

ABN 18 635 890 390

**OpenLearning Limited
and Controlled Entities**

Half-Year Report and Appendix 4D
30 June 2025

OpenLearning Limited and Controlled Entities

Appendix 4D

Interim financial report for the half-year ended 30 June 2025

Results for the half-year ended 30 June 2025 ('HY2025'):

- gross sales of \$2,140,558, an increase of 10.8% previous corresponding period ('pcp');
- revenue of \$1,393,258, an increase of 30.2% pcp;
- loss after tax of \$2,050,052, an increase in loss of 23.3% pcp, primarily due to the cessation of platform development costs capitalisation.

	Half-year Ended 30 June 2025 \$	Half-year Ended 30 June 2025 \$	Inc / (Dec) %
Revenue from ordinary activities	1,393,258	1,070,194	30.2
Revenue comprises of the following:			
Platform SaaS fees	1,208,583	1,019,669	18.5
Marketplace sales	912,280	903,354	1.0
Services sales	19,695	8,161	141.3
Gross sales	2,140,558	1,931,184	10.8
Less: Sharing of marketplace sales with course creators	(747,300)	(860,990)	(13.2)
Revenue	1,393,258	1,070,194	30.2
Loss for the period	(2,050,052)	(1,663,308)	23.3
Loss for the period attributable to members	(2,050,052)	(1,663,308)	23.3
Net tangible assets per share	(\$0.009)	(\$0.006)	

Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Financial report

The financial report for the Group for the half-year ended 30 June 2025 is attached to this Appendix 4D statement.

ABN 18 635 890 390

OpenLearning Limited
and Controlled Entities

Consolidated Half-Year Financial Report
30 June 2025

OpenLearning Limited and Controlled Entities

Corporate Directory

Directors

Spiro Pappas	- Non-Executive Chairman
Adam Brimo	- Managing Director and Group CEO
Matthew Reede	- Non-Executive Director
Rupesh Singh	- Non-Executive Director

Company Secretary

Maria Clemente
Sally Greenwood

Principal & Registered Office

The Cooperage, Level 2, Suite 9, 56 Bowman Street,
Pyrmont NSW 2009

Auditors

Hall Chadwick (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

Share Registrar

Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney NSW 2000

Stock Exchange Listing

Australian Securities Exchange
Code: OLL

OpenLearning Limited and Controlled Entities

General information

Index

	Page
Managing Director's Report	1
Directors' report	3
Consolidated statement of profit or loss and other comprehensive income	9
Consolidated statement of financial position	10
Consolidated statement of changes in equity	11
Consolidated statement of cash flows	12
Notes to the financial statements	13
Directors' declaration	21
Auditor's independence declaration	22
Independent auditor's review report	23

OpenLearning Limited and Controlled Entities

Managing Directors' report

Dear Shareholders,

The first half of 2025 has been a transformative period for OpenLearning as our strategy to position the Company as a leading AI-powered learning management system (LMS) provider continues to deliver results. With stronger customer adoption, larger contract wins, and accelerating platform usage, we are seeing tangible evidence of our growing traction in the global LMS market.

Strong Revenue Growth and Expanding Customer Base

For the half-year ended 30 June 2025, OpenLearning achieved revenue of \$1.39 million, an increase of 30.2% compared to the prior corresponding period. Gross sales rose to \$2.14 million, up 10.8% year-on-year, supported by an 18.5% increase in Platform SaaS fees. These results demonstrate both the resilience of our platform and the increasing scale of adoption by institutions worldwide.

Our B2B customer base expanded to 262 institutions across Australia, Malaysia, the Philippines, India, Indonesia, Vietnam, the United States, and the U.K. The increase in average ARR per B2B customer and multi-year SaaS agreements with leading universities in the Philippines and Australia reflect the growing maturity of our LMS strategy.

Pathway to Break-even

The Company recorded an EBITDA loss of \$1.672 million for HY2025, up 19.4% year-on-year, primarily due to the cessation of platform capitalisation. After adjusting for platform capitalisation in H1 2024, the Company's EBITDA loss improved by 2.8% compared to the prior period. However, this headline figure does not reflect the underlying improvements to our operating model.

Net cash used in operating activities for the half-year was \$0.97 million, a 35% improvement on the \$1.485 million outflow in the prior corresponding period after adjusting for \$0.32 million in capitalised platform development costs in H1 2024 as disclosed in the Q2 FY24 Appendix 4C. This reduction highlights the impact of cost optimisation initiatives undertaken in 2024 and the improved operating leverage of our SaaS revenue base.

I believe the Company now has a clear pathway to break even. By focusing on expanding high-margin SaaS revenue in our existing markets—particularly in Australia, Malaysia and the Philippines—we are strengthening our operating leverage and positioning the business for sustainable growth.

Expanding in the Philippines Higher Education Market

A major highlight of the half was our rapid expansion in the Philippines, where we signed multi-year LMS agreements with National University, St. Paul University Philippines, CE-Logic Inc., and the University of the Southern Philippines Foundation, representing more than A\$1.26 million in minimum contract value over the next three to five years. Less than 10% of this value is recognised in our H1 2025 financials as a result of the way SaaS revenue is accrued over time.

