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KNeoMedia Limited (ASX:KNM)
Annual General Meeting
November 2017

WELCOME FROM YOUR BOARD AND OFFICERS



James Kellett

Executive Chairman & CEO



Jeff Bennett

Non-Executive Director



Frank Lieberman

Executive Director – NY



Sophie Karzis

Company Secretary



Sylvia Chong

Chief Financial Officer

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Corporate overview		ASX Code KNM	
Shares on issue ¹	~553M	Options on issue	~67M
52 week high (\$/share)	\$0.096	52 week low (\$/share)	\$0.010
Market Cap (at 9 cents per share) ¹	~\$49.8M	Debt - Convertible Notes	\$0.125M
Cash & Receivables ¹	\$4.5M	Note 1 Pro-forma post \$3.85M placement announced 20 October 2017	

FY 2017 WAS A TRANSFORMATIONAL YEAR

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WE SIMPLIFIED OUR BUSINESS AND REVENUE MODEL:

- Rationalised our offering to focus on a direct-to-schools sales model
- Well understood and universal pricing model - US\$50.00 per student per licence



WE SECURED FUNDING SUPPORT FROM DISTRICT 75 NYC DEPT. OF EDUCATION:

- A key catalyst that has underpinned our growth



WE COMMENCED THE ROLL OUT OF OUR CONTENT TO NEW YORK CITY PUBLIC SCHOOLS:

- An initial 6,700 Seat Licences sold in late FY2017 – 4,200 sold in the last 4 weeks of the year



WE CONTINUED TO INVEST IN OUR CONTENT:

- Ongoing development of games-based content and characters to ensure continued relevancy

KNEOMEDIA TODAY



ONLINE EDUCATION PUBLISHER

- Content sold direct to schools – not consumers
- K-12 content incl. Special Needs, AIS and ESL
- Being sold into NY public schools now



FUNDING CHANNELS IN PLACE

- NY City Education Department
- US Foundations (charities/endowments)



PROVEN CONTENT

- Highly regarded with leading US educators
- Over 24 episodes & 120 learning challenges
- Inbuilt analytics monitor individual student skills



SIMPLE REVENUE MODEL

- Annual subscription of US\$50 per student
- Subscriptions non-transferable
- SaaS sales and renewals platform



ESTABLISHED AND GROWING MARKETS

- Selling into NY Public Schools now
- Targeting wider US, Philippines and Australia
- 14,500 licences sold to date and growing rapidly



PROVEN SECTOR EXPERTISE

- Experienced team in place in NY
- Backed by committed Educators
- Well networked in US education market

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OUR EXPANSION OUTSIDE OF NY CITY HAS STARTED

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BROADER US MARKET

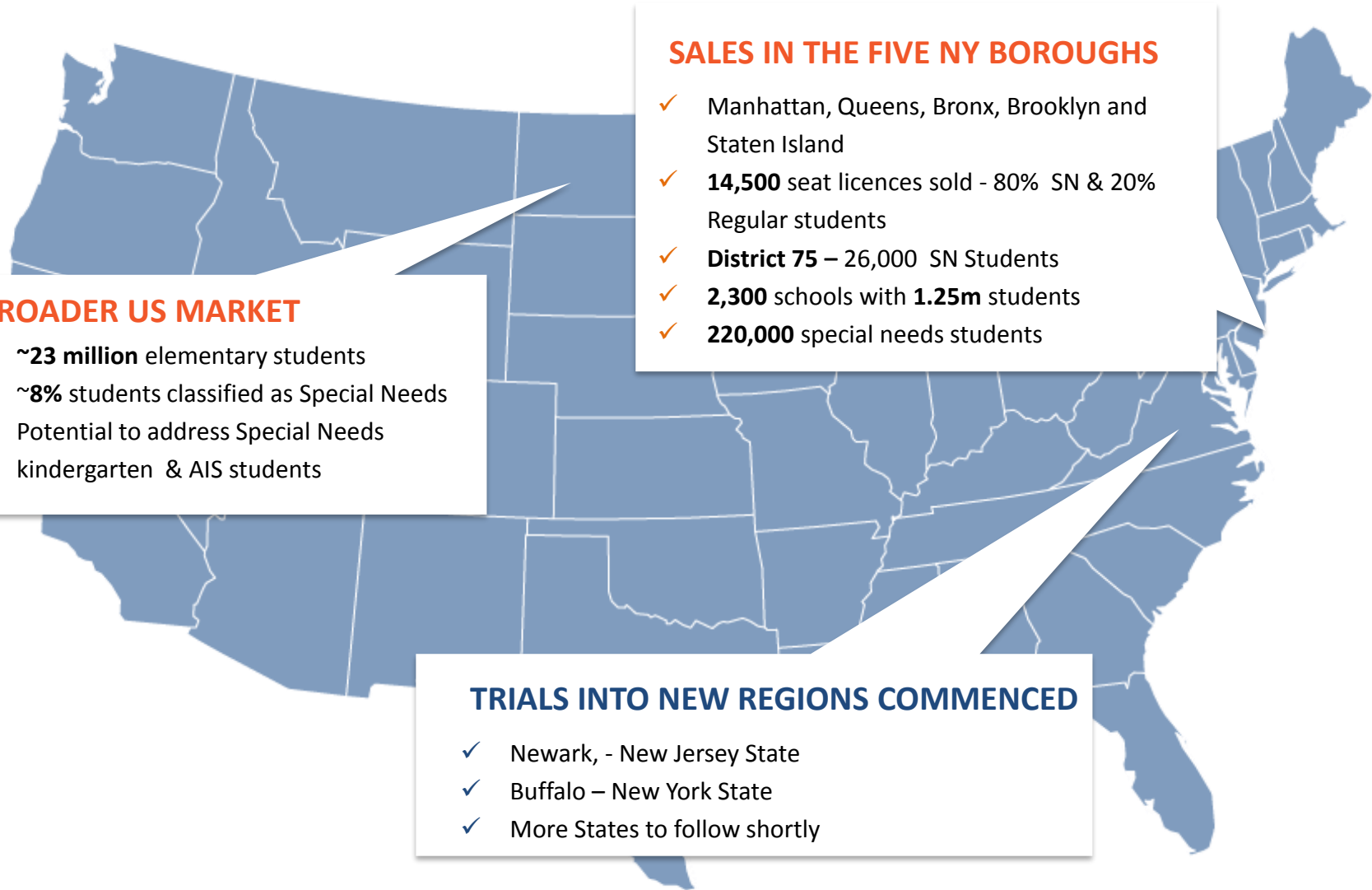
- ✓ ~23 million elementary students
- ✓ ~8% students classified as Special Needs
- ✓ Potential to address Special Needs kindergarten & AIS students

