



UCW

LIMITED

ASX:UCW

FY16 UPDATE

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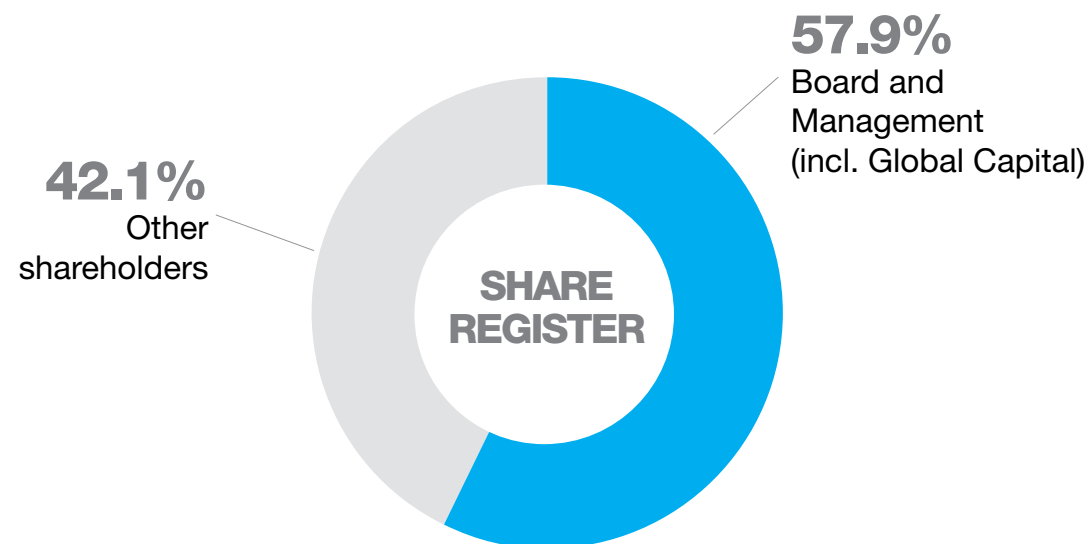
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ABOUT UCW

- 1.** Fee-for-service education provider with focus on the international student market
- 2.** Strategy to grow through acquisition and organic development
- 3.** Positive thematic of international exports and ongoing privatisation of education sector
- 4.** Experienced board with track record in education and corporate development

	Number	% Diluted
Ordinary shares	296,642,396	76.8%
Options exercisable at 4c per share, expiring 30 June 2018	18,750,000	4.9%
Options exercisable at 6c per share, expiring 30 June 2018	70,774,115	18.3%
Fully diluted	386,166,511	100.0%
	\$m	
Market capitalisation at 4.6 cents per share	13.6	
Cash balance as at 30 June 2016	8.8	



Executive

Adam Davis
Chief Executive Officer

Lyndon Catzel
Chief Financial Officer

Non-Executive

Gary Burg
Non-Executive Chairman

Peter Mobbs
Non-Executive Director

Jonathan Pager
Non-Executive Director

Michael Pollak
Non-Executive Director

- Seed operating business Australian Learning Group acquired 24 March 2016 for \$8.5m*
- Undertaking multiple investment initiatives to scale ALG
- Actively pursuing further acquisition opportunities

* Of which \$3.5m is payable November 2016, subject to review of FY16 Normalised EBITDA by the vendors of ALG

- Acquired 24 March 2016
- Vocational education provider with circa 870 international students as at 31 August 2016 and fee-for-service domestic offer
- Offers Fitness, Sports Management, Massage Therapy and Dance Teaching courses
- Quality provider with low risk rating
- National campus footprint – Sydney, Melbourne, Brisbane, Perth
- International student growth of ~26% p.a. over past 3 years
- Strong management team, aligned with equity

International student offering

- Represents approx. 85% of revenue
- Key driver is student enrolments
- 80% recruited through agents (paid commission), remainder direct
- Diverse source countries, majority low risk
- Campus based, 20 hours per week
- Payment in advance results in negative working capital

