openlearning

ASX Announcement | 28 August 2026
Half-Year Results & Appendix 4D

Gross Profit Up 64% and Revenue Up 43% as OpenLearning Delivers Record SaaS ARR and Expanding Gross Margins

Key Highlights:

- **Gross profit increased 64% to $1.25 million** for the half-year ended 30 June 2026, with gross margin expanding 8.4 percentage points to a record 63%, up from 15.3% three years ago.
- **Revenue increased 42.8% to $1.99 million** (HY2025: $1.39 million), driven by a 30.6% increase in Platform SaaS fees to $1.58 million, while gross sales rose 22.2% to $2.62 million.
- **Platform SaaS annual recurring revenue (ARR) reached a record $3.27 million**, up 23.4% year-on-year, marking the Company's 18th consecutive quarter of SaaS revenue growth.
- **SaaS gross margin reached 65.6%**, up from 54.4% in the prior corresponding period, demonstrating the operating leverage of the Company's SaaS revenue base.
- **EBITDA loss improved 27.1% to $1.22 million**, the smallest loss of the past seven half-year periods, while the loss after tax narrowed 20.5% to $1.63 million.
- **Total cash receipts from customers rose 20.8% to $2.91 million**, including record quarterly cash receipts of $1.653 million in Q2 FY26, the highest in the Company's history.
- **Average SaaS ARR per B2B customer rose 24.5% to $12,369**, reflecting the continued shift towards larger, multi-year institutional LMS contracts, with 263 active B2B SaaS customers across 16 countries at period end.
- Excluding sales and marketing, the new divisions and listed-company costs, **the core operating business used just $0.19 million of cash in the half-year.**
- **The Uni Guide launched in May 2026 while Employability Advantage was relaunched in the half-year**, extending OpenLearning's platform across the entire student journey — from student recruitment through to employability and graduate outcomes.
- Growth during the half was driven by new institutional customers across the Philippines, Malaysia and Australia, including **Philippine Normal University**, the first university secured through reseller CE-Logic, and the expansion of existing customers **Universiti Poly-Tech Malaysia** and the **University of Cyberjaya** onto campus-wide LMS deployments.

Sydney, Australia: 28 August 2026: OpenLearning Limited, the AI-powered learning management system ('OpenLearning' or 'the Company') (ASX: OLL) is pleased to release its Appendix 4D and Half-Year Financial Report for the six months ended 30 June 2026 (HY2026), together with the following financial and operational update.

The first half of 2026 was a strong period for OpenLearning, with the Company delivering record SaaS annual recurring revenue, its highest ever gross margin, and its smallest EBITDA loss of the past seven half-year periods, while launching two new products that extend the platform across the entire student journey. The strategy of moving from short courses and micro-credentials towards larger, multi-year institutional LMS contracts is now clearly visible in the financial results.

Record Revenue and Expanding Margins

For the half-year ended 30 June 2026, OpenLearning achieved revenue of **$1.99 million, an increase of 42.8%** on the prior corresponding period. Gross sales rose 22.2% to $2.62 million, supported by a 30.6% increase in Platform SaaS fees to $1.58 million.

Gross profit increased **64% to $1.25 million** and gross margin expanded 8.4 percentage points to **63%**, up from 15.3% three years ago. Within the platform business, SaaS gross margin reached **65.6%, up from 54.4%** in the prior corresponding period. Net revenue has grown 89.0% since the first half of 2023 while cost of sales excluding marketplace has fallen 17.4%, from $0.89 million to $0.74 million, demonstrating the operating leverage of the Company's SaaS revenue base.

Platform SaaS ARR reached a record **$3.27 million at 30 June 2026, up 23.4% year-on-year**, marking the Company's **18th consecutive quarter of SaaS revenue growth**. Average SaaS ARR per B2B customer rose 24.5% to $12,369, reflecting the continued shift towards larger LMS contracts, and the Company ended the half-year with 263 active B2B SaaS customers across 16 countries.

Australia, Malaysia and the Philippines together account for approximately 88.6% of ARR, with 51.9% of ARR now generated from customers outside Australia. Over the past three years, ARR has grown 77.2% while customer numbers have increased 16.4%, representing a deliberate shift towards larger contracts and higher value customers.

Pathway to Break-even

The Company recorded an EBITDA loss of **$1.22 million for HY2026, an improvement of 27.1%** on the prior corresponding period and the smallest loss of the past seven half-year periods. The loss after tax narrowed 20.5% to $1.63 million.

