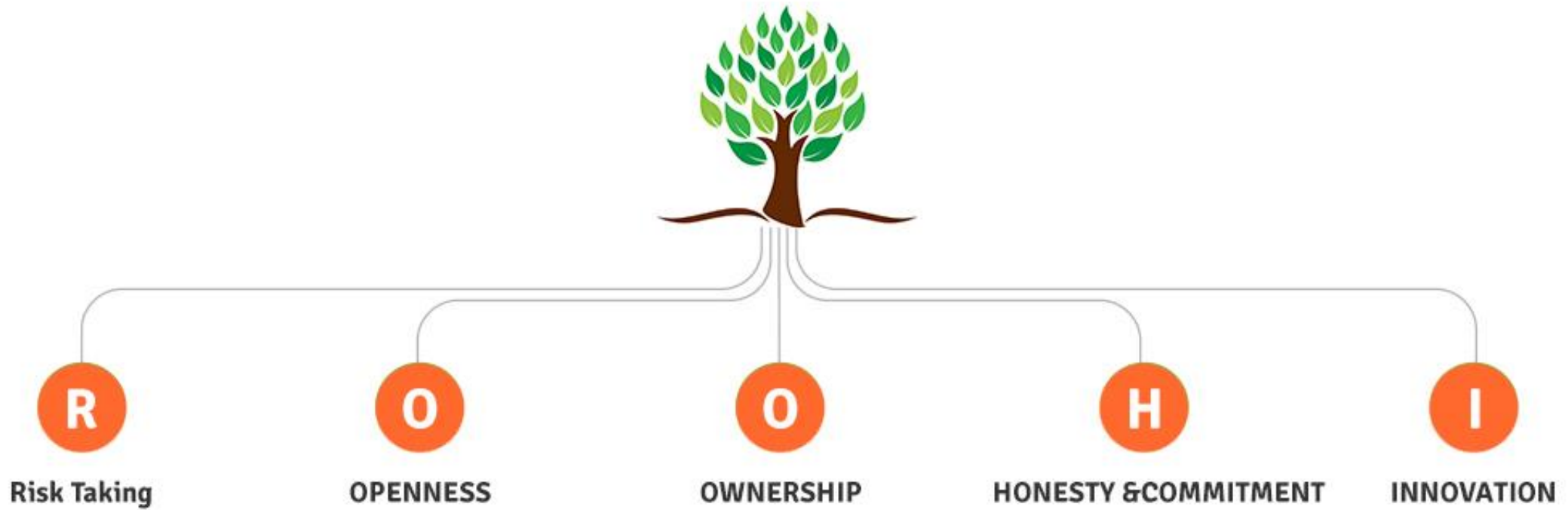




Excellence In Education. Since 1995
Q3 FY19-20 Investor Presentation

Core Values



Safe Harbor

This presentation has been prepared by CL Educate Limited (the “Company”) solely for information purposes without any regard to any specific objectives, financial situations or information needs of any particular person. This presentation and its contents are confidential and should not be copied, distributed, disseminated, published or reproduced, in whole or part, or disclosed by recipients directly or indirectly to any other person. Data and comments contained in the presentation are based on what the Company believes are a reasonable representation of its businesses.

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.

CL Educate Ltd. will not be in any way responsible for any action taken based on such data or comments or statements and undertakes no obligation to publicly update these data or comments or forward-looking statements to reflect subsequent events or circumstances.

