



ReadCloud Limited


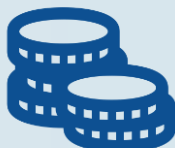



CEO Presentation – 2025 Annual General Meeting

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FY24 Financial Highlights

Executing with discipline into a deep pool of opportunity

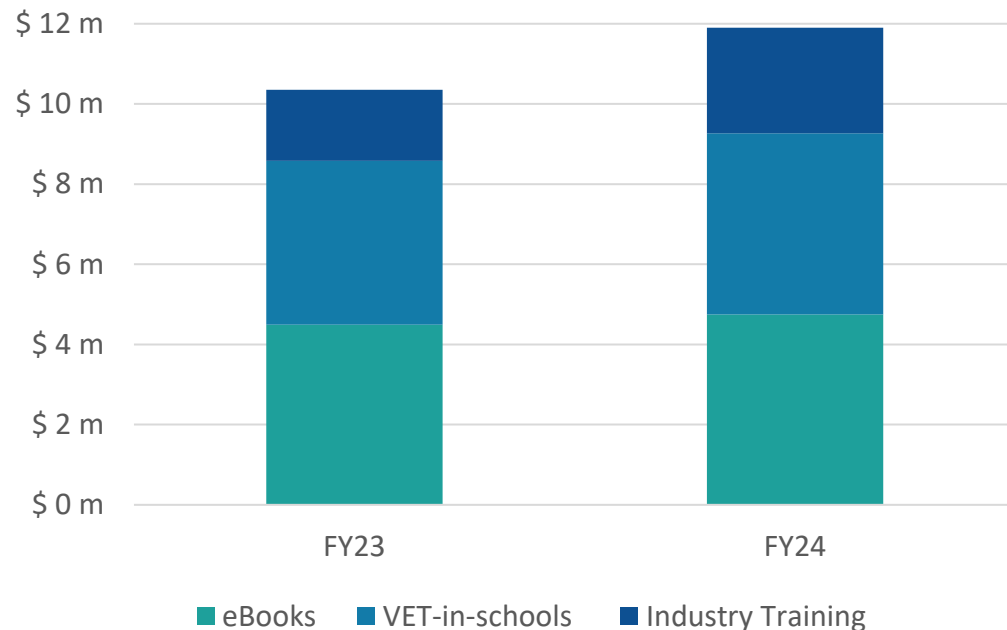
Up 15%	Down 6%	Up 132%	Up 207%	\$1.43m
Sales & Fee Revenue	Operating Costs	Underlying EBITDA	Operating Cashflow	Cash
				
\$11.9m	Restructured workforce	\$0.36m	\$0.23m	Continued Debt Free status
Organic growth in all businesses	The business is now closer to its customers	Breakthrough +ve underlying earnings \$1.1m underlying EBITDA improvement	Breakthrough +ve operating cashflow \$0.8m improvement	Self-funded for working capital requirements

*Underlying EBITDA = earnings adjusted for Interest, Tax, Depreciation and Amortisation, Share-based payments, transaction costs incurred on acquisitions and restructuring costs.