Total cash receipts from customers for the half-year were **$2.91 million, up 20.8%** on the prior corresponding period, including record quarterly cash receipts of $1.653 million in Q2 FY26, the highest in the Company's history. Net operating cash outflows improved 21% quarter-on-quarter to $0.533 million in Q2 FY26, with the half-year total of $1.21 million reflecting increased investment in sales and marketing and in the Company's two new divisions.

Sales and marketing of $0.55 million, the Employability Advantage and The Uni Guide divisions of $0.22 million, and the costs of being a publicly listed company of $0.25 million together account for approximately 84.3% of the Group's half-yearly cash outflow. Excluding these items, **the core operating business used $0.19 million of cash in the half-year**, demonstrating that the underlying platform business is approaching break-even.

Philippines and Malaysia Driving Growth

OpenLearning's expansion in the Philippines accelerated during the half-year. **Philippine Normal University (PNU)**, the country's National Center for Teacher Education, became the first university customer secured under the CE-Logic reseller agreement [ASX: 11th May 2026], covering 5,000 students initially and expandable to its full enrolment of approximately 12,000 students. The Company's direct sales team also signed LMS SaaS agreements with **Thames International School, Notre Dame Jolo College, Baliuag University and Manila Central University**.

Subsequent to the half-year end, Holy Cross of Davao College signed a 4-year SaaS agreement covering a minimum of 11,000 learners per year, with a minimum value to OpenLearning of approximately A$300,000 over the term, the largest agreement secured through the CE-Logic partnership to date [ASX: 13th July 2026].

In Malaysia, where OpenLearning has SaaS agreements with **more than 40% of the country's major higher education institutions**, Universiti Poly-Tech Malaysia expanded its LMS agreement from 1,500 to 8,000 learners, now covering all on-campus students, and Sunway University expanded its agreement to cover newly developed elective courses. These expansions demonstrate the 5-10x total contract value uplift available within the existing Malaysian customer base.

The Company also progressed low-cost market entries in India, signing a five-year usage-based SaaS agreement with Guru Jambheshwar University of Science and Technology, and in Indonesia, signing a new agreement with Universitas Muhammadiyah Lamongan, building on its longstanding relationships within the Muhammadiyah network.

AI and New Products

Artificial intelligence is central to OpenLearning's strategy in two ways. Within the platform, the **AI Course Builder** and **AI Assistant** remain key selling points in competitive procurement processes against incumbents such as Canvas, Blackboard and Moodle, with AI outcome-based rubric generation and support for agentic AI in development. Internally, AI-enabled software development has significantly increased the velocity of feature releases without a corresponding increase in headcount, contributing directly to the margin expansion achieved in the half.

In May 2026, the Company launched **The Uni Guide**, an international student recruitment marketplace, with 15 university and college partners and close to 100 recruitment partners onboarded [ASX: 25th May 2026]. **Employability Advantage** relaunched in May 2026 as a fully branded employability portal with AI resume building, AI skills assessment, career planning tools and job boards, integrated with OpenLearning's LMS. Together, these launches complete an important step in OpenLearning's unique selling proposition for universities: "the AI-powered LMS for the entire student journey".

The Group ended the half-year with cash and cash equivalents of $0.87 million. With record ARR, expanding margins and a narrowing loss, the Company's focus for the second half of 2026 is to convert its growing pipeline into larger, multi-year contracts and maintain cost discipline.

OpenLearning Group CEO & Managing Director Adam Brimo said: "The first half of 2026 demonstrates that our strategy is working. Gross profit rose 64%, revenue grew 43%, and our gross margin reached 63%, up from just 15% three years ago, while SaaS ARR hit a record $3.27 million in our 18th consecutive quarter of SaaS revenue growth.

Cash outflows from the core platform business declined, and we have continued to invest in new product development, including embedding generative AI across our platform while launching The Uni Guide and Employability Advantage. OpenLearning now supports institutions across the entire student journey. With a growing pipeline in the Philippines, continued expansion in Malaysia and early traction in India and Indonesia, we are well positioned for the second half of 2026."

Ends.

Authorised by:
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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 learning management system and lifelong learning platform offered to organisations on a SaaS business model.

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, Malaysian and Philippine higher education sectors, and a growing presence in Indonesia, India and Africa, OpenLearning is revolutionising the way education is accessed and delivered globally. To learn more, please visit: https://solutions.openlearning.com/