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

Q3 FY20 means period ending Dec 30, 2019

Q3 FY19 means period ending Dec 30, 2018

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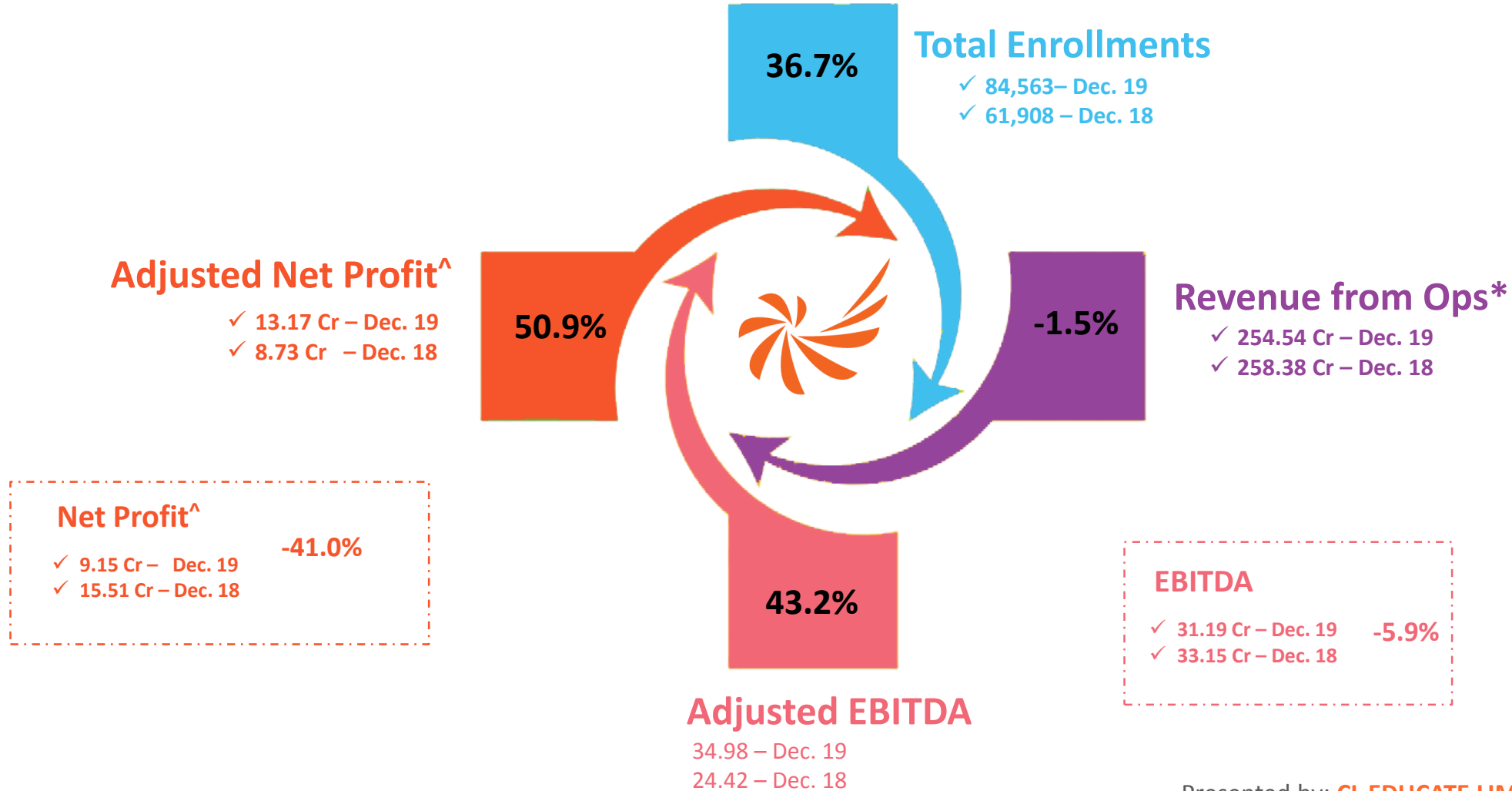


Operational
Performance



Organizational
Updates

YTD Q3 FY20 Consolidated Financial Results – Brief Snapshot



*IND AS 115 Impact [^]Continued Ops

YTD Q3 FY 2020 **Adjusted EBITDA & PAT**

Rs. In Cr.

| | YTD Q3 FY20 | YTD Q3 FY19 | % |
|------------------------------|----------------|----------------|--------------|
| EBITDA | 31.19 | 33.15 | -5.9% |
| Adjustments | | | |
| Add: IND AS 115 (Net Impact) | 0.16 | - | |
| Vocational Reversal (Net) | 3.75 | (2.13) | |
| Less: SP One-time Revenue | 0.11 | 1.80 | |
| Less: Liabilities netted off | - | 4.80 | |
| Adjusted EBITDA | 34.98 | 24.42 | 43.2% |
| Finance Cost | 6.83 | 4.76 | |
| Depreciation | 10.60 | 7.01 | |
| Adjusted PBT | 17.55 | 12.65 | |
| Adjusted PAT | 13.17 | 8.73 | 50.9% |

