

ASX Announcement | 30 January 2025
Quarterly Activities Report & Appendix 4C

**Platform SaaS ARR Accelerates 23% YoY and New
CourseMagic AI Grows Strongly in Q4 FY24**

Key Highlights:

1. **Platform SaaS annual recurring revenue (ARR) growth accelerated 23%** year-on-year (YoY) to \$2.335 million in Q4 FY24. The business has now delivered over 12 consecutive quarters of SaaS platform annualised revenue growth.
2. **Average revenue per B2B SaaS customer increased 17%** YoY to \$9,767 per annum in Q4 FY24.
3. Cash receipts from customers increased 45% YoY to \$1.084 million, driven by growth in both the SaaS and Marketplace segments.
4. Realisation of operating efficiencies and growing revenue saw **net operating cash outflows decrease by 52%** YoY to \$0.365 million in Q4 FY24.
5. Usage of OpenLearning's **AI Course Builder** continues to grow and is now an integral component of the company's learning management system (LMS).
6. Signed first higher education customers through our partnership with Meshed Group, a leading Australian student management system that has integrated with OpenLearning's LMS.
7. **CourseMagic.ai**, a suite of AI tools for educators that launched in June 2024 has 126 active B2C customers and contributed to growing SaaS revenue in the quarter.
8. Expansion of **The Uni Guide** into international student recruitment has begun with the Company in discussions with Australian and overseas universities to recruit students.

Sydney, Australia, 30 January 2025: OpenLearning Limited, the AI powered SaaS platform for lifelong learning ('OpenLearning' or 'the Company') (ASX: OLL) is pleased to provide its Appendix 4C cash flow statement for the quarter ended 31 December 2024 (Q4 FY24), along with the following financial and operational update.

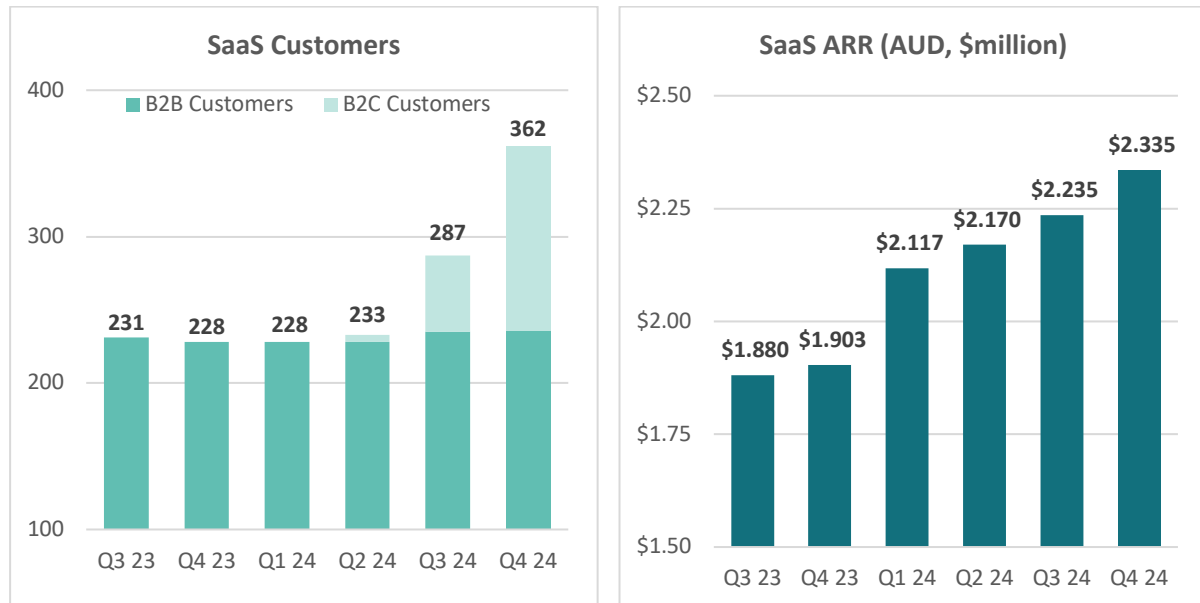
Strong Platform SaaS ARR Growth

OpenLearning provides a learning management system (LMS) that enables education providers to manage all aspects of online learning, harnessing the power of Generative AI to streamline course design, content authoring and education delivery for short courses, micro-credentials, and online degrees for both online and on-campus students.

The Company's SaaS annual recurring revenue (ARR) continued to grow in the quarter, increasing by 23% YoY, to reach \$2.335 million. This growth was driven by an increase in average SaaS ARR per B2B customer, which increased by 17% YoY to \$9,767, as well as new customers subscribing across all the Company's products.

The platform boasts a strong customer base with 236 active B2B customers and 126 active B2C customers. B2C customers are from the Company's latest product, CourseMagic.ai, which launched in

late June 2024. The number of B2C customers for Q3 FY24 has been restated from 28 to 52 after some customers weren't included in the previous quarter's figures. The number of active B2B customers has remained stable as new B2B customer subscriptions have offset churn over the past year.