Revenue Growth Trend

Organic Growth in all business lines

FY23 v FY24 Sales and Fee Revenue

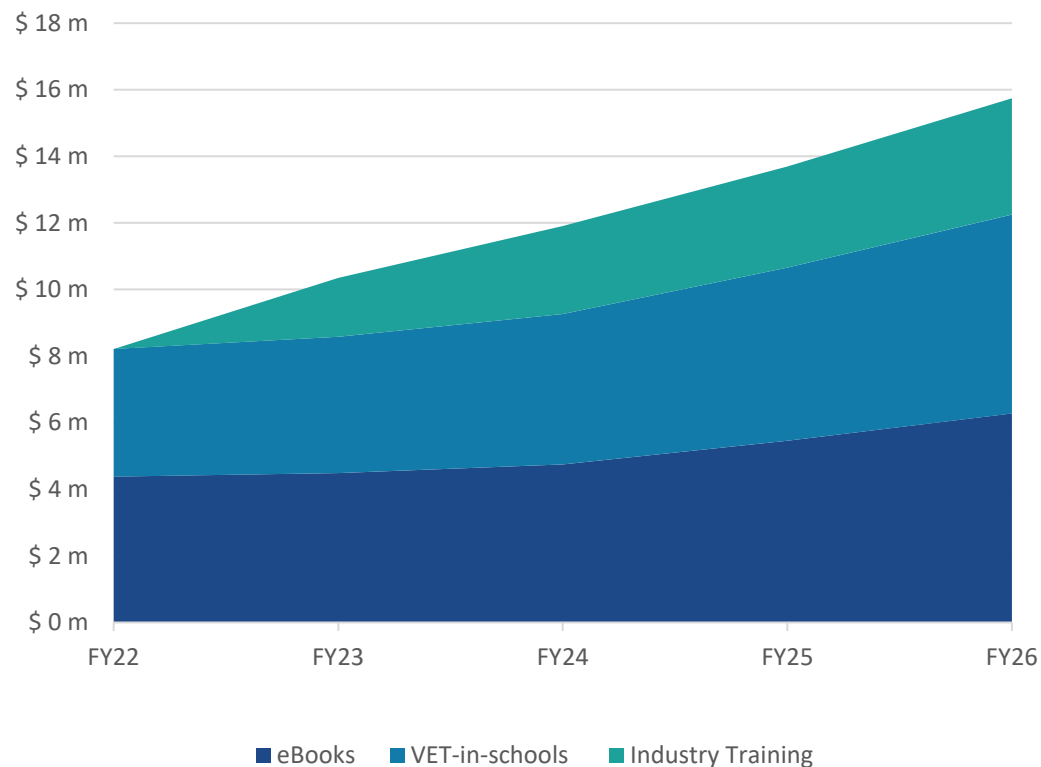


Drivers of Organic Growth

- Strong retention rate of 93% across eBooks and VET-in-schools
- Addition of new schools
- Strengthening market positioning driving inbound inquiries
- Heightened customer engagement driving referrals
- Differentiated by market leadership in technology, breadth of course options, multi state funding arrangements and customer service

Organic Growth Horizon

Demonstration of sustained organic revenue growth at 15%



Core Growth Levers

eBooks

- Sales to schools
 - New Australian schools
 - New International schools
 - Increased adoption within existing school customers
- Entry into Booklist category

VET-in-schools

- Courses delivered in Secondary Schools
 - More courses to existing school customers
 - New schools
- Students enrolled in each Course
- Adding growth Qualifications to Scope of Registration

Industry Training

- Trainees/workers enrolling in courses, progressing to milestones and completing qualifications
- Self-funded students enrolling in courses
- Expansion in access to State based funding for Training (either in monetary value eg NSW or in enrolled places eg Victoria)