- ✓ Complete IND AS 115 impact taken in Q4 FY19
- ✓ SP One-time revenue of Rs 20 Lakhs per month in FY19
- ✓ FY19 Liabilities written back: ESOP + Franchise Expenses (4.8 Cr)
- ✓ IND AS 116 impact taken in FY20, will be present in all upcoming financials
- ✓ Effective Tax rate:
 - ✓ FY20: 25%
 - ✓ FY19: 31%

YTD Q3 FY 2020 Consolidated Financial Results

Rs. In Cr.

| | YTD Q3 FY20 | YTD Q3 FY19 | Y-o-Y (%) |
|-------------------------|-------------|-------------|---------------|
| Revenue from operations | 254.5 | 258.4 | -1.5% |
| Other income | 7.4 | 8.7 | -14.3% |
| Total Income | 262.0 | 267.1 | -1.9% |
| Total expenses | 248.0 | 245.7 | 1.0% |
| EBITDA | 31.2 | 33.2 | -5.9% |
| PBT (Continued Ops) | 13.8 | 21.4 | -35.6% |
| PAT (Continued Ops) | 9.2 | 15.5 | -41.0% |

| | Dec 19 | Dec 18 |
|--------------------|--------|--------|
| Basic EPS (In Rs.) | 6.46 | 10.95 |
| EBITDA Margin | 11.9% | 12.4% |
| Net Profit Margin | 4.0% | 6.6% |

FY19 and FY20 nos. are not strictly comparable due to impact of IND AS 115 and 116

Results Link: [Q3 FY20 Results](#)

YTD Q3 FY 2020 Segmental Metrics



Rs. In Cr.

| Particulars | | YTD Q3 FY20 | YTD Q3 FY19 | YoY (%) |
|-------------|-------------------------------|---------------|---------------|--------------|
| Revenue | Total Revenue from Operations | 254.54 | 258.38 | -1.5% |
| | Consumer ^ | 158.61 | 170.21 | -6.8% |
| | - Test Prep | 137.79 | 140.03 | -1.6% |
| | - Publishing* | 20.82 | 30.18 | -31.0% |
| | Enterprise ^ | 114.33 | 113.62 | 0.6% |
| | - Corporate | 96.10 | 96.18 | -0.1% |
| | - Institutional | 18.23 | 17.44 | 4.5% |

^Without Segmental Elimination

* Impacted by IND AS 115 .

Contents



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FY 2019 Operational Performance



Consumer
Business



Enterprise
Business

Consumer Operating Metrics

| Consumer KPIs | YTD Q3 FY20 | YTD Q3 FY19 |
|---|-------------|-------------|
| No. of Test - Prep Centers | 191 | 192 |
| No. of enrolled TP students | 84,653 | 61,908 |
| %age of online TP students | 48.4% | 32.8% |
| No. of books sold | 784,499 | 798,497 |
| %age of books sold to Online distributors | 22.3% | 21.4% |

| | | <i>Rs. In Cr.</i> | | |
|-------------|-----------------|-------------------|---------------|--------------|
| Particulars | | YTD Q3 FY20 | YTD Q3 FY19 | YoY (%) |
| Revenue ^ | Consumer | 158.61 | 170.21 | -6.8% |
| | - Test Prep | 137.79 | 140.03 | -1.6% |
| | - Publishing | 20.82 | 30.18 | -31.0% |

^Without Segmental Elimination

Key Highlights



SELECT THE SUBJECT OF YOUR CHOICE

₹ 49

Mechanical Engineering
Electronics Engineering.
Electrical Engineering.
Computer Science and IT.
Civil Engineering.
Instrumentation Engineering.

