

ASX Announcement | 29 July 2025
Quarterly Activities Report & Appendix 4C

Step-Change as LMS Strategy Delivers Record Quarter with Over \$1.6m in SaaS Contracts Signed and Platform SaaS ARR Growth Hitting 22% YoY

Key Highlights:

1. **Platform SaaS annual recurring revenue (ARR) grew 22% year-on-year (YoY) to \$2.652 million in Q2 FY25**, marking a significant acceleration in growth from the prior quarter. The business has now delivered over 14 consecutive quarters of annualised SaaS revenue growth.
2. **Net increase of 15 B2B SaaS customer numbers in Q2 FY25 to 262** with new customers being added in Australia, Malaysia, Philippines, India, U.K., United States, Indonesia and Vietnam.
3. Signed over **\$1.6m in total contract value (TCV) of multi-year SaaS LMS deals** across Australia, Philippines and overseas within the quarter, with most of the value weighted towards later years of those contracts and with the potential to increase further based on usage.
4. Cash receipts from customers **increased 26% YoY to \$1.306 million** in Q2 FY25, driven by strong growth in new SaaS subscriptions.
5. Improving operating efficiencies and growing revenue saw **net cash outflows from operating and technology investment activities decrease by 48% YoY** to \$0.447 million in Q2 FY25.
6. Usage of OpenLearning's **AI Course Builder and AI Assistant continues to grow** and is now an integral component of the company's learning management system (LMS).
7. **LMS strategy has started to deliver results** with substantially larger deal sizes and a **growing pipeline of deals** in the later stages of the sales process.

Sydney, Australia, 29 July 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 30 June 2025 (Q2 FY25), along with the following financial and operational update.

LMS Strategy Drives Significant Acceleration in Platform SaaS ARR

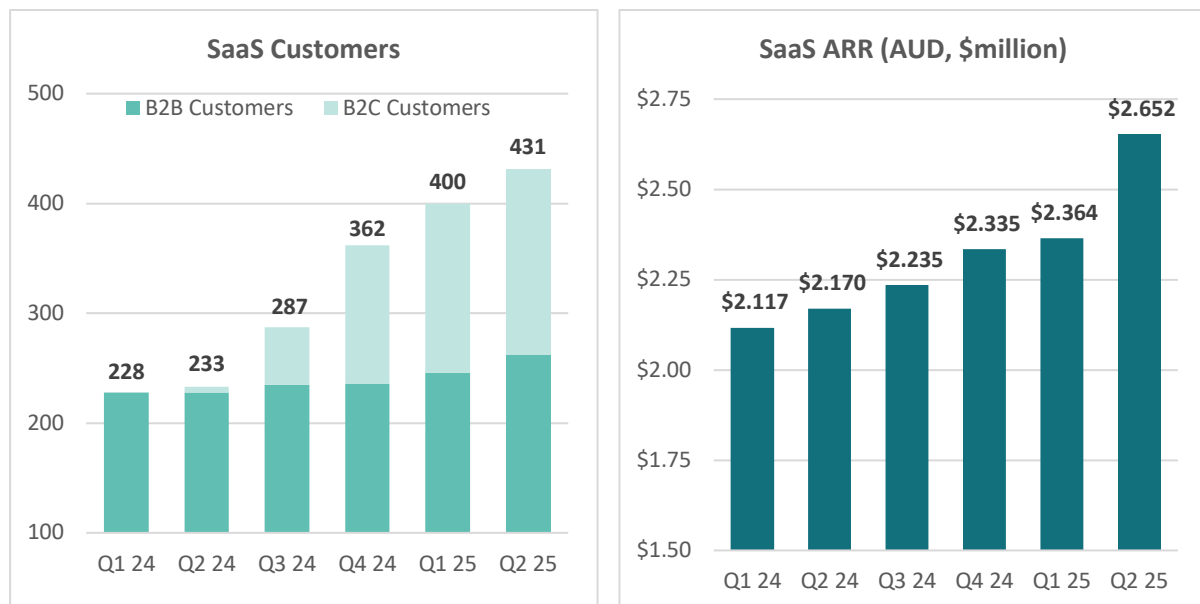
OpenLearning's core product is a learning management system (LMS) that enables education providers to manage all aspects of online learning, harnessing the power of Generative AI to streamline course design, content authoring and education delivery for short courses, micro-credentials, and online degrees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

The Company's SaaS annual recurring revenue (ARR) growth accelerated in the quarter to 22% YoY with ARR reaching \$2.652 million. This growth was driven by new SaaS subscriptions in all the Company's markets and an increase in the average deal size, which resulted in average SaaS ARR per B2B customer surpassing \$10,000 for the first time.