The Philippines is home to nearly 2,000 higher education institutions and more than 3.4 million students enrolled in higher education. As universities and colleges embrace digital transformation, there is significant and growing demand for AI-powered LMS solutions that enhance teaching efficiency, reduce delivery costs, and improve student outcomes.

OpenLearning is uniquely positioned to address this demand with our integrated LMS and AI-enabled tools designed for both on-campus and online education.

Innovation and Differentiation

Our LMS continues to evolve into a comprehensive solution for education providers. We released new capabilities to support on-campus and blended learning, expanded our examination system, and

OpenLearning Limited and Controlled Entities

Managing Directors' report

progressed development of course migration tools from legacy platforms. These enhancements reduce barriers to adoption, improve academic integrity, and position OpenLearning as a full replacement LMS for institutions seeking modern, outcome-based education and Generative AI-powered teaching tools.

Generative AI remains at the core of our value proposition. Our AI Course Builder, AI Assistant, and automated student feedback tools are driving greater utilisation, cost savings for institutions, and improved learner outcomes. These features differentiate OpenLearning from traditional LMS providers and strengthen our competitive edge in securing larger deals.

Expanding the Ecosystem

The OpenLearning ecosystem brings together three interconnected components:

- **LMS** – our AI-powered learning management system used by institutions to deliver high-quality online and blended learning at scale.
- **Marketplace** – a global discovery platform that attracts students and connects them to courses offered by universities and training providers.
- **Portfolios** – every learner on OpenLearning can build a personal profile that records their learning achievements across institutions and programs, showcasing their skills to future employers.

Together, these elements create a **virtuous cycle**: institutions benefit from greater visibility and enhanced graduate employability; learners gain continuous access to courses and a portable record of achievement; and the marketplace and LMS reinforce each other by driving student recruitment, engagement, and long-term value creation.

Outlook

With double-digit revenue growth, larger and longer-term contracts, and a growing international footprint, OpenLearning is well on track to establish itself as a leading AI-powered LMS provider. Our pipeline includes opportunities of substantially larger contract value than in previous years, particularly across Southeast Asia and Australia.

I would like to thank our employees for their dedication, our customers for their trust, and you—our shareholders—for your continued support. The foundations we have laid in the first half of 2025 give me confidence in our ability to accelerate growth, achieve break-even, and create long-term value as we execute on our mission to transform education worldwide.

On behalf of the Board of Directors I am pleased to present to you with the half yearly report for the period ended 30 June 2025.



Adam Brimo
Group CEO and Managing Director

OpenLearning Limited and Controlled Entities

Directors' report

Your directors present their report on the Consolidated Entity (referred to herein as the Group) consisting of OpenLearning Limited and its controlled entities for the half-year ended 30 June 2025.

Directors

The following persons were directors of OpenLearning Limited during or since the end of the half-year up to the date of this report:

Spiro Pappas	- Non-Executive Chairman
Adam Brimo	- Managing Director and Group CEO
Matthew Reede	- Non-Executive Director
Rupesh Singh	- Non-Executive Director

Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Review of operations and financial position

During the half-year ended 30 June 2025, OpenLearning Limited (ASX: OLL) continued to execute on its strategy to become a leading AI-powered learning management system (LMS) provider. The Group delivered strong revenue growth, expanded its customer base, and secured multi-year contracts in key markets despite challenging operating conditions.

Revenue increased 30.2% to \$1.39 million (HY2024: \$1.07 million), while gross sales rose 10.8% to \$2.14 million (HY2024: \$1.93 million). The growth was driven primarily by an 18.5% increase in Platform SaaS fees. Marketplace sales after deducting revenue shared with course providers increasing 289% to \$0.16 million compared to the prior corresponding period.

Operational highlights included the signing of significant multi-year LMS contracts in the Philippines with a combined minimum value of more than A\$1.26 million. These agreements expand the Group's presence in a higher education market of nearly 2,000 institutions and over 3.4 million students.

Operational Efficiency and Cost Management

The Group continued to focus on improving operational efficiency and disciplined cost management throughout HY2025. This focus resulted in a 35% improvement in net operating cash outflows to \$0.97 million (HY2024: \$1.485 million after considering capitalised development costs), reflecting both higher customer receipts and the benefits of cost optimisation initiatives undertaken in 2024.

The Company recorded a loss after tax of \$2.0 million for HY2025, up 23.3% year-on-year, primarily due to the cessation of platform development costs and increased depreciation resulting from previous platform developments capitalisation. However, this headline figure does not reflect the underlying improvements to our operating model.

On a comparable basis, the Company's EBITDA loss for HY2025 was \$1.672 million, an improvement of 2.8% after adjusting for platform development costs capitalisation in H1 2024 compared to the prior corresponding period. This marginal improvement was a result of increased investment in sales,

OpenLearning Limited and Controlled Entities

Directors' report

which is already paying off in the form of contracted forward revenue, while managing expenditure elsewhere in the business.