Digital & Sachet Biz – Powering Growth

- Digital Biz grew 30% (Y-o-Y)
 - Sachet programs – pilots launched : ~24,000 Students
 - GATEflix : ~17,000+ products sold in YTD Q3 FY20
 - AI / ML internships – Intel & AICTE; ~7,800 Students
- Growing volumes/Market share, Higher EBITDA, Digital Biz.
- MBA & Law shows growth in increasingly competitive markets
- IPM & Engg.-Medical showing high growth



Capacity Building for Institutions through aspiration.ai

Machine Learning Internship

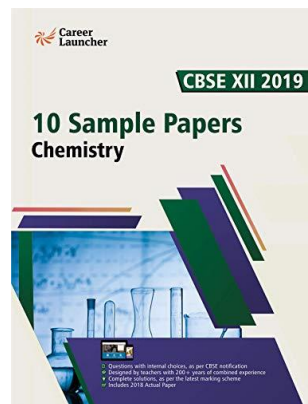
Machine Learning is one of the fastest growing fields in the world today and a Machine Learning Internship opens hitherto unknown opportunities for the participants.

This is what you will get from the AICTE endorsed Machine Learning Internship - A Chance to Transform your Career.

Duration: 8 weeks Mode: Online [Join Forum](#) [WhatsApp](#)

Endorsed by  Software & Training Partner 

Key Highlights



Publishing - Snapshot

- Overall market slowdown coupled with IND AS 115 has reduced the topline
- Higher returns taken due to change in e-commerce environmental conditions
- Core BAU Biz:
 - Overall job market indicating a slowdown including Technical Jobs
 - GATE Test takers down ~36% from 2015 highs
- Steps taken to combat the slowdown:
 - Reduced printing of new books
 - Repair & Churn old stock
 - Focus on collections

YTD Q3 FY 2020 **Operational Performance**



Consumer
Business



Enterprise
Business

Enterprise Operating Metrics

| Particulars | | YTD Q3 FY20 | YTD Q3 FY19 | YoY (%) |
|-------------|-------------------|---------------|---------------|-------------|
| Revenue^ | Enterprise | 114.33 | 113.62 | 0.6% |
| | - Corporate | 96.10 | 96.18 | -0.1% |
| | - Institutional | 18.23 | 17.44 | 4.5% |

^Without Segmental Elimination

- ✓ Corporate:
 - International business growth : 2.2x; Domestic revenue flat
 - Focus on making existing client revenue wider & deeper, besides opening new locations

- ✓ Institutional:
 - Partnerships with several big players – IBM, NMIMS & IIT-K
 - Key Focus:
 - Improve Collection; Upselling existing customers
 - Expanding monetizable inventory especially in Digital / Electronic space

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Performance



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RESEARCH. INNOVATION. GROWTH

MELTINGPOT2020

A global platform that brings together the entire innovation ecosystem for collaboration and growth.



