

ASX Announcement | 28 February 2025

Appendix 4E and Preliminary Final Report

Sydney, Australia, 28 February 2025: OpenLearning Limited, the AI powered SaaS platform for lifelong learning ('OpenLearning' or 'the Company') (ASX: OLL) is pleased to release the following documents:

- Appendix 4E; and
- Preliminary Final Report.

This release has been approved by the Board of Directors.

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.

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About OpenLearning

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 230 leading education providers, who have delivered tens of thousands of courses to over 3.5 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/>

OpenLearning Limited ABN 18 635 890 390 and Controlled Entities

Financial report for the year ended 31 December 2024

APPENDIX 4E – PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Results for Announcement to the Market

Key Information	2024 \$	2023 \$	Inc / (Dec) %
Revenue from ordinary activities	2,283,531	2,293,779	(0.4)
Revenue comprises of the following:			
Platform SaaS fees	2,144,727	1,845,865	16.2
Program delivery	–	287,280	(100.0)
Marketplace sales	1,549,429	792,949	95.4
Services sales	10,888	59,029	(81.6)
Gross sales	3,705,044	2,985,123	24.1
Less: Sharing of revenue with course Creators	(1,421,513)	(691,344)	105.6
Revenue	2,283,531	2,293,779	(0.4)
Loss after tax from ordinary activities attributable to owners	(2,851,622)	(4,421,750)	(35.5)
Net loss attributable to owners	(2,851,622)	(4,421,750)	(35.5)

Losses per share

	2024 cents	2023 cents
Basic losses per share	(0.006)	(1.65)
Diluted losses per share	(0.006)	(1.65)

Dividends

No dividends have been paid during the year and the Company does not propose to pay any final dividends.

Commentary on the Results for the Year

The financial year ended 31 December 2024 (FY2024) was a period of organisational transformation for OpenLearning, underpinned by a strategic focus on SaaS revenue expansion, AI-powered product innovation, and international market penetration. The Company successfully executed its growth and cost optimisation strategy, delivering consistent improvements in recurring revenue, customer adoption, and operational efficiency, positioning itself for long-term scalability and profitability.

Key financial highlights for FY2024:

- **Platform SaaS Annual Recurring Revenue (ARR) grew 23% Year-on-Year (YoY) to \$2.335 million by the end of FY2024**, driven by increased customer adoption and expansion of AI-powered features.
- **Cash receipts from customers increased 24% YoY to \$3.908 million**, reflecting strong growth across both SaaS and Marketplace segments.
- **Net operating cash outflows improved by 34% YoY to \$(2.198) million**, as the Company focused on cost reductions and improved operating efficiencies.
- **Loss after tax decreased by 35.5% YoY to \$(2.752) million**, reflecting disciplined cost management, operating leverage from the Group's core technology platform and revenue growth.

OpenLearning's Product Offering

OpenLearning operates across **two core business divisions** – **Platform Subscription** and **Marketplace**—each designed to provide scalable, AI-powered solutions to education providers and learners.

1. Platform Subscription (SaaS)

OpenLearning's **AI-powered Learning Management System (LMS)** provides a **full suite of tools for online learning, course creation, and delivery**, catering to education providers, universities, and training institutions.

- **OpenLearning LMS** – The **flagship end-to-end learning platform**, enabling institutions to **design, market, deliver, and manage** online courses, micro-credentials, and degrees.
- **CourseMagic.ai** – An **AI-driven instructional design tool** launched in June 2024, providing educators with **automated course-building features** and **seamless integration with other major LMS platforms** such as Canvas, Blackboard, and Moodle.
- **Biomedical Education and Skills Training (BEST) Network** – A **specialised teaching platform** with **virtual microscopy capabilities** designed for **biomedical education in leading medical schools**.

This division operates on a **SaaS subscription model**, with **recurring revenue based on the number of users and AI tool usage**. The **growth of AI-driven tools** within OpenLearning's LMS has **significantly increased platform engagement and revenue per customer**.

2. Marketplace

The **Marketplace business** provides **student acquisition and course discovery solutions**, creating an additional revenue stream for OpenLearning and its education provider clients.

- **OpenLearning Marketplace** – A **global network of education marketplaces**, featuring courses from education providers and enabling **seamless course promotion and enrolment management**.