Results for the half-year ended 30 June 2025 ('HY2025'):

- gross sales of \$2,140,558, an increase of 10.8% previous corresponding period ('pcp');
- revenue of \$1,393,258, an increase of 30.2% pcp;
- loss after tax of \$2,050,052, an increase in loss of 23.3% pcp, primarily due to the cessation of platform development costs capitalisation.

	Half-year Ended 30 June 2025 \$	Half-year Ended 30 June 2024 \$	Inc / (Dec) %
Revenue from ordinary activities	1,393,258	1,070,194	30.2
Revenue comprises of the following:			
Platform SaaS fees	1,208,583	1,019,669	18.5
Marketplace sales	912,280	903,354	1.0
Services sales	19,695	8,161	141.3
Gross sales	2,140,558	1,931,184	10.8
Less: Sharing of marketplace sales with course creators	(747,300)	(860,990)	(13.2)
Revenue	1,393,258	1,070,194	30.2
Non-cash items			
Depreciation and amortisation	(280,111)	(202,591)	38.3
Finance income	395	823	(52.0)
Finance expenses	(98,042)	(61,102)	60.5
Loss for the period	(2,050,052)	(1,663,308)	23.3
Loss for the period attributable to members	(2,050,052)	(1,663,308)	23.3

Business Overview and Target Markets

OpenLearning's platform is designed to empower education providers to create, manage, and deliver engaging short courses, micro-credentials, and degrees – both face-to-face and online. By incorporating generative AI tools, such as the AI Course Builder and AI Assistant, the platform helps educators streamline course design and reduce development time, enabling faster market entry for their offerings.

The Company derives revenue from its platform SaaS 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.
- **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.

OpenLearning Limited and Controlled Entities

Directors' report

- **Employability Advantage Upskill** – Suite of work-readiness tools that includes short courses focused on career preparation and workplace simulation projects.
- **The UniGuide Subscription** – National directory of higher education courses on TheUniGuide.com.au and PostGradAustralia.com.au that institutions pay to list their courses.

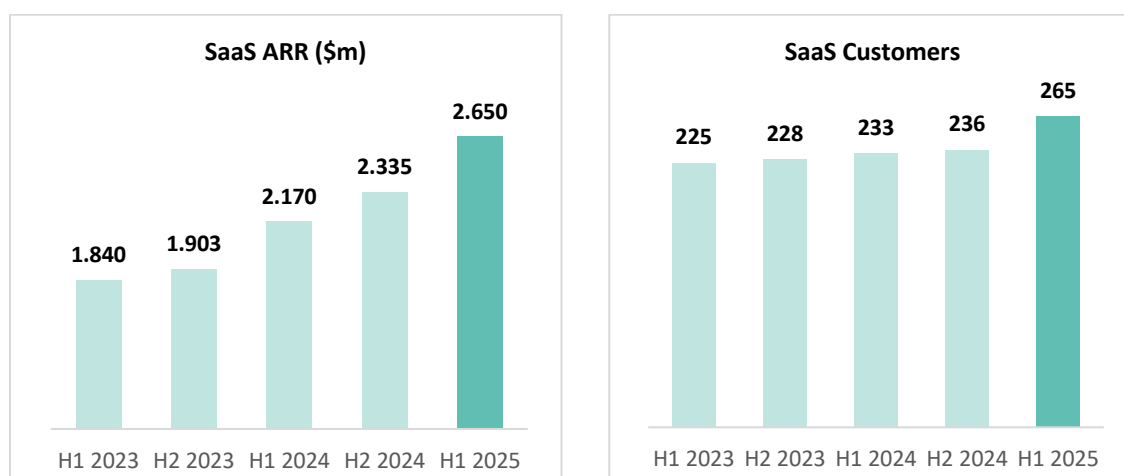
Prospective customers can purchase each of the products individually with OpenLearning's Learning Management System forming the basis of the land and expand strategy.

The Company also derives revenue from its Marketplace offering, which includes:

- **OpenLearning Marketplace** – Global marketplace of courses on OpenLearning.com and a payment gateway service for institutions to collect fees from students.
- **Employability Advantage Programs** – Suite of programs and bootcamps for students to enrol in to increase their employability as part of their studies.

Financial Performance & ARR Growth

In the six months to 30 June 2025, OpenLearning achieved consistent growth in platform SaaS annual recurring revenue (ARR), which rose to \$2.652 million at the end of Q2—representing 22% year-on-year growth. This marks the fourteenth consecutive quarter of ARR expansion, underlining the resilience of our business model. Average ARR per B2B customer surpassed \$10,000 for the first time, reflecting increasing contract sizes and the growing scale of institutional adoption.



Growth in H1 2025 was driven by the signing of several landmark contracts in the Philippines, with a combined minimum value of more than A\$1.26 million, as well as new contract in Australia, Malaysia and other markets. These agreements are expected to continue contributing to ARR in the second half of 2025 as implementation phases are completed and full-scale usage ramps up.