MELTINGPOT2020



INDIA



JAN 17, 2019
BENGALURU

UAE



MAY 03, 2018
UAE

MAURITIUS



FEB 14-15, 2020
MAURITIUS

SILICON VALLEY



OCT 17, 2019
SILICON VALLEY



<https://www.meltingpot2020.com/>

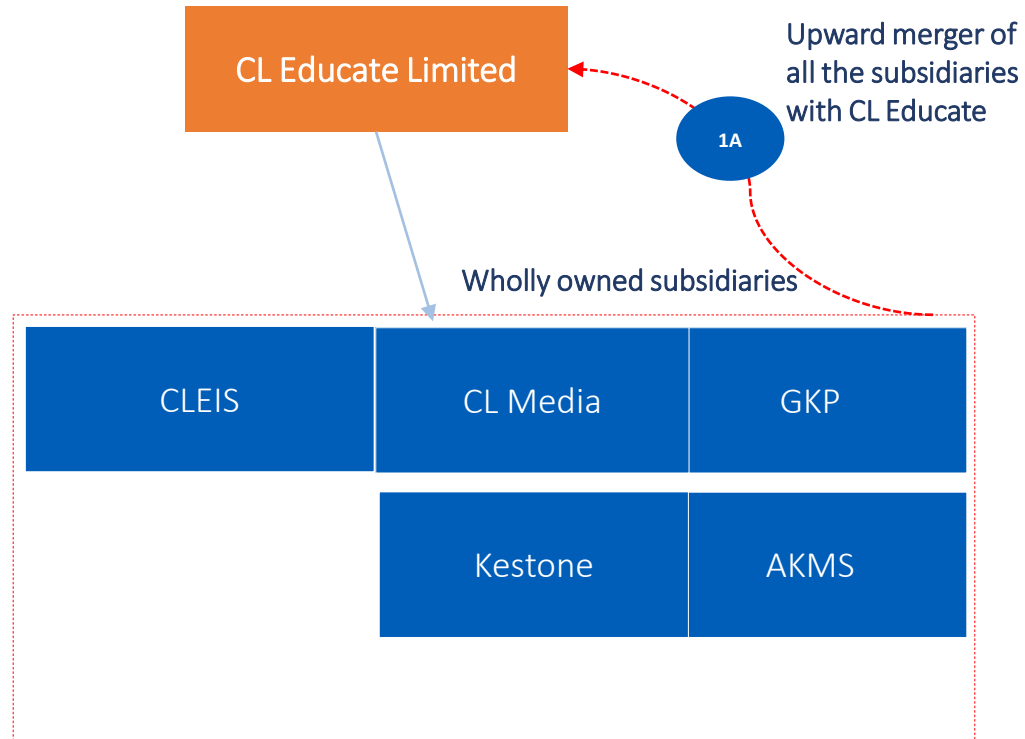
Organizational Updates

- ✓ Merger: NCLT – Creditors & Shareholders meeting done.
 - ✓ Second motion filing : This week
 - ✓ Second motion hearing: Mid-March

- ✓ Strengthening International presence in Middle East & Africa through inorganic & organic steps
 - ✓ ICMA – Oman
 - ✓ CL Educate Africa