FY24 Summary Profit and Loss

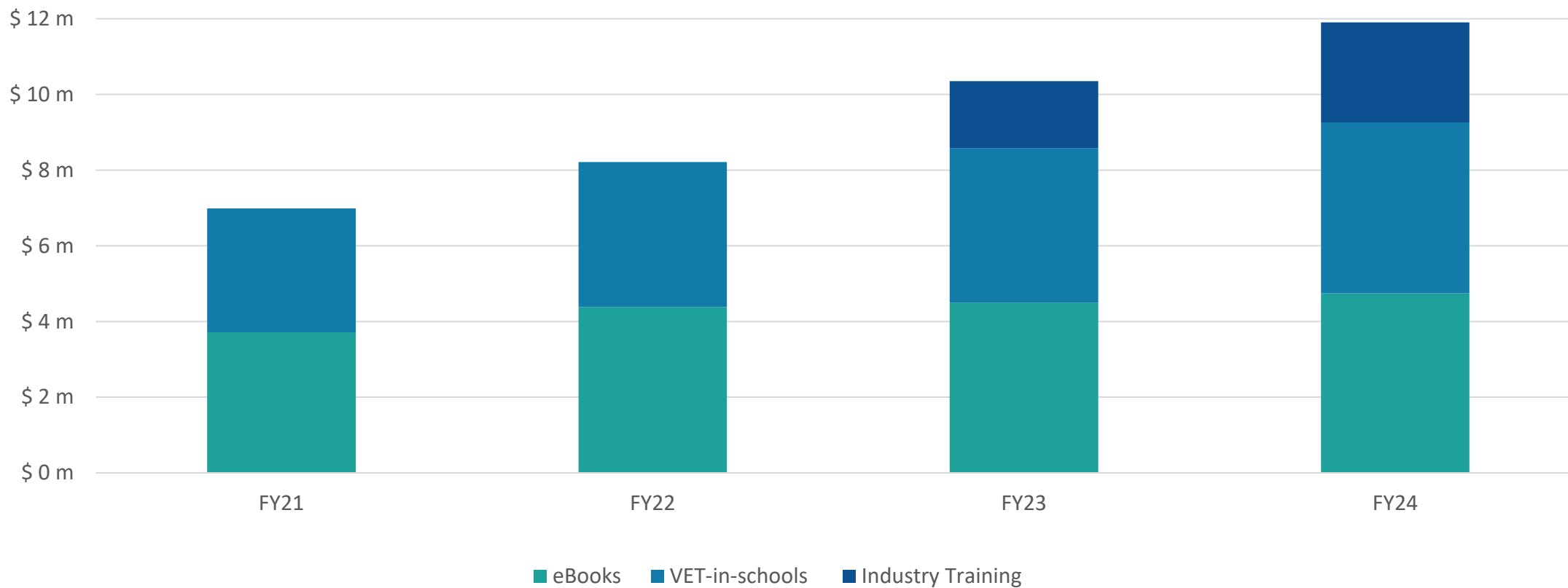
\$'000	30-Sept-24	30-Sept-23	YOY
Sales and fee revenue	11,904	10,349	15%
Less publisher & bookseller fees	(3,974)	(3,619)	10%
Less trainer costs	(1,236)	(877)	41%
Less Cost of sales - Other	(129)	(52)	148%
Gross profit	6,564	5,800	13%
Add: Other revenue	365	356	2%
Less operating expenses:			
Advertising and marketing	(122)	(99)	24%
Computer software	(187)	(154)	21%
Employment expenses	(5,263)	(5,678)	-7%
Legal & compliance	(100)	(98)	2%
Office expenses	(58)	(80)	-27%
Professional services expenses	(425)	(382)	11%
Telephone, internet & data hosting	(103)	(123)	-16%
Travel expenses	(86)	(172)	-50%
Other expenses	(187)	(139)	35%
Total operating expenses	(6,533)	(6,925)	-6%
Less interest revenue	(33)	(17)	99%
Underlying EBITDA*	363	(786)	146%

Notes

- Sales & Fee Revenue up 15%
- Operating expenses down 6%
 - Employment expenses down 7%.
 - Lower headcount heading into FY25
- Underlying EBITDA up 146%