Summary of Operating Expenses

Operating expenses in H1 2025 were \$1.56 million, up 55% from \$1.00 million in the prior corresponding period, with increases in sales and marketing, platform design and development, and professional services costs, reflecting the Company's continued investment in growth initiatives. The cessation of capitalisation of platform development costs accounted for a significant portion of the year-on-year increase.

The Group remains committed to aligning expenditure with available funding while continuing to invest strategically in its SaaS platform and international expansion. A continued increase in SaaS

OpenLearning Limited and Controlled Entities

Directors' report

revenue, combined with maintaining the current level of spending, is expected to further improve operating leverage and support the Company's pathway to break even.

	Half-year ended 30 June 2025	Half-year ended 30 June 2024
Operating expenses	\$	\$
Sales and marketing	551,002	317,612
Platform design and development	792,347	372,406
Program and service delivery	211,845	310,056
Total	1,555,194	1,000,074

The Group ended H1 2025 with cash and cash equivalents of \$131,972 (31 December 2024: \$953,164) and access to an undrawn loan facility of \$0.85 million as at 30 June 2025 with its strategic related party partner, Education Centre of Australia.

Key Business Risks and Mitigation Strategies

As part of the Operating and Financial Review, the Group has identified material business risks that could impact its financial performance, position, and future prospects. These risks are actively monitored by management and the Board, with mitigation strategies in place where possible. The key business risks are outlined below:

Risk	Overview	Mitigation Strategies
Customer Retention & Growth	Risk that education providers or learners may not renew subscriptions or expand usage, impacting recurring revenue.	Enhance platform functionality (including AI tools), increase average revenue per SaaS customer, strengthen client success operations, expand into new markets, and integrate LMS with partner systems.
Technology & Platform Stability	Risk of platform errors, downtime, or data breaches leading to reputational damage and customer loss.	Maintain agile development, invest in fault-tolerant architecture, conduct regular security audits, and continually update the platform to meet demand.
Data Privacy & Cyber Security	Risk of non-compliance with data protection laws or data breaches involving personal data.	Align policies with relevant privacy laws, use advanced security features, maintain strict access controls, engage third-party audits, and implement an incident response plan.
SaaS Dependency	Reliance on third-party cloud infrastructure could lead to increased costs or service disruptions.	Diversify service providers, monitor vendor SLAs, maintain backup hosting plans, and adopt modular architecture.

OpenLearning Limited and Controlled Entities

Directors' report

Competition	Larger or better-resourced competitors could impact market share and revenue.	Invest in AI innovation, focus on niche markets, leverage strategic partnerships, and maintain competitive pricing.
Capital Requirements	Additional capital may be required to fund growth, leading to potential dilution or debt obligations.	Align capital raising with milestones, manage costs, and explore alternative funding sources.
Marketing & Sales Execution	Ineffective execution could reduce customer acquisition and brand awareness.	Appoint dedicated revenue leadership, use data-driven marketing, launch targeted campaigns, and partner with agents/resellers.
International Operations	Operating in multiple jurisdictions introduces regulatory, FX, and cultural risks.	Maintain regional hubs, adapt offerings to local needs, build local partnerships, and monitor compliance risks.
Key Personnel Dependency	Loss of key staff could affect continuity and execution.	Offer equity incentives, cross-train leaders, and support flexible work arrangements.
Product Innovation	Failure to keep pace with customer and technological change could affect competitiveness.	Maintain agile development cycles, invest in AI features, prioritise productivity enhancements, and monitor competitor activity.
Economic Conditions / Consumer Spending	Economic downturns could reduce education demand.	Diversify client base, provide cost-competitive solutions, and regularly review costs in line with conditions.

The Group continually reviews and updates its risk management framework to ensure it remains responsive to changing market conditions and operational requirements.

Conclusion

The Board is encouraged by the progress made in the first half of 2025, with strong ARR growth, landmark contracts secured in the Philippines, and continued enhancements to the OpenLearning ecosystem. The Company's disciplined focus on high-margin SaaS revenue, operational efficiency, and customer value positions it well to achieve sustainable growth. With a clear pathway to break-even, rising demand for AI-enabled learning solutions, and expanding opportunities across existing markets, the Directors are confident that OpenLearning is well-placed to deliver long-term value to shareholders, partners, and learners alike.

The Group is grateful for the support of its partners and shareholders, and for the hard work and dedication of employees.

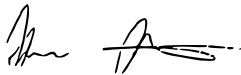
OpenLearning Limited and Controlled Entities

Directors' report

Auditor's Independence Declaration

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 23 or the half-year ended 30 June 2025.

This directors' report is signed in accordance with a resolution of the Board of Directors.