In the quarter, the Company added new customers in Australia, Malaysia, Philippines, India, U.K., United States, Indonesia and Vietnam, and across all its products. This includes four material SaaS agreements that were previously announced to the market:

- **National University (Philippines):** 5-year SaaS agreement with a minimum value of US\$400,000 (~A\$620,000), initially covering 40,000 students per year (the university has 85,000 students in total and may expand in future years) [ASX Announcement 27th May 2025].
- **St. Paul University Philippines:** 5-year SaaS agreement valued at US\$100,000 (~A\$155,000), covering a minimum of 10,000 students per year [ASX Announcement 29th May 2025].
- **CE-Logic Inc., a leading publisher in the Philippines:** 3-year SaaS agreement valued at approximately A\$495,000, covering a minimum of 3,000 students in year 1 and 20,000 students in years 2 and 3 [ASX Announcement 1st July 2025].
- **Education Centre of Australia (ECA):** 5-year SaaS agreement valued at A\$155,000, covering a minimum of 2,500 students per year across multiple Australian institutions. [ASX Announcement 3rd July 2025].

The platform now boasts a strong customer base with 262 active B2B customers and 169 active B2C customers. B2C customers are from the Company's latest product, CourseMagic.ai, which launched in late June 2024.



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

- **OpenLearning LMS** – 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 tool 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.
- **Employability Advantage** – Suite of work-readiness tools that includes short courses focused on career preparation, live online bootcamps and workplace simulation projects.

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

Over \$1.26 million Deals Signed in the Philippines

OpenLearning made strong inroads into the Philippines this quarter, securing four agreements with higher education providers. Three of these—signed with National University, St. Paul University Philippines (SPUP), and CE-Logic Inc., a leading education publisher—were publicly announced, representing a combined minimum contract value of approximately A\$1.26 million over the next three to five years.

In addition, the University of the Southern Philippines Foundation (USPF) was signed to a two-year LMS agreement, which was not financially material and therefore was not announced to the market, expanding OpenLearning's reach further across the country. This mix of contracts underscores the company's capacity to serve large-scale, institution-wide deployments across multiple markets and use-cases.

The Philippines is home to nearly 2,000 higher education institutions (HEIs), of which approximately 246 are public and 1,729 are private. Total higher education enrolment reached around 3.4 million students in 2019–20, with roughly 1.6 million in public institutions and 1.8 million in private HEIs as of 2020. This large and diverse student population highlights the considerable opportunity market for LMS adoption.

The Company's current contracts in the Philippines represent a small but rapidly growing share of a substantial opportunity. As demand for flexible, AI-powered LMS increases in Southeast Asia, OpenLearning is well-positioned to accelerate its market penetration in the Philippines.

Expanding LMS Capabilities Driving Institutional Adoption

In Q2 FY25, OpenLearning continued to expand the capabilities of its learning management system (LMS) to support institution-wide adoption across both online and on-campus programs. The platform now serves a broader range of use cases, positioning it to be the primary LMS for universities and education providers seeking scalable, AI-powered solutions for blended and face-to-face delivery.

These developments enabled the Company to win several LMS contracts in Q2 FY25, including those previously mentioned in this report and new SaaS contracts (that were not material and hence were not announced to the ASX) with Anglicare NSW, Saito University College Malaysia, Group Colleges Australia, University Poly-tech Malaysia and Liverpool John Moores University amongst others.

The Company's product roadmap remains focused on aligning with the expectations of traditional LMS buyers, while differentiating through outcome-based education (OBE) capabilities, integrations with student information systems (SIS), and generative AI-powered teaching tools. Enhancements to OpenLearning's new examination system are continuing throughout 2025, enabling a wider range of assessment types and academic integrity features to support large-scale delivery.

In parallel, OpenLearning has commenced development of tools to automate the migration of courses from legacy LMS platforms to OpenLearning. This will streamline onboarding for new institutional customers and reduce the time and cost associated with transitioning to the platform.

The release of new AI features—such as automated student feedback and facilitation suggestions—continues to drive increased engagement from both educators and learners. These innovations are helping institutions reduce delivery costs while improving learning outcomes, contributing to a growing pipeline of opportunities with contract sizes significantly larger than the Company's historical average.

