR
Smartivity, Plastic Water Labs, SpectraVR, etc.

TECHNOLOGY – LMS
Next Education, Classteacher, etc.

EDUCATIONAL RESOURCES
Justdhakhila, Eduqueri, Videoken, etc.

ONLINE TUTORING
Meritnation, Toppr, Vedantu, etc.

ONLINE TEST PREP
Onlinetyari, Testbook, Embibe, etc.

ELT/ LANGUAGE LEARNING
Liqvid, HelloEnglish, etc.

TABLET LEARNING
Ignitor, Tabtor, Magic Pencil, etc.

SMART CLASS AND ICT
DS Digital, Pearson Digiclass, Tata Class Edge, etc.

EDTECH
RECOMMENDATIONS FOR AUSTRALIAN PLAYERS

Entry Strategy

<table>
<thead>
<tr>
<th>B2B</th>
<th>VS</th>
<th>B2C</th>
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</thead>
<tbody>
<tr>
<td>Niche</td>
<td>VS</td>
<td>Generic</td>
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<th>Govt.</th>
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<tbody>
<tr>
<td>High Tech</td>
<td>VS</td>
<td>High Touch</td>
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<table>
<thead>
<tr>
<th>Emerging Skills</th>
<th>VS</th>
<th>Current Skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mass</td>
<td>VS</td>
<td>Premium</td>
</tr>
</tbody>
</table>

Key Futuristic Skills

- Big Data Analytics
- Artificial Intelligence
- Cyber Security
- Robotic Process Automation
- Blockchain
- 3D Printing
- Social & Media
- Cloud Computing
- Virtual Reality
- Internet of Things

Key Business Opportunity Segments

- K-12 Segment
- Higher Education
- Test Prep
- Corporate Training
- Skilling

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ENTRY STRATEGY

Australia
- Australian Corporate
- Assessment Provider (Certify & Assess)
- Australian Ed-tech Company

Trained & Certified Students

India
- Australian Ed-tech Company
- Indian Partner
- Students
- Banks/NBFC

Technology, Jobs, Faculty, Brand & Content
- Marketing & Promotion, Selection of students, Entrance test organize
- Fees
- Loans

Key Takeaways
- Indian Students
- Australian Ed-tech Cos.
- Industry
- Value Creation
- Access to newer markets
- Trained Employees
- International Exposure
- International Reach
- Reduced Cost of Training
- Higher Employability
- Increased Profitability
- Higher Productivity

Australian Ed-tech Company

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Key Risks and Mitigation Strategies

**Insufficient Digital & Infrastructure beyond Tier 1 cities**
- Use data based market expansion strategy

**Limited Paying Capacity**
- Have EMI options
- Offer Scholarships to meritorious students
- Offer discounts or early bird scheme to enrol a critical mass
- Put in place a freemium model

**Highly Fragmented Market**
- Focus on large chain of schools and higher education institutions
- Create a robust channel strategy

**Weak IP Protection Laws**
- Put in place technological barriers to safeguard content
- Actively monitor employee and user activities
- Create punitive penalties for IP infringement
FOR FURTHER DIALOGUE, PLEASE CONTACT:
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M: +91-9891321279

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Lemon Tree Corporate Park,
Sector 60, Gurgaon-122011
www.technopak.com
TATA CLASSEDGE – Foot print in Indian Education Ecosystem

Sanjay Radhakrishnan
Executive Summary

- Education landscape in India
- Evolving education sector in India
- Foot hold of TATA Classedge in Indian Education system
- Embedding ETP in progressive schools’ vision
- Value added initiatives
EDUCATION LANDSCAPE IN INDIA

- India has multi-layered formal education system starting from primary till diploma courses
- Presence of multiple regulatory bodies in schools & higher education
- Informal education involving vocational education, multi media/technology based courses currently acting as a supplement/substitute to formal education in India
- India’s informal market is one of the largest in the world
- Annual education spend of US$133 billion*

Source: KPMG research report, 2017 & Kaizen Education report
The share of private sector in Indian education market has been steadily growing

- 2 fold emphasis – quality & access to education
- Increase in govt. support in private participation
- Ancillary education segment has an annual spend of US$4.70 billion and is the least regulated segment with high scope of scalability

TATA CLASSEDGE falls into Ancillary segment

Source: KPMG research report, 2017 & Kaizen Education report
FOOT HOLD OF TATA CLASSEDGE IN INDIAN EDU. SYSTEM

OUR JOURNEY SO FAR

We are one of the youngest and fastest growing education companies.