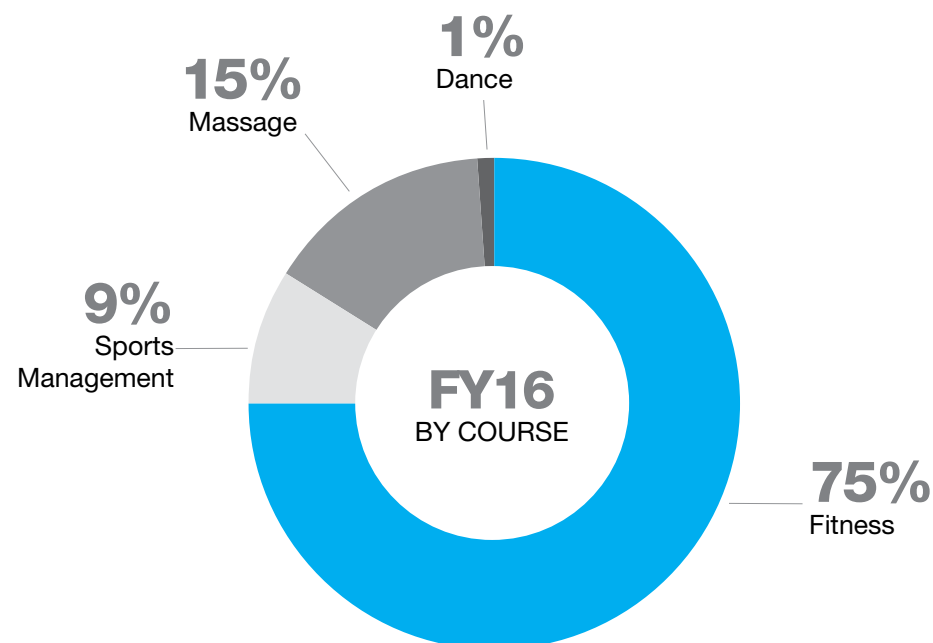
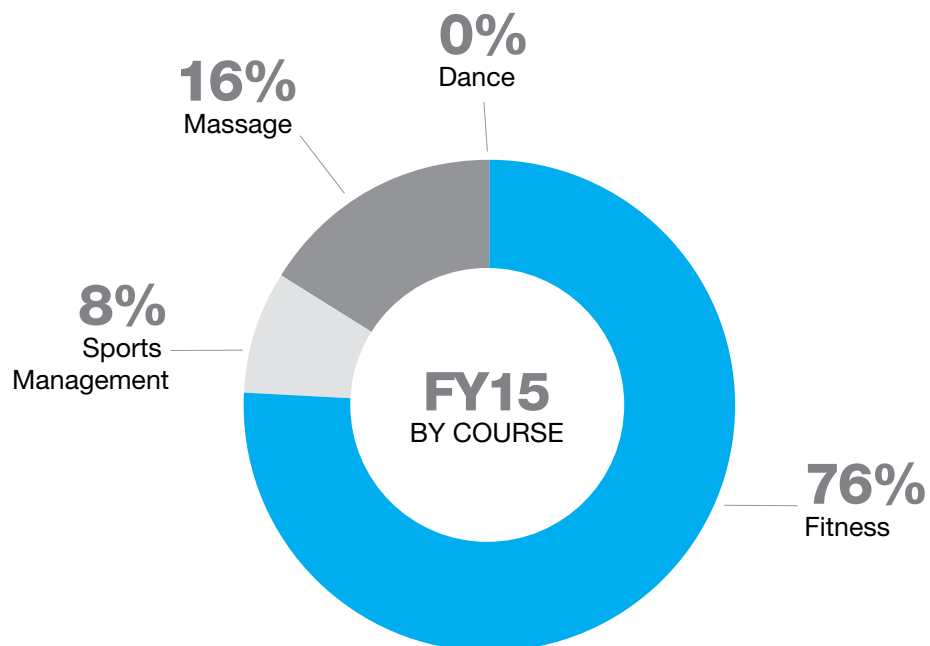
Domestic student offering

- Approx. 15% of revenue
- Self-paced distance education
- Distributed direct and through resellers
- Majority sold on payment plans
- Low cost of delivery
- Strong competition from VET FEE-HELP providers