- **The Uni Guide** – Acquired in 2024, this **higher education marketplace** helps universities and colleges recruit students, **attracting nearly 1 million annual visitors**, with a growing focus on **international student placements**.

The Marketplace segment generated **\$1.845 million in gross sales in FY2024**, growing **95.4% YoY**, reflecting the increasing demand for **higher education marketing and recruitment services**.

SaaS Revenue Growth and AI Product Expansion

OpenLearning's core **Software-as-a-Service (SaaS)** business continues to scale, with **strong ARR growth of 23%** for FY2024. This growth was supported by:

- Increased **average revenue per B2B SaaS customer**, which grew **17% YoY to \$9,767 per annum**, reflecting higher-value contracts and deeper engagement with customers.
- Continued **expansion of AI-driven course development tools**, leading to **greater adoption among education providers** and increased usage of OpenLearning's platform.
- **Successful launch of CourseMagic.ai in June 2024**, with 126 paying customers by year-end and growing global adoption.

AI innovations and other new enhanced features have played a key role in OpenLearning's revenue expansion and position it as a **leading-edge learning management system** that can support large-scale deployments across educational institutions, corporations, and government sectors

Strategic Partnerships and International Expansion

The Company continued to build strategic alliances and expand into new geographic markets, with key initiatives including:

- **Higher Education Expansion:** Australian based expansion included a strategic partnership with **Meshed Group**, integrating OpenLearning's **AI-powered Learning Management System (LMS)** with **Meshed's Student Management System**, which has resulted in new customer subscriptions from the Australian higher education and vocational education sectors.
- **Geographical Expansion:** Continued growth in the Malaysian and Indonesian markets throughout FY2024 with early traction in **India and the Philippines** with the signing of **new reseller agreements** and an expanding the pipeline of international customers.
- **Acquisition of The Uni Guide**, an Australian higher education marketplace, which is now contributing to OpenLearning's **marketplace revenue growth and international student recruitment efforts**.

The **international student recruitment market** represents a significant long-term opportunity, with OpenLearning leveraging The Uni Guide's platform and its **partnership with Education Centre of Australia (ECA)** to expand recruitment for **Australian and overseas universities**.

Cost Management and Financial Discipline

OpenLearning demonstrated **disciplined cost management**, achieving:

- A **34% YoY reduction in net operating cash outflows**, improving financial sustainability.

- A **31% decrease in operating expenses**, reflecting a strategic shift towards efficiency and profitability.
- A **\$2.0 million capital raise**, including an **increase in its loan facility by \$1.0 million** and additional institutional investment, ensuring the Company is able to execute on its strategy while investing in sales and product development.

Strategic Focus for FY25

OpenLearning is expanding across multiple verticals and geographies with a focus on:

- **Expanding its AI-powered LMS capabilities**, further enhancing its **Generative AI tools** to drive efficiency in course delivery, assessment and student engagement.
- Establish **go-to-market partnerships to grow the pipeline of larger scale platform deployments** that take advantage of the full suite of LMS and AI powered tools in both the higher education and corporate sectors.
- **Deepening market penetration in key geographies**, including its core markets of Australia and Malaysia – in both the higher education and corporate sectors, and supporting the Group's resellers and partners in **India, the Philippines and Indonesia** to drive sales.
- **Scaling CourseMagic.ai**, increasing adoption among educators and institutions worldwide, and integrating new AI-driven features to improve retention and revenue growth.
- **Strengthening financial performance**, continuing to optimise costs while driving higher-margin SaaS revenue, with the goal of achieving **cash-flow break-even**.

By prioritising innovation, market expansion, and financial sustainability, OpenLearning aims to solidify its position as a leader in AI-powered education technology while driving long-term growth and value for its stakeholders.

Conclusion

In FY2024, OpenLearning made **significant progress in transforming its business and leveraging its technology**, delivering 16.2% SaaS revenue growth while achieving a **19.8% reduction in its cost base**. **This was achieved while launching industry-leading Generative AI tools** that are driving platform adoption and expanding **its international footprint** in high-growth markets such as **India, the Philippines, Indonesia, and Malaysia**.

While challenges remain, OpenLearning is **well-positioned for sustainable growth**, with a clear focus on **accelerating SaaS revenue, enhancing AI-driven solutions, and achieving cash-flow break-even**. The Company remains committed to **delivering value for its shareholders, customers, and partners**, and expresses **its deepest appreciation to its dedicated employees** for their contributions to this transformative year.