The Company derives recurring SaaS revenue from its platform offering, which comprises four products that add value to education providers:

- OpenLearning Learning Management System – Flagship end-to-end AI-powered platform for education providers to create, market, deliver and manage all types of courses.
- OpenLearning Marketplace – A global network of education marketplaces, including on OpenLearning.com, as well as TheUniGuide.com.au and PostGradAustralia.com.au.
- Biomedical Education and Skills Training (BEST) Network – An image-based teaching platform and virtual microscopy solution for biomedical education at leading medical schools.
- CourseMagic – Suite of AI-powered instructional design tools for educators and education providers that are designed to work with any learning management system.

Prospective customers can purchase each of the products individually with OpenLearning's Learning Management System forming the basis of its land and expand strategy.

Growth of CourseMagic.ai

In late June 2024, the Company launched CourseMagic, a standalone product with a suite of Generative AI-powered tools, including an AI Course Builder, for educators that are compatible with leading learning management systems, including Canvas, Blackboard and Moodle.

In less than 6 months, CourseMagic has attracted paying customers from Australia, U.S., India, Canada and Malaysia, and ended the quarter with 126 active B2C subscribers. The churn rates for B2C AI products are currently high across the industry as a result of people trying out many new AI tools to see which ones meet their needs however the Company is seeing promising results with subscribers continue to use the product and upgrade their plans over time.

CourseMagic is offered on a usage-based SaaS model targeting educators and education providers with SaaS fees based on the number of staff at the institution who utilise the tool and the number of AI tokens used by the institution. The Company is continuing to expand the functionality of CourseMagic,

rolling out additional functionality to generate quiz activities in Q4 FY24 as well as enhancement to the AI content generation process.

Expansion into LMS Market and Release of Exam System

In Q3 FY24, OpenLearning partnered with Meshed Group, a leading Australian student management system provider for higher education providers and registered training organisations with over 250 customers. Meshed Group has integrated their student management system with OpenLearning's learning management system (LMS) and is promoting it to their customers as a combined solution.

This partnership has already resulted in a higher education provider subscribing to OpenLearning and there is a growing pipeline of institutions that are considering the Company's LMS now that it is fully integrated with Meshed Group's student management system.

The Company has a range of features under development for its platform to ensure that it can compete in the broader LMS market, this includes the ability to run exams, data analytics, student management system integration, import courses from other LMSs and ISO27001/SOC2 compliance.

The first phase of OpenLearning's hotly anticipated new examination system has been released in January with additional features being developed throughout 2025 in alignment with requirements from the Company's customers and to ensure feature-completeness with the major LMS providers.

The Company is in discussions with many of its existing B2B SaaS customers, who currently deliver micro-credentials and short courses through the platform, to expand their use of the platform into their core online and on-campus degree programs. If a customer rolls out OpenLearning as their core LMS for all their courses, then the value of these existing contracts could increase substantially.

Increasing Adoption of AI Features

OpenLearning's AI Course Builder and AI Assistant have been utilised to develop over 3,000 courses in the past year by OpenLearning's customers, reducing the amount of time it takes an educator to develop a course by between 50% and 75%.

The incorporation of Generative AI into OpenLearning's LMS has increased utilisation of the platform amongst existing customers and attracted new customers, driving higher platform SaaS revenue.

The Company is rolling out its next set of innovative generative AI features in Q1 FY25, which are designed to provide student feedback and facilitation suggestions to educators with the aim of reducing costs for education providers while improving feedback for learners.

Gaining Traction in New Geographies

The Company is actively working with its network of resellers and partners across India, Philippines, Indonesia and Malaysia to promote its platform and win new business. In the quarter, OpenLearning added new SaaS customers in India and the Philippines and has continued to grow its pipeline of prospects and reseller partners in those markets.

The Company's pilot with Gujarat University to utilise OpenLearning's platform to deliver at least 9 compulsory short courses aligned to the National Education Policy is progressing well. Sales efforts are ongoing in India and several small education institutions have begun to utilise OpenLearning's platform.

In the quarter, the Company signed a reseller agreement with StudyNet Pty Ltd, an Australian company with extensive experience in Bangladesh who will promote and distribute OpenLearning's LMS within the country.

Expanding The Uni Guide into International Student Recruitment

The Uni Guide's websites attract close to 1 million visitors a year, with about 1/3rd being from overseas, resulting in a large number of prospective international students looking for a course to study. Additionally, OpenLearning's largest shareholder, Education Centre of Australia (ECA), has extensive experience managing international student agents globally and recruiting students.

OpenLearning will combine the reach of The Uni Guide with ECA's expertise in international student recruitment to recruit students into selected, high-demand courses from a number of Australian and overseas universities in exchange for a share of the commission received for successful placements.

The Company has already begun discussions with several universities to sign agent agreements to begin recruiting students in the second half of 2025.

Net Cash Outflows Continue to Decline

Net operating cash outflows improved by a 52% to \$0.365 million in Q4 FY24, versus \$0.756 million in Q4 FY23. This was a result of the Company's cost optimisation exercise over the past year and its continued efforts to grow revenue and increase gross margins.