Spiros Pappas
Chair of the Board

Dated: 29 August 2025

OpenLearning Limited and Controlled Entities

Consolidated statement of profit or loss and other comprehensive income For the half-year ended 30 June 2025

	Note	Half-year ended 30 June 2025 \$	Half-year ended 30 June 2024 \$
Revenue	2	1,393,258	1,070,194
Other income		3,771	8,295
Items of expense			
Web-hosting and other direct costs		(390,308)	(409,242)
Employee benefits expense		(1,684,131)	(1,213,765)
Depreciation and amortisation		(280,111)	(202,591)
Promotional and advertising		(127,250)	(66,968)
Professional services		(494,730)	(344,658)
General and administrative costs		(372,904)	(353,609)
Finance income		395	823
Finance expenses		(98,042)	(61,102)
Retrenchment costs		—	(90,685)
Loss before tax		(2,050,052)	(1,663,308)
Income tax		—	—
Loss for the period		(2,050,052)	(1,663,308)
Other comprehensive income/(loss):			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		(964)	3,654
Total comprehensive loss for the period		(2,051,016)	(1,659,654)
Loss for the period attributable to:			
Owners of the Company		(2,050,052)	(1,663,308)
Total comprehensive loss attributable to:			
Owners of the Company		(2,051,016)	(1,659,654)
Losses per share attributable to owners of the Company			
Basic losses per share (cents)	4	(0.42)	(0.45)
Diluted losses per share (cents)	4	(0.42)	(0.45)

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

OpenLearning Limited and Controlled Entities

Consolidated statement of financial position As at 30 June 2025

	Note	As at 30 June 2025 \$	As at 31 December 2024 \$
ASSETS			
Current assets			
Trade and other receivables		509,019	157,267
Prepayments		209,394	150,899
Cash and cash equivalents		131,972	953,164
		850,385	1,261,330
Non-current assets			
Furniture, fittings and equipment		29,049	32,499
Intangible assets	5	1,824,343	2,096,831
		1,853,392	2,129,330
Total assets		2,703,777	3,390,660
LIABILITIES			
Current liabilities			
Trade and other payables		1,077,542	705,524
Provisions		572,723	470,797
Deferred revenue		1,419,958	896,486
Borrowings	6	1,132,568	–
		4,202,791	2,072,807
Non-current liabilities			
Borrowings	6	1,165,637	2,058,694
Provisions		56,689	–
		1,222,326	2,058,694
Total liabilities		5,425,117	4,131,501
Net liabilities		(2,721,340)	(740,841)
DEFICIT			
Deficit attributable to the owners of the Company			
Share capital	7	40,306,803	40,307,349
Accumulated losses		(44,845,844)	(42,795,792)
Reserves	8	1,817,701	1,747,602
Total deficit		(2,721,340)	(740,841)

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

OpenLearning Limited and Controlled Entities

Consolidated statement of changes in equity For the half-year ended 30 June 2025

	Share Capital (Note 7)	Reserves (Note 8)	Accumulated Losses	Total
	\$	\$	\$	\$
Opening balance at 1 January 2025	40,307,349	1,747,602	(42,795,792)	(740,841)
Loss for the period	–	–	(2,050,052)	(2,050,052)
<u>Other comprehensive income/(loss)</u>				
Foreign currency translation, representing total other comprehensive income/(loss) for the period	–	(964)	–	(964)
Total comprehensive loss for the period	–	(964)	(2,050,052)	(2,051,016)
Issuance of ordinary shares				
- Prior year share issuance cost	(546)	–	–	(546)
Share-based payments	–	71,063	–	71,063
Closing balance at 30 June 2025	40,306,803	1,817,701	(44,845,844)	(2,721,340)
Opening balance at 1 January 2024	36,263,511	1,719,932	(39,994,037)	(2,010,594)
Loss for the period	–	–	(1,663,308)	(1,663,308)
<u>Other comprehensive income/(loss)</u>				
Foreign currency translation, representing total other comprehensive income/(loss) for the period	–	3,654	–	3,654
Total comprehensive loss for the period	–	3,654	(1,663,308)	(1,659,654)
Issuance of ordinary shares				
- Debt conversion	3,103,994	–	–	3,103,994
Share-based payments	–	5,127	–	5,127
Forfeited performance rights	–	(48,500)	48,500	–
Closing balance at 30 June 2024	39,367,505	1,680,213	(41,608,845)	(561,127)

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

OpenLearning Limited and Controlled Entities

Consolidated statement of cash flows
For the half-year ended 30 June 2025

	Half-year ended 30 June 2025	Half-year ended 30 June 2024
	\$	\$
Operating activities		
Receipts from customers	2,408,831	2,263,021
Payments to suppliers and employees	(3,374,123)	(3,421,094)
Payments to others	(3,248)	(6,823)
Net cash flows used in operating activities	(968,540)	(1,164,896)
Investing activities		
Purchase of furniture, fittings and equipment	(2,744)	(2,453)
Payments for intangible assets	(1)	(585,967)
Net cash flows used in investing activities	(2,745)	(588,420)
Financing activities		
Proceeds from borrowings	150,000	1,108,329
Net cash flows generated from / (used in) financing activities	150,000	1,108,329
Net decrease in cash and cash equivalents	(821,285)	(644,987)
Effect of exchange rate changes on cash and cash equivalents	93	(316)
Cash and cash equivalents at beginning of the period	953,164	1,103,418
Cash and cash equivalents at end of the period	131,972	458,115

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

OpenLearning Limited and Controlled Entities

Notes to the financial statements – half-year ended 30 June 2025

1. Summary of significant accounting policies

1.1 Basis of preparation

These general purpose interim financial statements for half-year reporting period ended 30 June 2025 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of OpenLearning Limited and its controlled entities (the 'Group'). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2024, together with any public announcements made during the following half-year.