Statement of Profit or Loss and Other Comprehensive Income with Notes to the Statement

Refer to the 31 December 2024 financial statements and accompanying notes for OpenLearning Limited.

Statement of Financial Position with Notes to the Statement

Refer to the 31 December 2024 financial statements and accompanying notes for OpenLearning Limited.

Statement of Cash Flows with Notes to the Statement

Refer to the 31 December 2024 financial statements and accompanying notes for OpenLearning Limited.

Statement of Retained Earnings Showing Movements

Refer to the 31 December 2024 financial statements and accompanying notes for OpenLearning Limited.

Net Tangible Assets per share

	2024	2023
	\$/share	\$/share
Net tangible assets per share	(0.006)	(0.013)

Control Gained or Lost over Entities in the Year

There were no acquisition or disposal of controlled entities during FY2024.

Investment in Associates and Joint Ventures

The Group does not have investment in Associates and Joint Ventures.

Status of Audit

This report is based on accounts which are in the process of being audited. The Audited Annual Report is expected to be released by 31 March 2025.

OpenLearning Limited and Controlled Entities
Preliminary Final Report

Consolidated statement of profit or loss and other comprehensive income
For the financial year ended 31 December 2024

	Note	2024 \$	2023 \$
Revenue	2	2,283,531	2,293,779
Other income	3	59,803	89,194
Items of expense			
Web-hosting and other direct costs		(711,433)	(663,903)
Employee benefits expense		(2,293,977)	(3,348,870)
Depreciation and amortisation		(453,957)	(393,432)
Promotional and advertising		(210,113)	(186,555)
Professional services		(662,434)	(910,021)
General and administrative costs		(653,703)	(711,741)
		(2,642,283)	(3,831,549)
Capital Loss		—	—
Impairment Loss		—	(458,492)
Retrenchment Costs		(90,685)	(74,315)
Finance income		864	5,320
Finance expenses		(119,518)	(62,714)
Loss before tax	4	(2,851,622)	(4,421,750)
Income tax	5	—	—
Loss for the year		(2,851,622)	(4,421,750)
Other comprehensive income:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		20,852	(6,250)
Total comprehensive loss for the year		(2,830,770)	(4,428,000)
Loss for the year attributable to:			
Owners of the Company		(2,851,622)	(4,421,750)
Total comprehensive loss attributable to:			
Owners of the Company		(2,830,770)	(4,428,000)
Losses per share attributable to owners of the Company			
Basic losses per share (cents)	6	(0.006)	(1.65)
Diluted losses per share (cents)	6	(0.006)	(1.65)

This statement should be read in conjunction with the notes to the financial statements.

OpenLearning Limited and Controlled Entities
Preliminary Final Report

Consolidated statement of financial position
As at 31 December 2024

	Note	2024	2023
		\$	\$
ASSETS			
Current assets			
Trade and other receivables		157,267	478,165
Prepayments		150,899	164,136
Cash and cash equivalents	7	953,164	1,103,418
		<u>1,261,330</u>	<u>1,745,719</u>
Non-current assets			
Furniture, fittings and equipment		32,499	32,854
Intangible assets		2,096,831	1,557,581
		<u>2,129,330</u>	<u>1,590,435</u>
Total assets		<u>3,290,060</u>	<u>3,336,154</u>
LIABILITIES			
Current liabilities			
Trade and other payables		706,070	766,822
Provisions		470,797	436,377
Deferred revenue		896,486	1,092,971
		<u>2,073,353</u>	<u>2,296,170</u>
Non-current liabilities			
Borrowings		2,058,694	3,050,578
		<u>2,058,694</u>	<u>3,050,578</u>
Total liabilities		<u>4,132,047</u>	<u>5,346,748</u>
Net (liabilities) / assets		<u>(741,387)</u>	<u>(2,010,594)</u>
EQUITY			
Equity attributable to the owners of the Company			
Share capital	8	40,312,803	36,263,511
Accumulated losses		(42,797,159)	(39,994,037)
Reserves	9	1,742,969	1,719,932
Total equity		<u>(741,387)</u>	<u>(2,010,594)</u>

This statement should be read in conjunction with the notes to the financial statements.