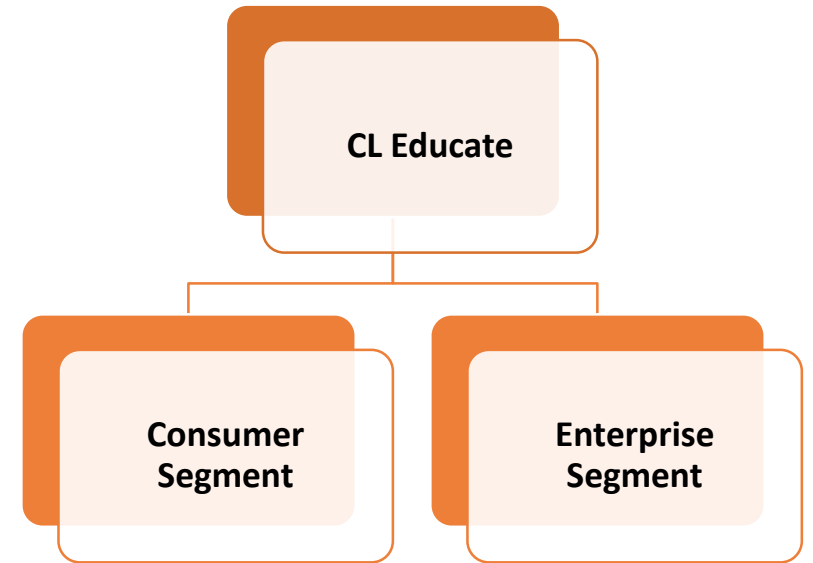
Merger Scheme

Pre-Merger Organization Structure



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

Post-Merger Organization Structure





Thank You

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WISDOM IR

Ajay Jindal: ajay@wisdomsmith.com