Where required by AASBs, comparative figures have been adjusted to conform with changes in presentation for the current period.

These interim financial statements were authorised for issue on 29 August 2025.

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 realisation and settlement of liabilities in the ordinary course of business.

The Group incurred a net loss for the half-year of \$2,050,052 (HY2024: \$1,663,308) and net operating cash outflows of \$968,540 (HY2024: \$1,164,896). As at 30 June 2025, the Group had accumulated losses of \$44,845,844 (31 Dec 2024: \$42,795,792).

As at 30 June 2025, the Group has a net current liabilities of \$3,352,406 (31 Dec 2024: \$811,477), inclusive of cash and cash equivalents of \$131,972 (31 Dec 2024: \$953,164).

The Group has prepared a cashflow forecast for the next 12 months which 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 revenue growth of the Platform Subscription segment with improved gross margins and increasing cash inflow from this segment;
- cash receipts from customers from the Platform Subscription segment have increased as a result of new larger contracts and favorable payment terms resulting in a 35% improvement in net operating cash outflows in HY2025 compared to the prior corresponding period.
- active management of the discretionary expenditure in line with funds availability;
- support from ECA in the form of a debt facility that was extended during the half year;
- raising of additional working capital through the issuance of securities and/or other funding.

1.2 Going Concern (Cont'd)

Accordingly, the directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial statements. In the event that the Group is unsuccessful in implementing the above stated objectives, a material uncertainty exists, that may cast significant doubt on the Group's ability as a going concern and its ability to recover assets, and discharge liabilities in the normal course of business and at the amount shown in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

1.3 Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements, except that from 1 January 2025 the Group ceased capitalising development and product-related costs as intangible assets. These costs are now expensed as the group concludes that there is an uncertainty related to the future economic benefits of these developed assets.

The Group has considered the implications of new and amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

2. Income and Expenses

	30 June 2025	30 June 2024
	\$	\$
Loss before income tax from continuing operations includes the following revenue and expense items:		
Revenue		
Platform SaaS fees	1,208,583	1,019,669
Marketplace sales (net)	164,980	42,364
Services sales	19,695	8,161
	<u>1,393,258</u>	<u>1,070,194</u>
Other Income		
Miscellaneous	<u>3,771</u>	<u>8,295</u>
Expenses		
Depreciation and amortisation		
- depreciation of furniture, fittings and equipment	6,217	5,645
- amortisation of intangible assets	273,894	196,946
Professional services		
- contractors	<u>301,526</u>	<u>170,597</u>

3. Related party transactions

Transactions with related parties

The following transactions occurred with related parties:

	Group	
	HY2025	HY2024
	\$	\$
Receipts for good and services - ECA and its associates	70,951	6,425
Payments for good and services - ECA and its associates	3,334	–
Payments for asset acquisition (Employability Advantage) – ECA and its associates	1	–
Payments for good and services – Dominion	18,000	18,000

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to the transactions with related parties:

	Group	
	HY2025	HY2024
	\$	\$
Trade receivables - ECA and its associates	67,914	–
Other payables - ECA and its associates	38,238	–

Loans to/from related parties

Borrowings are set out in note 6.

4. Loss per share

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

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

	30 June 2025	30 June 2024
Weighted average number of ordinary shares for basic losses per share computation	482,674,641	267,869,076
Effects of dilution from:		
- Debt conversion	–	103,183,207
Weighted average number of ordinary shares for diluted losses per share computation	482,674,641	371,051,283

The effects from the potential ordinary shares of the Company arising from the conversion of share-based payments for the current financial half-year ended 30 June 2024 is deemed anti-dilutive. Accordingly, the basic and diluted earnings per share for the current financial half-year are the same.

OpenLearning Limited and Controlled Entities

Notes to the financial statements – half-year ended 30 June 2025

5. Intangible assets

	Domain names and trademarks \$	Goodwill \$	Platform develop- ment \$	Learning platform software \$	UniGuide platform \$	Employ- ability Advantage \$	Total \$
HY2025							
Cost							
At 1 January 2025*	66,587	24,500	2,268,380	405,628	266,000	–	3,031,095
Additions	–	–	–	–	–	1**	1
Exchange difference	–	–	941	1,433	–	–	2,374
At 30 June 2025	66,587	24,500	2,269,321	407,061	266,000	1	3,033,470
Accumulated amortisation							
At 1 January 2025*	–	–	671,268	223,096	39,900	–	934,264
Amortisation for the half-year	–	–	226,937	20,357	26,600	–	273,894
Exchange difference	–	–	185	784	–	–	969
At 30 June 2025	–	–	898,390	244,237	66,500	–	1,209,127
Net carrying amount	66,587	24,500	1,370,931	162,824	199,500	1	1,824,343

*The opening balance as at 1 January 2025 excludes the Course Design asset, which was fully impaired in the FY2024 audit.