Customer cash receipts increased 45% YoY to \$1.084 million as a result of higher SaaS revenue for the year and increased sales of courses from customers utilising OpenLearning's payment gateway.

Material cash receipts from customers by segment for the quarter were:

- Platform SaaS - \$0.690 million (up 33% YoY)
- Marketplace - \$0.345 million (up 51% YoY)

The Company's total available funding, including cash on hand as of 31 December 2025 was \$1.953 million as a result of the completion of a \$2.0 million capital raise in Q4 FY24 that included an increase of the Company's loan facility by \$1.0 million with Education Centre of Australia and a share placement to institutional investors.

OpenLearning Group CEO & Managing Director Adam Brimo said:

"The December 2024 quarter marked another period of strong growth and operational progress for OpenLearning. Our SaaS platform ARR accelerated by 23% year-on-year, reflecting both the increasing adoption of our AI-powered LMS and the launch of new products. In just six months since launch, CourseMagic.ai has 126 B2C customers across multiple countries, demonstrating the global potential of our AI-driven learning tools. Additionally, our partnership with Meshed Group has begun delivering results, with our first customers now onboarded and a strong pipeline of institutions in Australia."

"As we enter 2025, we remain focused on executing our growth strategy—expanding our platform's LMS capabilities, deepening our presence in key markets, and further integrating AI to enhance online learning. Our ongoing commitment to product innovation and operational efficiency positions OpenLearning for continued growth in the evolving education technology landscape."

Ends.

Authorised by:

Adam Brimo

Group CEO & Managing Director

Stay up to date with OpenLearning news as it happens:

Visit the Investor section of the OpenLearning website at: <https://investors.openlearning.com/> to 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.

For further information, please contact:**Company****Sally Greenwood or Maria Clemente**

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Dominion Partners

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OpenLearning is an Artificial Intelligence (AI) powered SaaS platform for lifelong learning.

The platform enables education providers to manage all aspects of online learning, harnessing the power of Generative AI to streamline course design, content authoring and education delivery for short courses, micro-credentials and online degrees.

OpenLearning is a trusted partner to more than 230 leading education providers, who have delivered tens of thousands of courses to over 3.5 million learners through its platform.

With a strong position in the Australian and Malaysian higher education sectors, and a growing presence in Indonesia and India, OpenLearning is revolutionising the way education is accessed and delivered globally. To learn more, please visit: <https://solutions.openlearning.com/>

Annexure

During Q4 FY24 the following payments were made to related parties and their associates as disclosed in Item 6 of the Appendix 4C.

Salaries and fees paid to Directors	Amount
Fees to Spiro Pappas as Non-Executive Director and Chairman	\$11,002
Fees to Matthew Reede as Non-Executive Director and Consultant	\$17,114
Salary to Adam Brimo as Executive Director, Managing Director and Group CEO	\$48,771
Total	\$76,887

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

OPENLEARNING LIMITED

ABN

18 635 890 390

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,084	3,908
1.2 Payments for		
(a) research and development	(14)	(64)
(b) product manufacturing and operating costs	(314)	(1,059)
(c) advertising and marketing	(77)	(183)
(d) leased assets	-	(3)
(e) staff costs	(492)	(2,199)
(f) administration and corporate costs	(250)	(1,000)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	(1)	(9)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	37	37
1.8 Other (see note 6)	(338)	(1,627)
1.9 Net cash from / (used in) operating activities	(365)	(2,198)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	(229)
(c) property, plant and equipment	(8)	(10)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets (see note 7)	(176)	(672)

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(184)	(911)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,000	1,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(50)	(50)
3.5	Proceeds from borrowings	500	2,000
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	1,450	2,950

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	45	1,103
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(365)	(2,198)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(184)	(911)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,450	2,950
4.5	Effect of movement in exchange rates on cash held	7	9
4.6	Cash and cash equivalents at end of period	953	953

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	945	42
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (balances with online payment providers)	8	3
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	953	45

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
77
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Item 6.1: This sum of \$77,000 consists of salaries paid to an executive director and fees paid to non-executive directors plus related super contributions.

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
3,000	2,000
-	-
-	-
3,000	2,000

7.5 Unused financing facilities available at quarter end

1,000

- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Not Applicable.

8. Estimated cash available for future operating activities

\$A'000

8.1	Net cash from / (used in) operating activities (Item 1.9)	(365)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	953
8.3	Unused finance facilities available at quarter end (Item 7.5)	1,000
8.4	Total available funding (Item 8.2 + Item 8.3)	1,953
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	5.35

- 8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2025

Authorised by: The Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
6. Included in item 1.8 'Other' are mainly payments to education providers of \$329,000 for the current quarter and \$1,567,000 for the year.
7. Included in item 2.1(f) 'Payments to acquire other non-current assets' are payroll costs for platform development. These payments are capitalised in the balance sheet pending completion of the intangible assets and amounting to \$176,000 for the current quarter and \$672,000 for the year-to-day period.