Strong track record of revenue growth

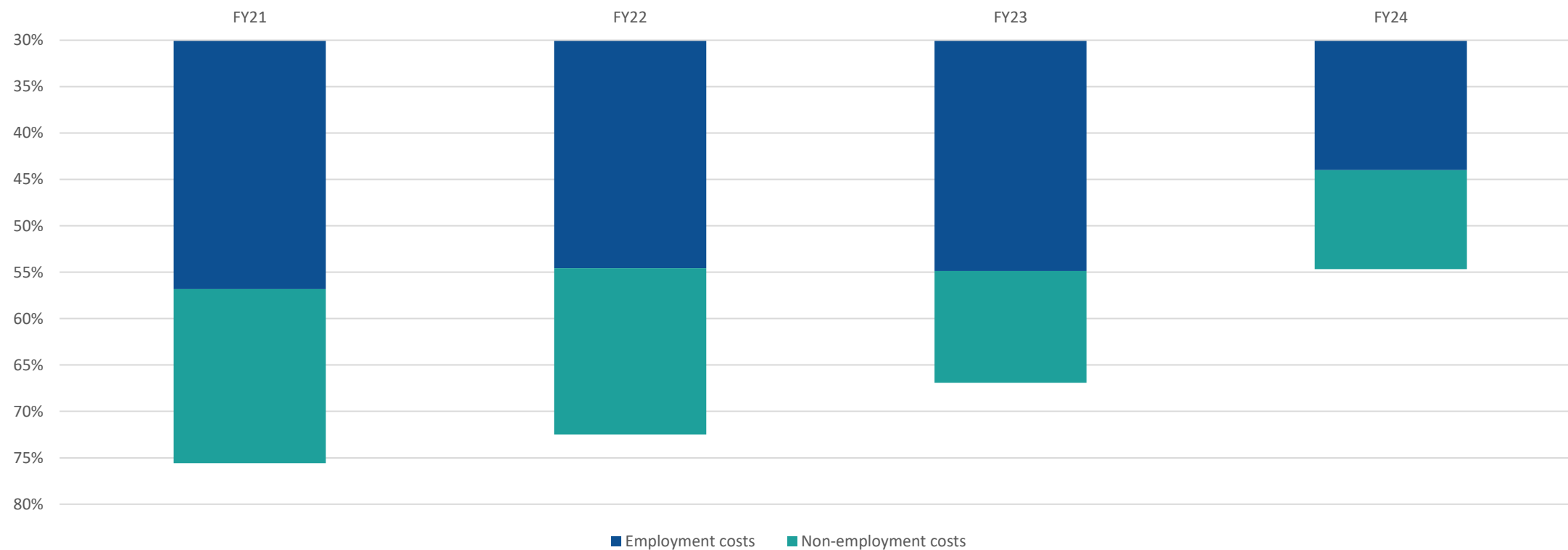
Sales and Fee Revenue by business



Operating Expenses actively managed

Executing with discipline into a deep pool of opportunity

Operating expenses as % of Sales and Fee Revenue



Key Services and What They Do

eBooks					
Services & solutions	Application	Problem solved	Benefits & competitive advantage	Pricing & scalability	Total Addressable Market
Provisioning	Australian book hire schools	No more multiple logins for different publishers	Reduces administrative burden	Retail margin on books	Australian schools k-12
Library Management	International book list schools	All students use the same version of the book	Enhances student engagement	Software Fee	International schools that teach in English (~14,000 schools)
Timetable Integration					
Student Tools	Distance Education		Provides instant access to resources		
Teaching Tools		Simplified book storage and transport	Fast and flexible support		



1Q25 Results

Strong start to FY25 for ReadCloud with record December Quarter

- 26% increase in cash receipts
- 17% increase in revenue (unaudited)
- Operating expenses up 1% on pcp (unaudited) following a 6% reduction in FY24
- 59 new school customers in 2025
- eBooks retention rate strengthened further to 93%
- Southern Solutions industry training consolidating its materially improved performance in FY24

VET-in-Schools division: ReadCloudVET growth accelerating

- 25%+ Revenue growth forecast in FY25
- Gross margins maintained >90%
- Annual Recurring Revenue on track for 15%+ growth in FY25
- 52 new schools commence in 2025
- New schools are delivering 79 courses in 2025, up 55% on pcp
- Pre-sales for 2026 indicate growth of new customers will accelerate
- New products coming online in 2026 expand addressable market

Outlook

1. School customers are resilient
2. Lead indicators are positive
3. Organic growth anticipated to continue
4. Retention rates are strengthening
5. Operating leverage unlocked
6. Self-funded growth
7. Positioned to accelerate