Growth of CourseMagic.ai

CourseMagic is 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.

CourseMagic now has paying customers from Australia, U.S., India, Canada, Philippines and Malaysia, and ended the quarter with 169 active B2C subscribers. 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 leveraging CourseMagic as part of its land-and-expand strategy within education institutions and utilising it to generate leads for its LMS.

Expanding The Uni Guide into International Student Recruitment

The Uni Guide is an educational portal that attracts 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 is now combining 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.

In the quarter, the Company has worked closely with ECA to establish the system and processes to manage student recruitment across both B2C and B2B (international student agents) channels and is now starting to receive applications from prospective international students.

Cash Outflows Decline Substantially

Starting from 1st Jan 2025, the Company is no longer capitalising a portion of its platform software investment, however, despite this change in reporting, the Company still reduced its net operating cash outflows by 38% to \$0.447 million in Q2 FY25, versus \$0.716 million in Q2 FY24.

After taking into account capitalised investment in its platform in the prior corresponding period, the Company's overall cash outflows decreased by 48% in Q2 FY25 compared to the prior year. 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 26% YoY to \$1.306 million as a result of a significant increase in payments from both new SaaS customers and those renewing their SaaS contracts.

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

- Platform SaaS - \$0.784 million (up 83% YoY)
- Marketplace - \$0.511 million (down 14% YoY)

The Company's total available funding, including cash on hand and its loan facility with the Education Centre of Australia, as of 30 June 2025 was \$0.982 million.

OpenLearning Group CEO & Managing Director Adam Brimo said: “OpenLearning’s strong performance this quarter reflects our continued momentum in key markets, particularly in Australia, Malaysia and the Philippines. The signing of over \$1.6 million in multi-year SaaS agreements—spanning leading institutions like National University, St. Paul University Philippines, CE-Logic and ECA—highlights the scalability of our AI-powered platform and our ability to support large-scale education delivery.

We have a strong and growing pipeline of opportunities across our key markets, and we remain focused on driving long-term growth through product innovation, deep customer engagement and our efficient go-to-market strategy. I’d like to thank our team for their commitment and our shareholders for their continued support as we deliver on our mission to provide a cutting-edge learning platform to organisations worldwide.”

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 250 leading education providers, who have delivered tens of thousands of courses to over 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 Q2 FY25 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	\$48,772
Total	\$76,888

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")

30 June 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,306	2,409
1.2 Payments for		
(a) research and development	12	-
(b) product manufacturing and operating costs	(328)	(524)
(c) advertising and marketing	(53)	(117)
(d) leased assets	(1)	(2)
(e) staff costs	(802)	(1,569)
(f) administration and corporate costs	(162)	(437)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(1)	(4)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (see note 6)	(418)	(725)
1.9 Net cash from / (used in) operating activities	(447)	(969)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(3)	(3)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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	(3)	(3)

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	150	150
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	150	150

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	432	953
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(447)	(969)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3)	(3)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	150	150
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	132	132

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	125	423
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (balances with online payment providers)	7	9
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	132	432

**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.

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	3,000	2,150
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	3,000	2,150

7.5 Unused financing facilities available at quarter end	850
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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.

OpenLearning Limited and Education Centre of Australia Pty Ltd (ECA) (ACN 111 918 775) executed an agreement on 6th June 2023 to provide the Group with an unsecured loan facility of \$3 million at an interest rate of 7.35% and a term of 2 years from the date of each drawdown.

The Group and ECA agreed to amend the terms of the unsecured loan facility on 29th February 2024 to allow the Group to convert the outstanding \$3 million facility into equity at a 25% premium to the 30-day VWAP and provide an additional \$2 million in unsecured debt that could be converted into equity by the Group's Board of Directors on the same terms. The additional \$2m under the facility has been fully drawn down.

On 10th December 2024, ECA agreed to increase the limit on its loan facility by \$1 million on the same terms. This portion of the facility remains undrawn as at 31 March 2025.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(447)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	132
8.3 Unused finance facilities available at quarter end (Item 7.5)	850
8.4 Total available funding (Item 8.2 + Item 8.3)	982
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	2.20

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?

Answer: Not Applicable.

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: Not Applicable.

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: Not Applicable.

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 July 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 \$396,000 for the current quarter and \$678,000 for the year-to-day period.