

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

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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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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) |
| | | <u>(2,642,283)</u> | <u>(3,831,549)</u> |
| Capital Loss | | – | – |
| Impairment Loss | | – | (458,492) |
| Retrenchment Costs | | (90,685) | (74,315) |
| Finance income | | 864 | 5,320 |
| Finance expenses | | (119,518) | (62,714) |
| | | <u>(2,851,622)</u> | <u>(4,421,750)</u> |
| Loss before tax | 4 | (2,851,622) | (4,421,750) |
| Income tax | 5 | – | – |
| | | <u>(2,851,622)</u> | <u>(4,421,750)</u> |
| Loss for the year | | <u>(2,851,622)</u> | <u>(4,421,750)</u> |
| 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) |
| | | <u>20,852</u> | <u>(6,250)</u> |
| Total comprehensive loss for the year | | <u>(2,830,770)</u> | <u>(4,428,000)</u> |
| Loss for the year attributable to: | | | |
| Owners of the Company | | (2,851,622) | (4,421,750) |
| | | <u>(2,851,622)</u> | <u>(4,421,750)</u> |
| Total comprehensive loss attributable to: | | | |
| Owners of the Company | | (2,830,770) | (4,428,000) |
| | | <u>(2,830,770)</u> | <u>(4,428,000)</u> |
| 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 |
| | | 1,261,330 | 1,745,719 |
| Non-current assets | | | |
| Furniture, fittings and equipment | | 32,499 | 32,854 |
| Intangible assets | | 2,096,831 | 1,557,581 |
| | | 2,129,330 | 1,590,435 |
| Total assets | | 3,290,060 | 3,336,154 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | | 706,070 | 766,822 |
| Provisions | | 470,797 | 436,377 |
| Deferred revenue | | 896,486 | 1,092,971 |
| | | 2,073,353 | 2,296,170 |
| Non-current liabilities | | | |
| Borrowings | | 2,058,694 | 3,050,578 |
| | | 2,058,694 | 3,050,578 |
| Total liabilities | | 4,132,047 | 5,346,748 |
| Net (liabilities) / assets | | (741,387) | (2,010,594) |
| 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 | | (741,387) | (2,010,594) |

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

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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.

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**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 | <u>(2,151,842)</u> | <u>(3,317,107)</u> |
| 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 | | <u>(956,128)</u> | <u>(778,419)</u> |
| 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 | | <u>2,951,300</u> | <u>3,000,000</u> |
| 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 | <u>953,164</u> | <u>1,103,418</u> |

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

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**OpenLearning Limited and Controlled Entities
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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.

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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.

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Notes to the financial statements – 31 December 2024

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 |

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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 |
| | 59,803 | 89,194 |
| | 59,803 | 89,194 |

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 |
| | 70,913 | 74,644 |
| | 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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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 |

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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.

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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 tranches 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 |
| | 1,742,969 | 1,719,932 |

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 | (2,151,842) | (3,317,107) |

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