**This asset was acquired from a related-party strategic partner, Education Centre of Australia (ECA).

Domain names and trademarks are recognised at cost of acquisition. Goodwill represents premium paid for business assets. These are considered to have an indefinite life and are carried at cost less any impairment losses.

Platform development is recorded at cost. It has a finite life and is carried at cost less accumulated amortisation and any impairment losses. Platform development has an estimated useful life of five years. Amortisation commences when the development is completed and ready for commercial use.

Learning platform software is recorded at cost. It has a finite life and is carried at cost less accumulated amortisation and any impairment losses. Software has an estimated useful life of ten years. Amortisation commences when the software is ready for commercial use.

UniGuide platform is recorded at cost of acquisition. It has a finite life and is carried at cost less accumulated amortisation and any impairment losses. UniGuide platform has an estimated useful life of five years. Amortisation commences when the handover is completed and ready for commercial use.

Employability Advantage (EA) is recorded at cost of acquisition. It has a finite life and is carried at cost less any impairment losses. Given the insignificant cost, amortisation will be recognised only at the end of its estimated useful life of five years.

Intangible assets are allocated to two Cash Generating Units (CGUs). Domain names, trademarks, goodwill, platform development, and learning platform software are allocated to the OLL Platform CGU. The UniGuide/Prosple Platform CGU consists of the UniGuide Platform.

5. Intangible assets (Cont'd)**Impairment Assessment**

The recoverable amounts of the CGUs are determined through value-in-use calculations, utilising a five-year cash flow forecast derived from internal budgets and long-term management forecasts. These calculations involve the adoption of assumptions and estimates and are based on cash flow projections.

An impairment assessment was last performed as at 31 December 2024. That assessment concluded that the recoverable amounts of both the OLL Platform CGU and the UniGuide/Prosple Platform CGU exceeded their carrying amounts, and no impairment was recognised.

For the half-year ended 30 June 2025, management reviewed both external and internal indicators of impairment in accordance with AASB 136 Impairment of Assets. Actual performance for the six months was in line with or above forecasts used in the December 2024 impairment test, including higher-than-expected customer receipts and stronger cash flow outcomes.

No significant adverse changes in the operating or regulatory environment, no loss of key contracts, and no obsolescence of technology were identified. Operating and development costs remained within budget. While the UniGuide/Prosple CGU experienced relative underperformance due to a strategic reallocation of resources toward the OLL Platform, management expects this to be temporary and aligned with long-term strategic objectives.

Based on this review, management concluded there were no indicators of impairment as at 30 June 2025 for either CGU. Accordingly, no impairment losses have been recognised in the half-year ended 30 June 2025.

6. Borrowings

ECA, OpenLearning's major shareholder and associated with Non-Executive Director Rupesh Singh, has provided an unsecured \$6 million loan facility to support the Company's operations, including the debt conversion. Key terms include a fixed 7.35% per annum interest rate, a two-year term, quarterly drawdowns, daily accrual of interest on the drawn portion, and the Company's option to repay the loan or any part thereof without penalty at any time during the term, and an option to convert the debt into ordinary shares.

Related Party Loan	Group	
	HY2025	2024
	\$	\$
Principal / Used facilities	2,150,000	2,000,000
Accumulated accrued interest	148,205	58,694
Borrowings	2,298,205	2,058,694
Consists of		
Current liability	1,132,568	–
Non-current liability	1,165,637	2,058,694
Borrowings	2,298,205	2,058,694

OpenLearning Limited and Controlled Entities

Notes to the financial statements – half-year ended 30 June 2025

6. Borrowings (Cont'd)

	Group	
	HY2025	2024
	\$	\$
Borrowings		
As at 1 January	2,058,694	3,050,578
Conversion to ordinary shares	–	(3,103,994)
Drawdowns	150,000	2,000,000
Interest	89,511	112,110
Balance as at the end of the period	2,298,205	2,058,694

	Group	
	HY2025	2024
	\$	\$
Total facilities		
As at 1 January	6,000,000	3,000,000
Additions	–	3,000,000
As at the end of the period	6,000,000	6,000,000
Used facilities		
As at 1 January	5,000,000	3,000,000
Drawdowns	150,000	2,000,000
As at the end of the period	5,150,000	5,000,000
Unused facilities as at the end of the period	850,000	1,000,000

7. Share capital

	30 June 2025	31 December 2024
	\$	\$
482,674,641 (31 Dec 2024: 482,674,641) fully paid ordinary shares	40,306,803	40,307,349

