

ASX Release

31 May 2023



Consolidation and revenue growth evident at half-year

1H FY23 highlights:

- 19.4% growth in consolidated Sales & fee revenue to \$8.27 million (pcp \$6.93 million)
- 43.0% growth in the Vocational Education and Training (VET) segment revenue to \$4.44 million (pcp \$3.09 million) driven by 19.0% organic growth from VET-in-schools and by the successful acquisition of Southern Solutions
- \$1.54 million 1H FY23 underlying EBITDA (pcp \$1.35 million)
- \$2.48 million of cash at 31 March 2023 and no debt
- 60 New school customers successfully onboarded for the 2023 school year across eBook Solutions and VET-in-schools
- Succession planning progressed with the recent appointments of Jonathan Isaacs as a Non-Executive Director and Andrew Skelton as Chief Executive Officer

The Directors of ReadCloud are pleased to release the Group's half-year results (comprising the consolidated results of the Company and its controlled entities) for the period ended 31 March 2023.

After a period of consolidation and restructuring, ReadCloud is positioned to capture growth in the education sector by selling its technologies and training services into more schools and organisations domestically and internationally. The investments made to date in platform technology, proprietary curriculum, and process improvements enable ReadCloud to pursue a growth agenda without a material change to the cost base.

44 new VET-in-schools customers were onboarded in 1H FY23 and 27 existing schools extended their scope by adding additional ReadCloud VET qualifications. Price increases also contributed to growth.

Our analysis indicates that ReadCloud's VET-in-schools specialist RTOs collectively offer a category leading 50 courses, with the nearest competitor offering circa 20 courses. Comprehensive course coverage and scale-based efficiencies are expected to drive growth in this segment.

ReadCloud's corporate training, delivered primarily by Southern Solutions, is well positioned to capture benefits from partnerships with industry participants, particularly in Early Childhood Education and Care, and to benefit from efficiencies gained in compliance, administration and finance by operating as a part of the ReadCloud Group.

CONTACTS:

Investors & Media:

Luke Murphy, Chief Financial Officer
+61 409 933 924



About ReadCloud Limited

ReadCloud is a leading provider of eLearning software solutions and industry-based training, supporting over 600 schools and educational institutions.

ReadCloud's eReader platform creates an engaging and collaborative learning environment with seamless access to dynamic, interactive digital content from leading publishers. Teachers and students benefit from social annotations, media-rich embedding options, cross-platform compatibility, and an engaging text-to-speech feature available in 120 languages.

ReadCloudVET enables the delivery of over 50 qualifications to 15,000 learners across three specialist Registered Training Organisations (RTOs) in Vocational Education and Training Delivered to Secondary School Students.

ReadCloud's strong connection to industry and career pathways extends to Southern Solutions Training Services, an RTO specialising in flexible and blended training models including delivery in a genuine workplace environment for qualifications in Early Childhood Education and Care, Business, Aged Care, Hospitality, Logistics and Real Estate.

This announcement is authorised for release to the market by the Board of Directors of ReadCloud Limited.