OpenLearning Limited and Controlled Entities
Preliminary Final Report

Consolidated statement of changes in equity
For the financial year ended 31 December 2024

	Share Capital (Note 17)	Reserves (Note 18)	Accumulated Losses	Total
	\$	\$	\$	\$
Opening balance at 1 January 2023	36,263,511	1,719,932	(39,994,037)	(2,010,594)
Loss for the year	—	—	(2,851,622)	(2,851,622)
<u>Other comprehensive income</u>				
Foreign currency translation, representing total other comprehensive loss for the year	—	20,852	—	20,852
Total comprehensive loss for the year	—	20,852	(2,851,622)	(2,830,770)
Issuance of ordinary shares :				
- new ordinary shares	4,117,293	—	—	4,117,293
Equity issuance costs	(68,001)	—	—	(68,001)
Transfer of fair value of expired options	—	—	—	—
Transfer of fair value of lapsed performance rights	—	(48,500)	48,500	—
Share-based payment	—	44,685	—	44,684
Issuance of unquoted options	—	6,000	—	6,000
Closing balance at 31 December 2023	40,312,803	1,742,969	(42,797,159)	(741,387)

This statement should be read in conjunction with the notes to the financial statements.

OpenLearning Limited and Controlled Entities
Preliminary Final Report

Consolidated statement of changes in equity
For the financial year ended 31 December 2024

	Share Capital (Note 17)	Reserves (Note 18)	Accumulated Losses	Total
	\$	\$	\$	\$
Opening balance at 1 January 2023	36,263,511	1,726,182	(35,572,287)	2,417,406
Loss for the year	–	–	(4,421,750)	(4,421,750)
<u>Other comprehensive income</u>				
Foreign currency translation, representing total other comprehensive loss for the year	–	(6,250)	–	(6,250)
Total comprehensive loss for the year	–	(6,250)	(4,421,750)	(4,428,000)
Closing balance at 31 December 2023	36,263,511	1,719,932	(39,994,037)	(2,010,594)

This statement should be read in conjunction with the notes to the financial statements.

OpenLearning Limited and Controlled Entities
Preliminary Final Report

Consolidated statement of cash flows
For the financial year ended 31 December 2024

	Note	2024	2023
		\$	\$
Operating activities			
Receipts from customers		3,908,061	3,160,649
Payments to suppliers and employees		(6,088,715)	(6,512,831)
Proceeds from other income		28,812	35,075
Net cash flows used in operating activities	10	(2,151,842)	(3,317,107)
Investing activities			
Purchase of furniture, fittings and equipment, net of disposal		(10,456)	(10,782)
Purchase of intangible assets		(945,672)	(767,637)
Net cash flows used in investing activities		(956,128)	(778,419)
Financing activities			
Proceeds from issuance of equity shares		951,300	–
Proceeds from exercise of share options		–	–
Proceeds from borrowing		2,000,000	3,000,000
Repayment of lease liabilities		–	–
Repayment of borrowing		–	–
Share issue expenses		–	–
Net cash flows generated from financing activities		2,951,300	3,000,000
Net (decrease) / increase in cash and cash equivalents		(156,670)	(1,095,526)
Effect of exchange rate changes on cash and cash equivalents		6,416	(5,695)
Cash and cash equivalents at beginning of the year		1,103,418	2,204,639
Cash and cash equivalents at end of the year	7	953,164	1,103,418

This statement should be read in conjunction with the notes to the financial statements.

Notes to the financial statements – 31 December 2024

The consolidated financial statements and notes represent those of OpenLearning Limited (the “Company”) and its controlled entities (the “Group”). OpenLearning Limited is a listed public company, incorporated and domiciled in Australia.

1. **Summary of significant accounting policies**

1.1 ***Basis of preparation***

These general purpose consolidated financial statements have been prepared in accordance with the Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

1.2 ***Going concern***

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realization and the settlement of liabilities in the ordinary course of business.

The Group incurred a net loss for the year of \$2,851,622 (2023: \$4,421,750) and net operating cash outflows of \$2,151,842 (2023: \$3,317,107). As at 31 December 2024 the Group had accumulated losses of \$42,797,159 (31 December 2023: \$39,994,037).

As at 31 December 2024, the Group has net current liabilities of \$812,023 (31 December 2023: \$550,451) and cash and cash equivalents of \$953,164 (31 December 2023: \$1,103,418).