SALES IN THE FIVE NY BOROUGHES

- ✓ Manhattan, Queens, Bronx, Brooklyn and Staten Island
- ✓ **14,500** seat licences sold - 80% SN & 20% Regular students
- ✓ **District 75** – 26,000 SN Students
- ✓ **2,300** schools with **1.25m** students
- ✓ **220,000** special needs students

TRIALS INTO NEW REGIONS COMMENCED

- ✓ Newark, - New Jersey State
- ✓ Buffalo – New York State
- ✓ More States to follow shortly



WE ARE BACKED BY THE MOST EXPERIENCED TEAM

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Dr Mary McInerney
Special Needs Educator
Advisory Board USA



Jeff Huart
Special Needs
Education Expert USA



Elizabeth Haukaas
Director of Corporate
Communications USA



Prof Laurie O'Donnell
Learning and Curriculum
Development Consultant



Damian O'Sullivan
Director of Strategic
Relationships AU/Asia



Assoc Prof Dr. Wee Hoe Tan
Game-based Learning
Consultant

NYC DISTRICT 75 SUPPORT IN ALL 5 BOROUGHS OF NEW YORK:

- 26,000 SN Students – 18,000 employees – 364 campuses across 60 schools
- Approved budget allocation for deployment of KNeoWorld programs

EDUCATIONAL SUPPORT:

- Supported by the United Teachers Federation & the Council of Superintendents and Administrators
- Highly Experienced Educators

POLITICAL SUPPORT:

- Keith Wright Chairman, Manhattan Democratic Party & a growing number of Borough and State Politicians

VALIDATION:

- Licenced Vendor NYC Department of Education
- Supported by Johns Hopkins University Centre for Technology in Education
- Approved budget allocation NYC DOE district 75

KNeoMedia's REPUTATION IN THE US IS EXCELLENT

"Johns Hopkins University Center for Technology in Education is committed to expanding the impact of game-based learning for students of all ages and abilities. We are delighted to be working with KNeoWorld to develop an instructional framework that maximizes the education and assessment opportunities of game-play. We especially like the KNeoWorld format of educating through engaging games and characters."

Jacqueline A. Nunn, EdD
Professor and Associate Dean, Johns Hopkins University
Director Johns Hopkins University Center for Technology in Education

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THE POWER BEHIND OUR PLATFORM

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ENGAGE

- Dramatic improvement in behaviour of concern
- Reduction in OH & S issues in schools
- Proven technology-based learning content
- Designed to challenge students of all ages and ability



EDUCATE

- Improved engagement provides education opportunities
- Numeracy, Literacy, Memory, Reasoning, Art, Science
- Huge content pool in place and regularly enhanced



ASSESS

- Proprietary Educators Analytics & Reporting Dashboard
- Educators can track performance in real time



STRONG MOMENTUM CONTINUING IN FY2018

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- 7,800 NEW SEAT LICENCES SOLD SINCE 1 JULY:**
- Momentum continues to build in New York City
 - Considerable interest building in NY, other states and Federally



- SOLID FINANCIAL PLATFORM:**
- Now well funded to drive growth with ~\$4.5 million cash & receivables and growing revenue streams
 - Low cost base remains largely fixed and will decrease as % of increasing sales



- WE HAVE ADDED CONSIDERABLY TO OUR TEAM IN NEW YORK AND AUSTRALIA:**
- Advisory Board strengthened
 - Damian O'Sullivan appointed to spearhead Australian and Asia growth



- TECHNOLOGY INVESTMENT TO FACILITATE STREAMLINED SALES AND RENEWALS PROCESS:**
- SaaS platform established to ease sales bottlenecks - online registration & activation
 - Will help deliver high levels of renewal retention

NEAR-TERM VALUE DRIVERS SUMMARY

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MORE SEAT LICENCE SALES IN NEW YORK ARE PENDING – 14,500 IS JUST THE START

FURTHER STRENGTHENING OF US ADVISORY BOARD TO UNDERPIN FEDERAL GROWTH CHANNELS

BROADER US ROLL-OUT ANTICIPATED – TRI-STATES, OTHER USE STATES

COMMENCED DEPLOYMENT IN AUSTRALIA – FIRST TRIAL INITIATED

PHILIPPINES MARKET ENTRY IS ADVANCING WELL

WE MAKE A DIFFERENCE



**We are making a difference school by school,
classroom by classroom, student by student**

While striving to deliver superior shareholder returns, our recent success has been built on worthy and ethical business objectives. These worthy endeavours drive our team and are the foundation of what will be our continued success in the special needs educational market in the future in the US and other regions.

Thank You For Attending

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James Kellett
Exec. Chairman & CEO
15th November 2017

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