Nirjhar Gupta: nirjhar@wisdomsmith.com

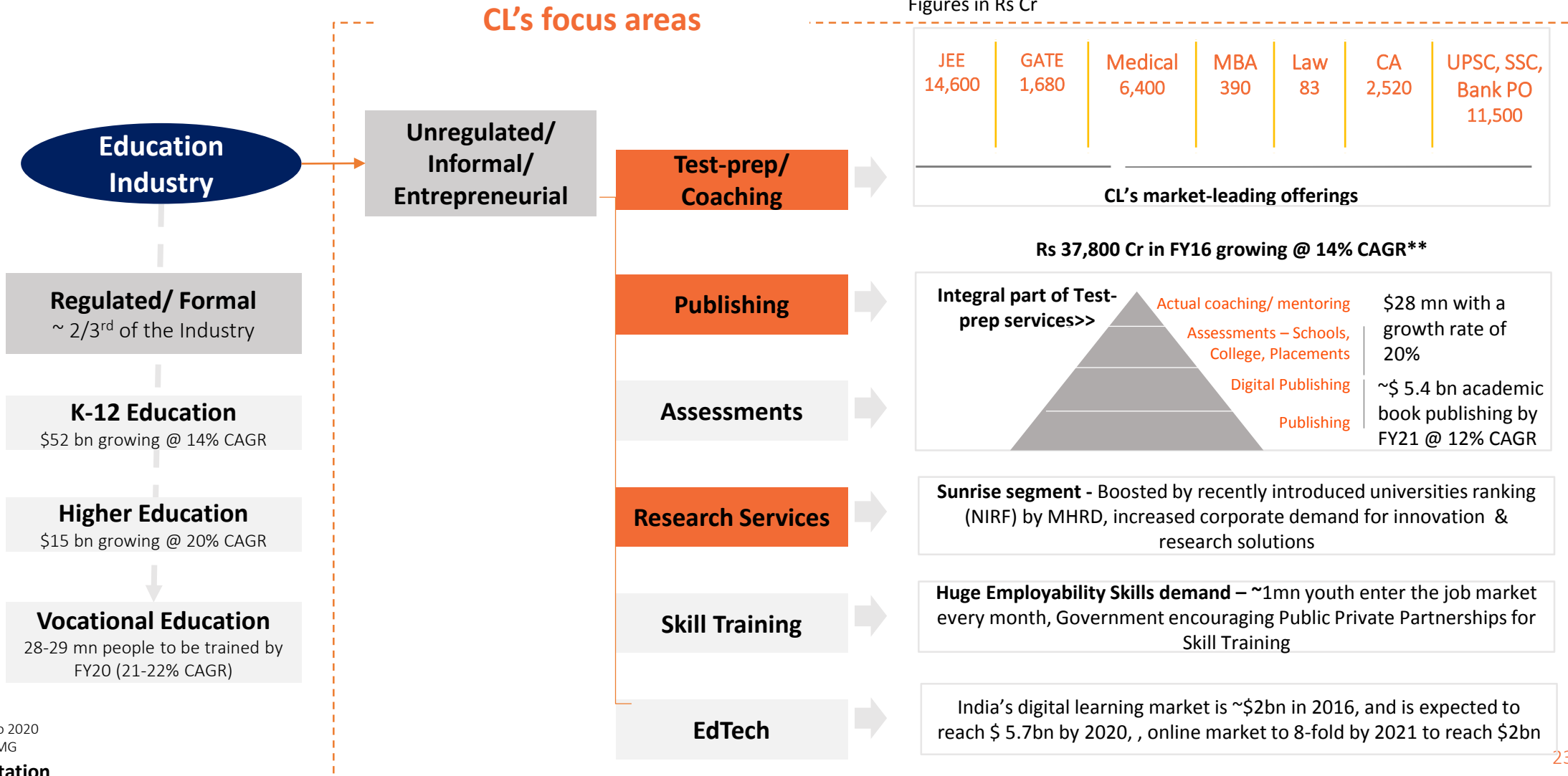
Annexures

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

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

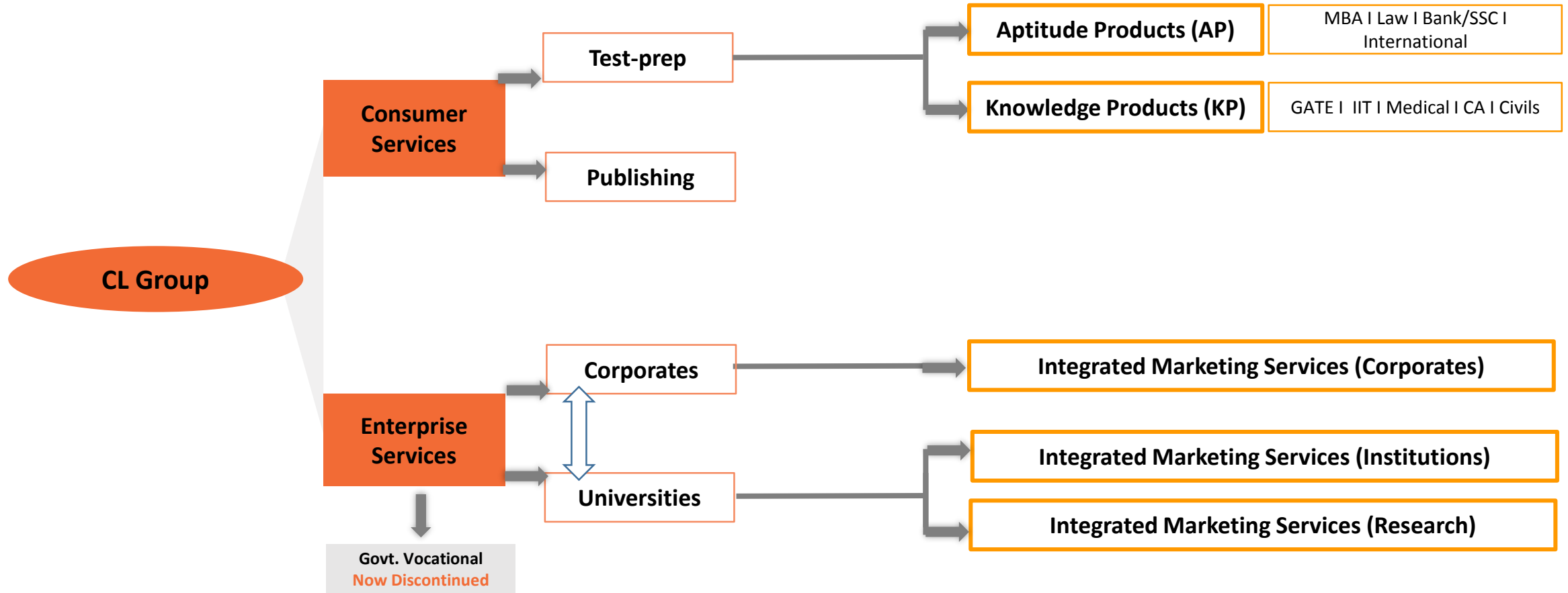
7.2% GDP Growth expected in the \$2.2 trillion Indian economy in FY18 (IMF)