The Group has prepared a cashflow forecast for the next 12 months that indicates a risk that the Group may not meet all its payment obligations. However, the directors believe that it is appropriate for the financial statements to be prepared on a going concern basis after consideration of the following factors:

- increasing traction in revenue growth of the Platform Subscription segment with improved gross margins and increasing cash inflow from this segment is expected to reduce cash outflows;
- implementation of cost reduction initiatives in January 2024 to further reduce operating cash outflows were successful with operating cash outflows declining significantly over the past year;
- introduction of new products in 2024 and the Group's plan for expanding The Uni Guide may provide the company with new revenue streams;
- active management of discretionary expenditure in line with funds availability; and
- successful completion of a \$2 million capital raise in December FY24, inclusive of a \$1 million loan facility from the Education Centre of Australia to support the Company's objectives.

1. Summary of significant accounting policies (cont'd)

1.3 Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the Parent (OpenLearning Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the Parent controls. The Parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 20.

Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Where applicable, equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests”. The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

The consolidated financial statements of the Group have been prepared in accordance with the pooling of interest method as the Group is a continuation of the existing business of OpenLearning Global Pte Ltd and its subsidiaries. The assets and liabilities of the combining entities are reflected at their carrying amounts as reported in the consolidated financial statements. Any difference between the consideration paid/transferred and the equity acquired is reflected within equity as a common control reserve. The consolidated income statements and consolidated statements of comprehensive income reflect the results of the combining entities for the entire periods under review, irrespective of when the combination took place. Apart from the above, subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

1.4 Revenue

Revenue arises from Platform SaaS fees, Program delivery, Marketplace sales and Services sales.

To determine recognition of revenue, the Group: (i) identifies the contract with a customer, (ii) identifies the performance obligations in the contract, (iii) determines the transaction price, (iv) allocates the transaction price to the performance obligations and (v) recognises revenue when or as each performance obligation is satisfied.

Revenue is recognised either at a point in time or over time, when or as the Group satisfies performance obligations by transferring the promised goods or services to its customers.

(a) Platform SaaS fees

Revenue from platform SaaS subscription fees is recognised over the period during which customers are granted access to the platform.

1. **Summary of significant accounting policies (cont'd)**

1.4 **Revenue (cont'd)**

(b) *Program delivery*

Revenue from program delivery is recognised over the period of the study program.

(c) *Marketplace sales*

Revenue from marketplace sales is recognised when customers subscribe for the courses and the course is delivered. For courses sold on behalf of third parties, revenue is recognised based on revenue sharing arrangements, if any.

(d) *Services sales*

Revenue from the provision of services is recognised over time reflecting the progress for the completion of a performance obligation for which the Group has an enforceable right to payment.

Platform SaaS, Program delivery and Services sold to customers in advance, which are yet to be utilised, are recognised initially in the balance sheet as deferred income and released to revenue in line with the above recognition criteria.

1.5 **New and Amended Accounting Policies Adopted by the Group**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

1. **Revenue**

	Group	
	2024	2023
	\$	\$
Revenue from contracts with customers		
Platform SaaS fees	2,144,727	1,845,865
Program delivery	–	287,280
Marketplace sales	127,916	101,605
Services sales	10,888	59,029
	2,283,531	2,293,779

OpenLearning Limited and Controlled Entities
Preliminary Final Report

Notes to the financial statements – 31 December 2024

3. Other income

	Group	
	2024	2023
	\$	\$
Government grant	36,600	55,892
Others	23,203	33,302
	<u>59,803</u>	<u>89,194</u>

4. Loss for the year

Loss before income tax from continuing operations includes the following specific expenses:

	Group	
	2024	2023
	\$	\$
Web-hosting and other direct costs		
- web-hosting costs	586,567	551,442
- program delivery licence fee	4,258	79,167
Employee benefits expense		
- share-based payment	44,684	–
Depreciation and amortisation		
- depreciation on furniture, fittings and equipment	11,658	13,063
- amortisation of intangible assets	442,229	380,369
Professional services		
- contractors	328,487	546,458
General and administrative costs		
- write-off / loss on disposal of furniture, fittings and equipment	(105)	–
- foreign currency translation losses	17,052	27,943
- impairment of trade receivables	38,004	16,937
- travelling costs	70,913	74,644

5. Income tax

There are no income tax expenses for the current and previous financial years as the Group does not have taxable profits.