Clear growth path by adding new courses, agents, and campus expansion

INTERNATIONAL ENROLMENTS

Enrolments by field of study



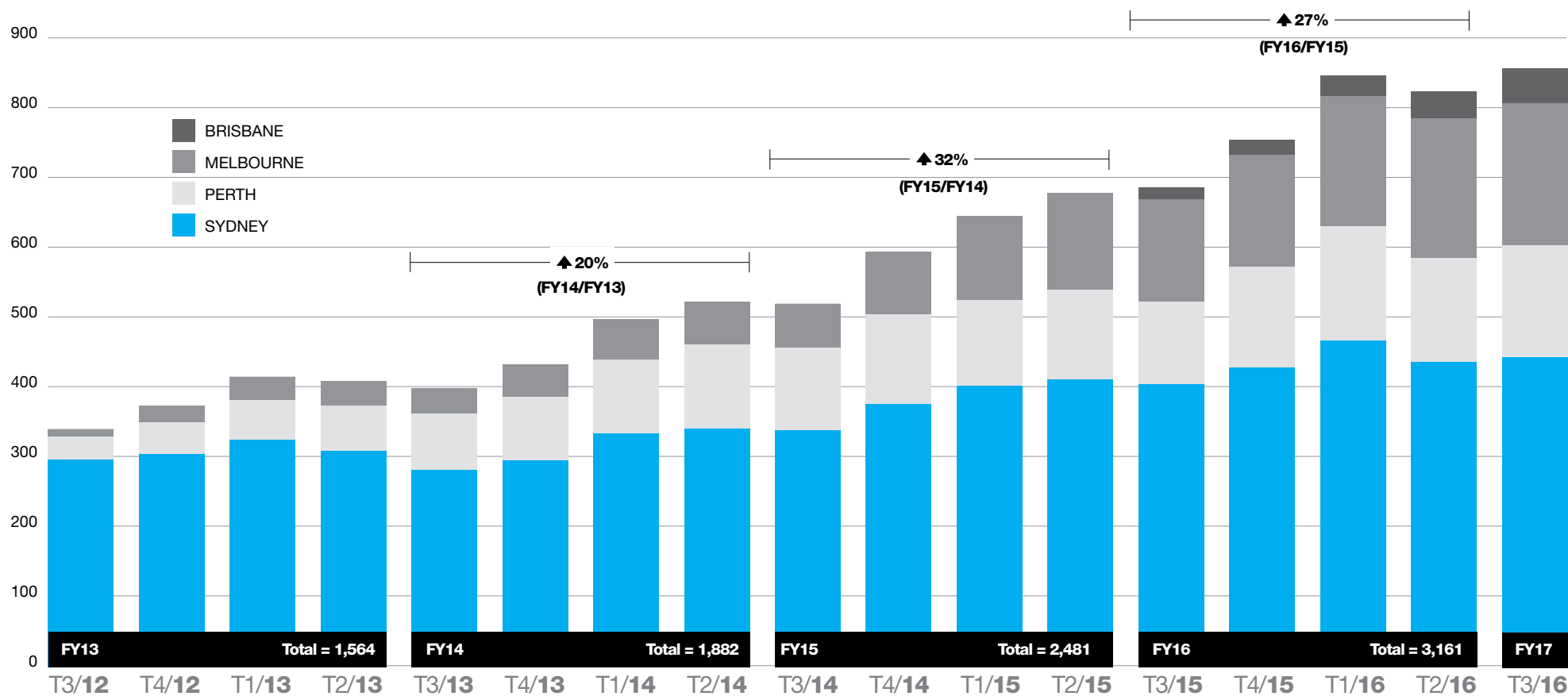
Course offering by campus

	T3'15			
	Fitness	Sports Management	Massage	Dance
Sydney	✓	✓	✓	-
Perth	✓	✓	-	-
Melbourne	✓	✓	-	-
Brisbane	✓	-	-	-

	T3'16			
	Fitness	Sports Management	Massage	Dance
Sydney	✓	✓	✓	✓
Perth	✓	✓	✓	-
Melbourne	✓	✓	✓	✓
Brisbane	✓	-	✓	-

INTERNATIONAL ENROLMENTS

Enrolments by term, by campus



- ALG acquired and consolidated from 24 March 2016
- Consolidated statutory loss of \$9.3m, largely attributable to write-off of goodwill on acquisition of ALG, capital raising and ALG acquisition costs
- ALG FY16 Normalised EBITDA* of \$1.7m
 - Earn out amount of \$3.5m** payable November 2016, taking total consideration to \$8.5m = 5 x FY16 Normalised EBITDA
- Deferred income at 30 June 2016 of \$2.1m - majority to be recognised in FY17
- Cash at 30 June 2016 of \$8.8m (prior to payment of the ALG earn out amount)

* As defined in Share Sale Agreement, which includes cash basis of recognition of international student revenue

** Subject to review of FY16 Normalised EBITDA by the vendors of ALG

- Actively pursuing acquisition opportunities
- International student focus - market growing at circa 13%* p.a.
- >\$5m surplus cash balance (post ALG earn out amount) and no debt
- Focus on established providers with a clear growth path
- Targeting 3 - 5 times EBITDA
- Recently appointed CFO to build corporate team
- Investing in systems to scale and improve operating business and integrate acquisitions

* Dept and Education and Training, Monthly Summary of International Student Data, June 2016

BOARD AND EXECUTIVES

Adam Davis Chief Executive Officer

Adam Davis has extensive experience in the education sector, having founded and then acted as Chief Executive Officer and Managing Director of ASX-listed Tribeca Learning Limited. The company was acquired in 2006 by Kaplan, Inc., a division of NYSE-listed The Graham Holdings Company (formerly The Washington Post Company), to form the foundation of its Australian operations.