TODAY TATA CLASSEDGE TOUCHES

- 1600+ Schools
- 25000+ Classrooms
- 100,000+ Teachers
- 1.5Mn+ Students

THIS INCLUDES

- 70+ Group Schools
- 2 Schools Overseas
- 300+ CSR Schools

MISSION

Our Mission is to improve the effectiveness of education systems through our high-impact digital learning products, solutions and services.
EMBEDDING ETP IN THE PROGRESSIVE SCHOOLS’ VISION

- Schools must do careful calibration while opting for an ETP
- 7- Critical Success factors for ETP adoption at schools include -
  - ETP objectives that include, raising digital competencies and the pedagogical applications of technology
  - Infrastructure compatibility
  - Teacher training & further training interventions (training design is equally vital)
  - Content design & Navigation
  - Teachers’ buy – in for demonstrating the power of technology
  - Usage monitoring
  - Review mechanism

The need of the hour for the digital classrooms is to evolve into an effective integrated technology program (ETP), for the students at all levels to form connections with what they already know and build upon it.

Source: White paper by TCE CCO, for internal use only
CONCLAVE- Principals’ Leadership Program: We have witnessed this to be an effective way of engaging with these school leaders; This has been conducted in various states in India since 2015 and we are currently associated with 2000 principals and schools.

CLASSEDGE CLASSROOM CHAMPIONSHIP- This is first of its kind of competition which showcases the work done by the teachers in the digital pedagogy space. It has been organised since 2015.

TATA BUILDING INDIA (TBI) - this is an essay writing competition started in 2006, is one of the key initiatives undertaken by the TATA Group to motivate the youth of India towards thinking about nation building. Every year, it is conducted across hundreds of schools covering lakhs of students.

Source: TCE value added initiatives at schools
THANK YOU
matific
In India
www.matific.com
Agenda

• About Matific
• Focusing on India
• Tamil Nadu & Maharashtra Government Pilots
• Lessons so far
• Austrade engagement & support
World leading **digital maths** resource

Focused on primary school market segment

B2B, selling licenses/subscription to schools

Aligned to maths curricula in 50+ countries

Content & platform localised to 30+ languages

Headquarters, Sydney Australia

Offices in India, Brasil, Argentina, USA, Israel
IS A MULTI AWARD WINNER
The **Matific** way of Learning Maths

- Hands-On
- Personalised
- Problem Solving
- Critical Thinking
Nationally, India students basic maths skills & results are poor!

% of children in government schools in Class III who can do basic subtraction.
Market **size & diverse needs**

![Pie chart showing the percentage of K-12 schools: 75% Government, 25% Private](chart.png)
Market size & diverse needs

<table>
<thead>
<tr>
<th>% share in enrollment</th>
<th>Government</th>
<th>Private</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>60%</td>
<td>40%</td>
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IS A MULTI AWARD WINNER
Tamil Nadu, Average Improvement
(Feb to April 2019)

28.5% Whole Numbers & Fractions
42.9% Arithmetic Operations
40% Measurements
38.6% Geometry
25.7% Enrichment
31.9% Data Representation & Algebra
Snapshot of Tamil Nadu Pilot

426 Teachers
21,236 Students
150 Schools

Avg. 4.9 Logins per week by teachers
Avg. 2.2 Logins per week by students
Over 680,000 Matific Activities played
Matific in Tamil Nadu!
Matific in Tamil Nadu!

www.matific.com is a multi award winner.
Lessons so far...

- Talent: need local leadership
- Relationships are key
- Brand awareness, Events & Conferences
- Pricing for India
- Knowing buying cycles
- Follow news
IS A MULTI AWARD WINNER
Questions?
Thank you!

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