

ASX Announcement | 19 March 2020

## OpenLearning Partners with Alibaba Cloud to Capture Significant Mainland China Online Education Opportunity

### Investment highlights

- Partnership with internet giant Alibaba Cloud to enable OpenLearning to offer students in mainland China high-speed access to online courses through OpenLearning's platform
- First online education platform in Australia to utilise Alibaba Cloud's technology for this purpose, providing OpenLearning with a key competitive advantage
- Over 10,000 unique learners in mainland China have taken courses on OpenLearning already
- Significant increase in interest from education providers in utilising OpenLearning's platform to deliver online courses, degrees and micro-credentials to students in mainland China
- Very well positioned to take advantage of the increased need for platforms to deliver online education due to travel constraints and already has over 62 clients and 1.74m learners globally
- OpenLearning is hosted with Microsoft Azure in Australia and has ensured that it meets all data sovereignty and security requirements while delivering to students in mainland China

Sydney, Australia, March 19, 2020: Higher education software as a service (SaaS) company **OpenLearning Limited** ('OpenLearning' or 'the Company') is pleased to announce that it has entered into a partnership with Alibaba Cloud, the data intelligence backbone of internet giant Alibaba Group (NYSE:BABA).

OpenLearning's partnership with Alibaba Cloud will ensure high-speed access to its online courses in mainland China in a compliant manner, where the Company has over 10,000 unique learners and sees an opportunity to increase revenue by being a gateway into the market for education providers.

OpenLearning is the first online learning platform to partner with Alibaba Cloud in Australia for DNS Acceleration, solving a critical problem for universities and colleges globally, who are now delivering more courses online and have found that most platforms are substantially slower in mainland China, providing OpenLearning with a strong competitive advantage.

Alibaba's DNS Acceleration service was implemented for OpenLearning within just one week with zero downtime to existing users. The service speeds up access to OpenLearning via a direct fibre cable connection that runs from across specific regions in Asia.

### Australian universities to increase use of online delivery

OpenLearning is attracting interest from education providers around the world who are exploring the design and delivery of online courses as a result of the recent travel restrictions imposed due to the outbreak of the coronavirus (COVID-19) global pandemic.

The restrictions have prevented a substantial number of international students from entering Australia before the start of the 2020 academic year. In particular, universities are looking to use learning

platforms accessible from within mainland China, which is the largest source country for international students globally and where many of the affected students are based.

In a statement issued on 3 March, an NSW-based university said that it is facing a shortfall of more than \$200 million due to COVID-19. On 13 March, that same university announced that events hosted on its campuses, including graduations, will be cancelled. Staff are now being encouraged to progressively move ‘as much teaching as possible’ online for the duration of the pandemic and other universities that are facing similar situations are considering varying degrees of shutdown.

To alleviate the loss of revenue, education providers are turning to micro-credentials, which can be used to deliver a portion of a degree to students anywhere in the world, generate new revenue from working professionals and provide large scale student support to off-campus students.

### **Key benefits of the OpenLearning platform**

OpenLearning is ideally-placed to support education providers as they explore online learning as a means of delivering both accredited and non-accredited courses in Australia, China and worldwide.

The Company’s combination of a scalable cloud learning platform, professional services and education marketplace enables it to provide a complete solution tailored to an education providers’ needs:

- **Deliver their undergraduate and postgraduate courses online** via its scalable cloud learning platform to international students to continue with their studies as planned;
- **Diversify their revenue streams** through the delivery of university or higher education provider branded short courses and micro-credentials to bridge the skills gap for working professionals;
- **Diversify their sources of international students** by raising their brand awareness in Southeast Asia by leveraging OpenLearning’s database of 1.74m learners;
- **Secure the pipeline of international students in 2021** by offering university foundation year programs online, offshore and in-country through partners; and,
- **Increase engagement of international students** by offering large-scale language and enrichment courses to support students at both regional and urban higher education campuses.

Although OpenLearning uses Alibaba Cloud increase the speed of access for students in mainland China, it will continue to be hosted on Microsoft Azure’s cloud in Australia. The Company’s Australia-based hosting and a range of other measures ensure that it meets all data sovereignty and security requirements for Australian universities.

**Alibaba Cloud Australia and New Zealand General Manager, Raymond Ma said:** “We are proud to be working with OpenLearning, an innovative company that is changing how people learn globally. Our cloud solution ensures high-speed access to all of OpenLearning’s online courses in mainland China and will help learners to advance their studies during these challenging times. We look forward to continuing our support of OpenLearning through this partnership.”

**OpenLearning Group CEO & Managing Director Adam Brimo said:** “We are very pleased to partner with Alibaba Cloud to greatly improve the performance of OpenLearning in mainland China – benefiting all our clients and providing us with a strong competitive advantage. Based on the current data, universities worldwide will suffer a multi-billion-dollar combined revenue loss due to COVID-19 from the decline in international student enrolments and campus closures. This is a very challenging time for the sector, students and society – our hearts go out to all those impacted.”

“We believe that OpenLearning is well-positioned to support higher education providers by providing a platform to design and deliver high quality courses to students worldwide – protecting their core business and enabling them to generate new revenue through short courses and micro-credentials.”

**Authorised by:**

Adam Brimo  
Group CEO & Managing Director

**Ends.**

**Stay up to date with OpenLearning news as it happens:**

Visit the Investor section of the OpenLearning website at: <https://solutions.openlearning.com/investor-home/>. There you can download the Company’s Prospectus and see recent ASX Announcements and press coverage.

In addition to signing up for OpenLearning news directly from the Company, we also encourage shareholders to register to receive electronic communications from our share registry, Automic. To sign up for e-communications from Automic, please visit <https://www.automicgroup.com.au/>.

Thanks for your ongoing support. We look forward to sharing OpenLearning news with you.

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**About OpenLearning**

OpenLearning Limited is a software as a service company that provides a scalable online learning platform to education providers and a global marketplace of world-class courses for learners of all levels.

OpenLearning’s platform enables the delivery of project-based, social learning to encourage interaction among users and foster a community of collaborative learners. The company’s unique service provides a complete learning environment for all types of online education - from short courses through to micro-credentials and online degrees.

With more than 1.74 million learners worldwide across over 7,900 courses provided by 62 education providers, OpenLearning is at the forefront of a new wave of online education delivery.

To learn more, please visit: <https://solutions.openlearning.com/>