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



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

Comprehensive product portfolio in Knowledge & Career Services



CL Educate Ltd



GK Publications Pvt. Ltd



Kestone Integrated Marketing Services Pvt. Ltd

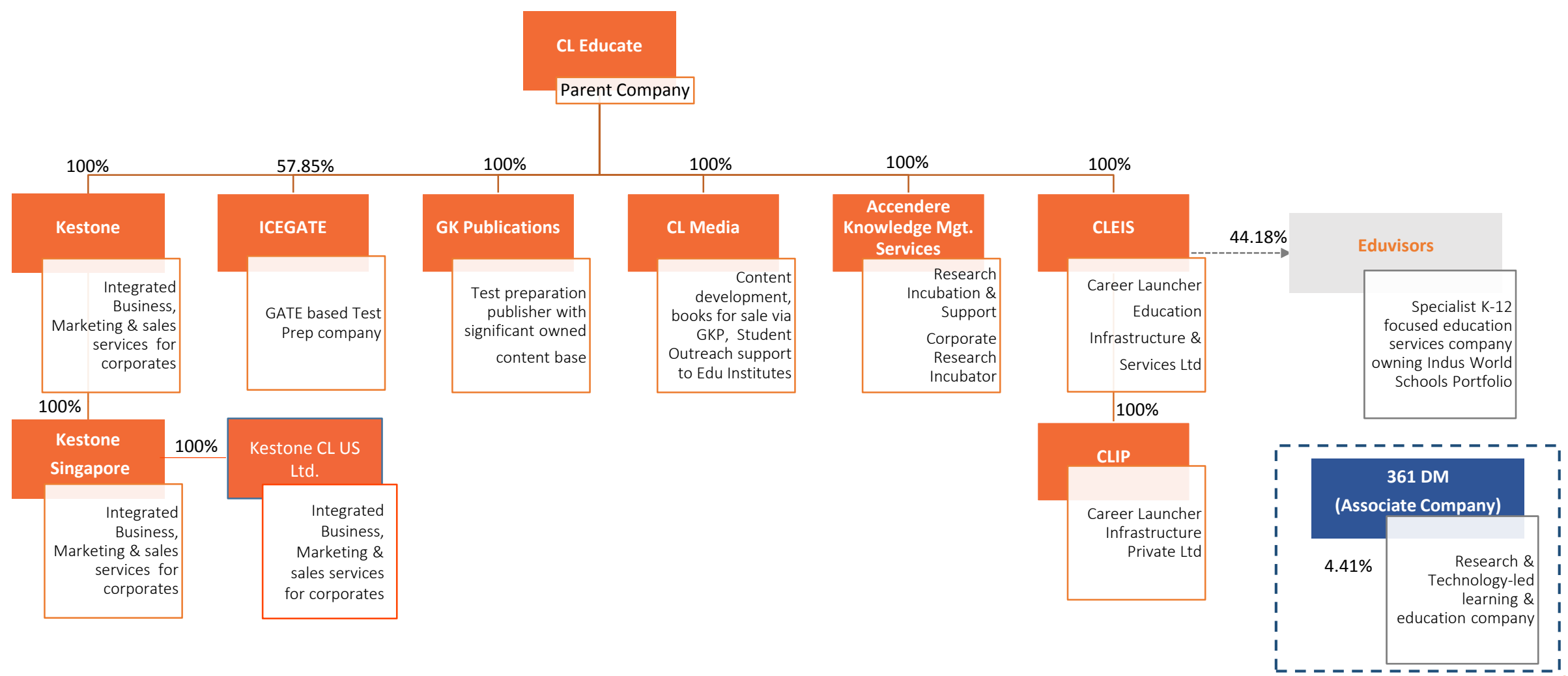


CL Media Pvt. Ltd



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

CONSUMER

ENTERPRISE

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

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...



ACCENDERE
Enlightenment Guaranteed
Institutional R&D platform for schools/colleges

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



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

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 | BUSINESS SEGMENT | PRODUCTS | BRANDS |
|--|------------------|--------------------|--|
| <ul style="list-style-type: none"> Strengthen Market Share, growth and profitability Strategic Entry into large addressable, scalable segments | CONSUMER | Civil Services/ CA |  |
| | | GATE |  |
| | | IX-XII (Maha) |  |
| | | Campus Training |  |
| <p>YARDSTICKS</p> <ul style="list-style-type: none"> Return of Investment in 3 – 4 years Post return, RoCE @ 20% | ENTERPRISE | Research |  |

Capital Deployed since April 2017 – 22 crs

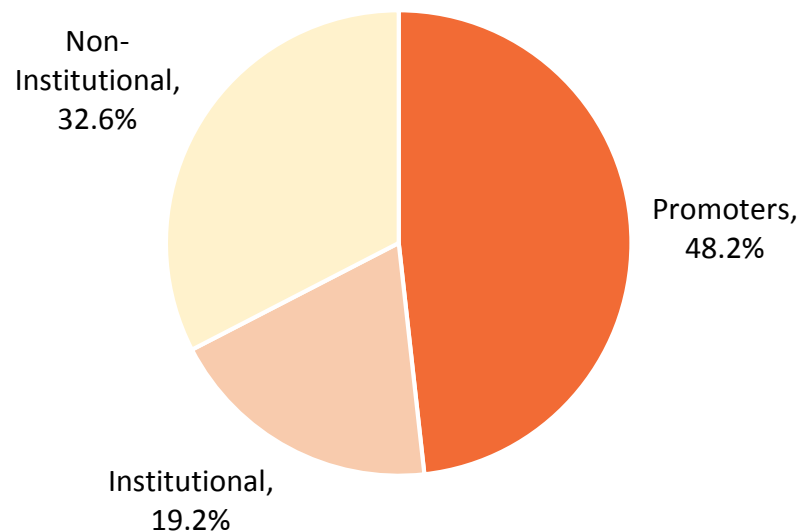
(FY 2018) 7,500 students, 26 crs Revenue, (4) crs EBITDA

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

Shareholding Pattern

Outstanding Shares (Dec 31, 2019)
14,165,678

Key investors



| Investors | Shareholding % |
|--|----------------|
| GPE (INDIA) LTD / GAJA TRUSTEE COMPANY PRIVATE LIMITED | 8.45 |
| SUNDARAM MUTUAL FUND A/C | 6.16 |
| ARJUNA PTE LTD. | 5.03 |
| HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED | 4.19 |
| DSP SMALL CAP FUND | 1.92 |
| BNP PARIBAS ARBITRAGE | 1.64 |
| ASHOKA PTE LTD | 1.29 |