



ASX / MEDIA RELEASE

29 APRIL 2022

iCOLLEGE REPORTS RECORD OPERATING CASH FLOWS AND INCREASED CASH BALANCES FOR Q3 FY22

iCollege Limited (**ASX: ICT**) (**iCollege** or the **Company**) is pleased to provide its quarterly cash flow and activity report for the quarter ended 31 March 2022 (Q3 FY22).

Highlights for Q3 FY22 include:

- Record quarterly cash receipts of \$21.1 million, up 508% over the previous corresponding period (PCP) (Q3 FY21: \$3.5 million).
- Operating Cash Flows of \$6.5 million (excluding M&A costs of \$1.4 million). Including M&A costs, Operating Cash Flows were \$5.1 million, up \$5.0 million or 3,603% over the PCP.
- Closing cash balance of \$22.3 million plus term deposits of \$3.2 million (totalling \$25.5 million), an increase of \$3.1 million over the balance as at 31 December 2021.

Company update

The Company's Chief Executive Officer, Mr Glenn Elith, will deliver a Company Update to investors at 11:00am (AEST) on 29 April 2022 via a live webinar. The presentation will include:

- financial performance highlights for Q3 FY22;
- an update on lead indicators for future financial performance; and
- an update on business development activities.

iCollege's shareholders and prospective investors are invited to register to attend the upcoming live webinar Company Update via the below link:

https://webcast1.boardroom.media/watch_broadcast.php?id=624cd52968574

The Company Update will also be made available on the ASX.

Payments to related parties and their associates

Total payments to executive and non-executive directors during Q3 FY22 amounted to \$155,812.

HWL Ebsworth Lawyers, of which iCollege's Non-Executive Chairman Simon Tolhurst is a partner, was paid \$8,319 in relation to general legal services provided to the Company during Q3 FY22.

Executive director change in remuneration

The Company and executive director Mr Badri Gosavi have agreed to vary the terms of Mr Gosavi's employment agreement. Mr Gosavi is employed in the position of Head of Growth reporting to the Board.

iCollege Limited

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Key terms of Mr Gosavi's revised employment agreement include:

- a base annual salary of \$350,000 plus superannuation (with effect from 1 January 2022);
- being invited to participate in the Company's long term incentive plan in the future;
- his employment may be terminated upon the giving of three months' notice by either party, with the Company able to discharge its obligations at its discretion by providing payment in lieu of notice;
- his employment may be immediately terminated without notice or any payment in lieu of notice where summary dismissal is warranted; and
- customary post-employment restraint provisions.

This announcement has been approved for release by the Board of iCollege.

For further information:

Glenn Elith
Chief Executive Officer
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Lisa Jones
Company Secretary
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Appendix 4C

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

Name of entity

iCollege Limited

ABN

75 105 012 066

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	21,090	38,786
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(5,818)	(11,711)
(c) advertising and marketing	(820)	(1,994)
(d) leased assets	-	-
(e) staff costs	(7,788)	(17,411)
(f) administration and corporate costs	(170)	(781)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	3
1.5 Interest and other costs of finance paid	(4)	(85)
1.6 Income taxes paid	-	(149)
1.7 Government grants and tax incentives	-	1,482
1.8 Other (M&A related costs)	(1,420)	(5,813)
1.9 Net cash from / (used in) operating activities	5,073	2,327
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(g) entities	-	-
(h) businesses	-	-
(i) property, plant and equipment	(68)	(661)
(j) investments	-	-
(k) intellectual property	(144)	(476)
(l) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 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 (cash acquired upon acquisition of RedHill Education Limited)	-	21,345
2.6	Net cash from / (used in) investing activities	(212)	20,208

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
3.5	Proceeds from borrowings	-	95
3.6	Repayment of borrowings	-	(402)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (bank guarantees paid)	(43)	(448)
3.9	Other (lease liabilities paid)	(1,972)	(4,068)
3.10	Net cash from / (used in) financing activities	(2,015)	(4,823)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period,	19,415	4,549
4.2	Net cash from / (used in) operating activities (item 1.9 above)	5,073	2,327

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(212)	20,208
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2,015)	(4,823)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	22,261	22,261

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	22,261	19,415
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Bank Guarantees)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	22,261	19,415

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	164
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

7. Financing facilities <i>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.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	224	224
7.2 Credit standby arrangements	50	7
7.3 Other (please specify)	-	-
7.4 Total financing facilities	274	231
7.5 Unused financing facilities available at quarter end		43
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.	<ul style="list-style-type: none"> • \$50k credit card facility • \$224k Queensland Rural and Industry Development Authority (QRIDA) loan facility (assistance under Queensland COVID-19 Job Support Loans Program). Interest free for the first 12 months then 2.5% for remainder of loan term of 10 years, repayable by instalments from second year. Loan secured over the assets of Capital Training Institute Pty Ltd. 	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	5,073
8.2 Cash and cash equivalents at quarter end (item 4.6)	22,261
8.3 Unused finance facilities available at quarter end (item 7.5)	43
8.4 Total available funding (item 8.2 + item 8.3)	22,304
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 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?	
Answer: N/A	
8.6.2 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?	
Answer: N/A	

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

Answer: N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

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:29 April 2022.....

Authorised by:By the Board.....
(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.