6. Losses per share

Both the basic and diluted losses per share have been calculated by dividing the loss for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The reconciliation of the weighted average number of ordinary shares for the purposes of calculating the diluted losses per share is as follows:

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Preliminary Final Report

Notes to the financial statements – 31 December 2024

6. Losses per share (cont'd)

	31 December 2024	31 December 2023
Weighted average number of ordinary shares for basic losses per share computation	482,674,641	267,869,076
Effects of dilution from:		
- share options issued to convertible note holders	–	–
- share options issued to advisors	–	–
Weighted average number of ordinary shares for diluted losses per share computation	482,674,641	267,869,076

7. Cash and cash equivalents

	Group	
	2024	2023
	\$	\$
Cash at bank and on hand	944,525	1,086,743
Cash with online payment providers	8,639	16,675
Short-terms deposits placed with banks	–	–
	953,164	1,103,418

8. Share capital

	31 December 2024	31 December 2023
	\$	\$
482,674,641 (31 Dec 2023: 267,869,075) fully paid ordinary shares	40,312,803	36,263,511

OpenLearning Limited and Controlled Entities
Preliminary Final Report

Notes to the financial statements – 31 December 2024

8. Share capital (cont'd)

8.1 Movements in ordinary shares

	Group			
	2024		2023	
	No. of shares	\$	No. of shares	\$
Issued and fully paid ordinary shares:				
At 1 January	267,869,075	39,179,029	267,869,075	39,179,029
Issuance of shares during the year :				
- placement of shares	214,805,566	4,117,293	–	–
At 31 December	482,674,641	43,296,322	267,869,075	39,179,029
Equity issuance costs				
At 1 January	–	(2,915,518)	–	(2,915,518)
Costs arising from equity issuance	–	(68,001)	–	–
At 31 December	–	(2,983,519)	–	(2,915,518)
Total ordinary shares at 31 December	482,674,641	40,312,803	267,869,075	36,263,511

8.2 Movements in unquoted options over ordinary shares

Exercise period	Exercise price per share	Number on issue at 1 Jan 2024	Issued / (Lapsed)	Number on issue at 31 Dec 2024
On or before 31 August 2024	\$0.30	250,000	(250,000)	–
On or before 27 April 2025	\$0.30	1,000,000	–	1,000,000
On or before 17 December 2027	\$0.05	–	5,000,000	5,000,000
On or before 28 June 2029	\$0.05	–	4,000,000	4,000,000
Employee Option Plan	–	–	1,000,000	1,000,000
Total unquoted options		1,250,000	9,750,000	11,000,000

* exercise of the options is subject to escrow periods.

8.2 Performance rights

950,000 performance rights were granted on 1 October 2020 to key management personnel of the Company. These performance rights are exercisable to 950,000 ordinary shares in the Company with Nil consideration over 3 years with 1/3 vesting annually on the condition that the Company's volume weighted average share price over any 30 consecutive trading days is equal to or higher than 55 cents.

750,000 of these performance rights have lapsed upon the leaving of a key management person of the Group. The remaining 200,000 were lapsed during the financial year 2024.

Notes to the financial statements – 31 December 2024

8.2 Performance rights (cont'd)

4,000,000 performance rights were granted on 17 June 2025 to key management personnel of the Company. These performance rights are exercisable to 4,000,000 ordinary shares in the Company with Nil consideration over 3 years, vesting in three trenches and expiring five years from the date of allotment.

9. Reserves

	Group	
	2024	2023
	\$	\$
Foreign currency translation reserve	40,441	19,588
Common control reserve	1,640,477	1,650,477
Share-based payment reserve & Other reserve	52,051	49,867
	<u>1,742,969</u>	<u>1,719,932</u>

10. Cash flow information

Reconciliation of cash flows from operating activities with loss after income tax:

	Group	
	2024	2023
	\$	\$
Loss after tax	(2,851,622)	(4,421,750)
Non-cash flows in loss for the year:		
Depreciation and amortisation	453,957	393,431
Write-off / Loss on disposal of furniture, fittings and equipment	—	—
Unrealised exchange (gain) / loss	89,349	7,681
Gain on lease modification	472	—
Impairment	—	458,492
Share-based payment	44,684	—
Changes in assets and liabilities:		
Decrease in trade and other receivables	325,513	201,590
Increase in trade and other payables	(214,195)	43,449
Net cash flows used in operating activities	<u>(2,151,842)</u>	<u>(3,317,107)</u>