

ASX Release

12 February 2025



Annual General Meeting – Chair Address

I am pleased to report that ReadCloud Limited (ASX:RCL) (“**ReadCloud**” or the “**Company**”) has had an outstanding year. A year that was focused on increasing the time with, and better understanding, our customers, challenging and supporting our staff to be increasingly customer centric, and to be disciplined in our operational cadence.

I intend to be brief today to allow Andrew to cover the more detailed aspects of the Company’s performance and direction, however I cannot miss the opportunity to remind you of the key highlights.

The 12 months to 30 September 2024 saw a number of key milestones for ReadCloud. We delivered record revenue for the Company (\$12.27m, up 15% on pcip) during a period where we also undertook a strong transformation of the structure and staffing of the Company. We delivered positive underlying EBITDA for the first time. We delivered positive statutory operating cash flow.

These achievements were based on the strategic and operational plan developed by the Board and the executive team last year with the imperatives of improving customer driven activity, simplifying the complexity of operations by integrating the 5 businesses, and driving out costs. These actions were all aimed at delivering a 2024 year of positive EBITDA and positive operating cash flow, strengthening the balance sheet, and setting the business for future accelerated growth. These were all achieved.

Importantly, we have established a strong base for future years with the anticipation of increased growth rates based on increased client retention, changes to our sales and marketing approach and continued prioritisation of working capital.

The achievement of strong retention rates while adding new customers in the e-Books, International Schools and VET segments provides a very promising backdrop for this current year’s performance.

The first quarter (Q1 FY25) performance provides me with increased confidence in our full year plan with Q1 cash receipts up 26% pcip and revenue up 17%. I expect the full year growth to be stronger than the last quarter, underpinned by our strong SaaS platform allowing us to serve customers on a greater scale with increased efficiency.

We continue to be well positioned to deliver digital learning in both schools and remote learning, especially in international markets. Our focus will remain on leveraging our technology to grow the business across our targeted education segments and expand our eBooks international market penetration.



ReadCloud operates in a large, growing and well supported Government-funded market. We are emerging as the leading private provider of VET-in-schools technology, content and support services, with plans to continue to grow rapidly and offer strong value propositions for these customers. We have a strong and focused team who I thank for their efforts, commitment, and loyalty.

The achievements of the 2024 year, the drive and capability of Andrew and his revamped team, the strong balance sheet with cash of \$1.07m as at December 2024 and cash currently at \$1.95m, and no debt, provides a strong backdrop for ReadCloud to deliver a future of robust performance.

The Board and management are united in the goal of increasing the growth rate of the ReadCloud business while continuing to scale the business in revenue and operating performance.

My thanks to our shareholders for their support over the years and to the staff and Board for their efforts. A special thank you to Darren Hunter who after being on the Board since listing has elected to not offer himself for re-election and resign from the Board at the conclusion of this meeting. His input and objectivity have been very valuable in making ReadCloud what it is today and in preparing it for the future.

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

Investors & Media:

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About ReadCloud Limited

ReadCloud is a leading provider of eLearning software solutions and industry-based training.

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 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.