

Capitalize on ESL with Cloud Nine

The annual market for foreign language learning is worth US\$56-59 billion, of which English comprises around US\$35 billion, and as a result of continuing globalization, this is expected to grow further. Today, more than 1.5 billion people around the world are learning English each year, yet despite the myriad of technological innovations that have been implemented over the past decade, more than 90% of learners are still studying English as a second language (ESL) through outdated textbook programs.

Cloud Nine Education Group Ltd. (CSE: CNI) ("Cloud Nine") is exploiting this deficiency by combining effective pedagogy with proven education related technologies to achieve superior outcomes in language acquisition. The company's cloud-hosted curriculum is attracting new customers every day, and it may even be the case that Cloud Nine stock is considerably undervalued at present, creating a nice entry point for any investor who doesn't yet have a stake in the language market.

ESL teachers around the world are facing ever increasing diversity in today's classrooms, but textbook based studies fail to address this reality, forcing students to progress uniformly as a group instead of allowing them to customize their learning program, regardless of the fact that numerous studies demonstrate that students succeed far more frequently when given enough meaningful attention; exactly what Cloud Nine's program hopes to achieve.

The company's first step in this process is the development of the Cloud Nine ESL Program which replaces textbooks with tablets & smartphones to meet the needs of an increasingly mobile student base. The platform allows learners to consume materials in a flexible and accessible manner, while all the

time submitting data to the teacher so that he or she may provide a more precisely targeted delivery; essentially, this results in a test-teach-test approach whereby the first test ensures that each student's needs are known to their instructor before class.

The Company has also acquired a 100% interest in an accredited ESL school located in the heart of downtown Vancouver, naming it Cloud Nine College. The institution is a fully accredited school in BC which provides a showcase for the use of digital learning materials to customize and personalize the study of ESL. Both Cloud Nine College and the Cloud Nine ESL Program have been accredited by the Province of BC through its governing agency (PTIB), and the company has grown its revenue every year since 2014 up to a projected CAD\$850,000 this year.

The ESL program from Cloud Nine presents a solid business case; learners pay a subscription-based licensing fee which is below the annual cost of textbooks. Based on this model, the company will have no issue attracting new customers since they are providing a much improved service at a lower overall cost, and furthermore, since the service is amendable by nature, content can be revised and updated as and when editing is required; a problem with which any textbook user or provider will be all-too-familiar.

In fact, the online curriculum allows for world events to be folded into learning materials as and when they are happening. The innovative course content has received acclaim from multiple academic bodies, and in a market that is expanding daily, Cloud Nine has a real shot at becoming disruptive enough to emerge as a household name in the ESL community; a group that is currently over 1.5 billion people strong.