Under Adam's stewardship, Tribeca Learning acquired and integrated numerous education businesses servicing the Australian financial services sector, consolidating a fragmented market and creating the leading national provider. Tribeca Learning offered a broad range of accredited courses and continuing education programs and its customers included most of the major financial institutions in Australia.

Adam holds a Bachelor of Applied Finance degree from Macquarie University.

Lyndon Catzel Chief Financial Officer

Lyndon is a financial management professional with over 20 years' financial, operational and strategic experience. Prior to joining UCW, Lyndon was the CEO of Unity Fund Services, one of Australia's leading fund accounting businesses, which he joined in 2011. Prior to that, Lyndon gained experience in three fast-growing private equity backed businesses as CFO/COO. He has a proven track record of financial management, capital raising, development of management teams, implementation of procedures and strategy execution. Sector experience includes financial services, healthcare, software, wholesale distribution and construction.

Lyndon started his career in Deloitte's Assurance and Advisory Division before moving to its Corporate Finance Division and then moved to SG Hambros (the Mergers & Acquisitions division of Societe Generale).

Lyndon is a Chartered Accountant and holds a Bachelor of Economics (Finance and Accounting) from the University of Sydney.

Gary Burg Non-Executive Chairman

Gary has been involved with the broader Global Capital Group since 1995 in South Africa and in Australia since 2001. In Australia, Gary has been involved in a number of businesses across a range of sectors including life insurance, financial services and education. Gary is currently a director of Clearview Limited and Global Capital Holdings (Australia) Pty Limited, which is the investment manager of the recently established Global Capital Principal Investments business in Australia. He is a former director of (and investor in) 3Q Holdings Limited and South African listed Capital Alliance Holdings Limited (which owned Capital Alliance Life Limited and Capital Alliance Bank Limited). Gary is also a former director and investor in Prefsure Life Limited and Insurance Line.

Peter Mobbs Non-Executive Director

Peter led the private equity backed merger of his company, Ivy College, with the education arm of the Australian Institute of Management (AIM) – a 75 year old brand. Peter is now Group CEO and is a director and shareholder of the merged group – Scentia.

In previous roles, Peter was the Director of Operations, Career Education within Study Group – a global education provider – and held the role of Managing Director, Martin College, also a Study Group business.

In earlier years, Peter established real estate education business, Agency Training Australia, which in 2006 was acquired by Kaplan Inc., a division of NYSE listed Graham Holdings Company (formerly The Washington Post Company).

Prior to entering the education sector, Peter worked as a lawyer in both the U.K. and Australia. He holds degrees in both commerce and law and is admitted to practise in the Supreme Court of NSW. He is a member of the Law Society of NSW and the Australian Institute of Company Directors.

Jonathan Pager Non-Executive Director

Jonathan has over 20 years' experience as an adviser across a wide range of industries in Australia and overseas and is currently Managing Director of Pager Partners Corporate Advisory. He has a Masters of Economics and qualified as a chartered accountant with Deloitte, where he commenced his career. Jonathan has recapitalised several ASX-listed companies across both the resources and industrial sectors. He is currently a director of MOQ Limited (ASX:MOQ), Finance Director of Noble Mineral Resources Limited (ASX:NMG) and was more recently a director of AHAlife Holdings Limited (ASX:AHL), Rhipe Limited (ASX:RHP), Metalicity Limited (ASX:MCT) and Prospect Resources Limited (ASX:PSC).

Michael Pollak Non-Executive Director

Michael holds a bachelor of Commerce, is a chartered accountant and has an MBA in strategy from the Australian Graduate School of Management. Michael commenced his career at PricewaterhouseCoopers over 15 years ago. Michael has gained valuable experience in both Sydney and London in general management, audit, insolvency, corporate advisory and strategy across a wide range of industries, including financial services, professional services, retail, mining and manufacturing. Michael is currently a director of ASX-listed HJB Corporation Limited (ASX:HJB) and MOQ Limited (ASX:MOQ), and was previously a director of Rhipe Limited (ASX:RHP), Disruptive Investment Group Limited (ASX:DIV), Prospect Resources Limited (ASX:PSC) and Metalicity Limited (ASX:MCT), being companies he previously recapitalised. In addition to these, Michael has been involved in the restructuring, recapitalisation and relisting of a number of other ASX listed entities.

CONTACT DETAILS

Adam Davis

Chief Executive Officer

E: adam@ucw.com.au

P: 0408 400 888

Lyndon Catzel

Chief Financial Officer

E: lyndon@ucw.com.au

P: 0414 907 384



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