OpenLearning Limited and Controlled Entities

Notes to the financial statements – half-year ended 30 June 2025

7. Share capital (Cont'd)

7.1 Movements in ordinary shares

	30 June 2025		31 December 2024	
	No. of shares	\$	No. of shares	\$
Issued and fully paid ordinary shares:				
Opening balance	482,674,641	43,296,322	267,869,075	39,179,029
Issuance of shares during the period :				
- Debt conversion	–	–	155,199,684	3,103,994
- Placement of shares	–	–	59,605,882	1,013,299
Balance at end of the period	482,674,641	43,296,322	482,674,641	43,296,322
Equity issuance costs				
Opening balance	–	(2,988,973)	–	(2,915,518)
Costs arising from equity issuance	–	(546)	–	(73,455)
Balance at end of the period	–	(2,989,519)	–	(2,988,973)
Balance at end of the period	482,674,641	40,306,803	482,674,641	40,307,349

7.2 Movements in unquoted options over ordinary shares

Exercise period	Exercise price per share	Number on issue at 1 January 2025	Issued/ (Lapsed)	Number on issue at 30 June 2025
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	\$0.05	1,000,000	–	1,000,000
Total unquoted options		11,000,000	(1,000,000)	10,000,000

* exercise of the options is subject to escrow periods.

7.3 Performance rights

2,000,000 and 4,000,000 performance rights were granted on 9 May 2024 and 28 June 2024, respectively, to key management personnel of the Company. 3,880,000 and 3,650,000 performance rights were granted on 9 May 2024 and 19 July 2024, respectively, to the other staff of the Company. These performance rights are exercisable to 13,530,000 ordinary shares in the Company with Nil consideration over 3 years, vesting in three tranches and expiring five years from the date of allotment. None of the above performance rights have vested during the financial period. 450,000 out of these 13,530,000 ordinary shares have been forfeited during the financial period.

8. Reserves

	30 June 2025	31 December 2024
	\$	\$
Foreign currency translation reserve	39,477	40,441
Common control reserve	1,650,477	1,650,477
Share option reserve	127,747	56,684
	1,817,701	1,747,602

9. **Events after the reporting period**

No events have arisen that would be likely to materially affect the operations of the Group, or the state of affairs of the Group not otherwise disclosed in the Group's financial report.

10. **Contingent liabilities**

There has been no change in contingent liabilities since the last annual reporting period.

11. **Fair value measurements**

The Group's financial instruments consist of cash and cash equivalents, trade and other receivables and trade and other payables. These financial instruments are measured at amortised cost, less any provision for non-recovery. The carrying amount of the financial assets and liabilities approximate their fair value.

OpenLearning Limited and Controlled Entities

Directors' declaration – half-year ended 30 June 2025

In accordance with a resolution of the directors of OpenLearning Limited, the directors of the Company declare that:

1. The financial statements and notes, as set out, are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Australian Standard AASB 134: *Interim Financial Reporting*; and
 - b. giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the half-year ended on that date;
2. In the directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

On behalf of the Board of Directors



Spiros Pappas
Chairman

Dated: 29 August 2025

OPENLEARNING LIMITED
ABN 18 635 890 390
AND CONTROLLED ENTITIES

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF OPENLEARNING LIMITED

In accordance with Section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of OpenLearning Limited. As the lead partner for the review of the financial report of OpenLearning Limited for the half year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Hall Chadwick (NSW)

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

Martin Sabanos

MARTIN SABANOS
Partner
Dated: 29 August 2025

ADELAIDE	BRISBANE	DARWIN	MELBOURNE	PERTH	SYDNEY
Level 9 50 Pirie Street Adelaide SA 5000 +61 8 7093 8283	Level 4 240 Queen Street Brisbane QLD 4000 +61 7 2111 7000	Level 1 48-50 Smith Street Darwin NT 0800 +61 8 8943 0645	Level 14 440 Collins Street Melbourne VIC 3000 +61 3 9820 6400	Level 11 77 St Georges Tce Perth WA 6000 +61 8 6557 6200	Level 40 2 Park Street Sydney NSW 2000 +61 2 9263 2600
Liability limited by a scheme approved under Professional Standards Legislation. Hall Chadwick (NSW) Pty Ltd ABN: 32 103 221 352					www.hallchadwick.com.au

**OPENLEARNING LIMITED
AND CONTROLLED ENTITIES
ABN 18 635 890 390**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
OPENLEARNING LIMITED**

Report on the Half Year Financial Report

Conclusion

We have reviewed the half-year financial report of OpenLearning Limited (the Company) and controlled entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the half year ended on that date; and
- (ii) complying with AASB 134: Interim Financial Reporting and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of Financial Report performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001 which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Material Uncertainty Related to Going Concern

We draw attention to Note 1.2 in the half year financial report which indicates that the Group had incurred a net loss of \$2,050,052 and net operating cash outflow of \$968,540. These conditions, along with other matters as set forth in Note 1.2 indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

**OPENLEARNING LIMITED
AND CONTROLLED ENTITIES
ABN 18 635 890 390**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
OPENLEARNING LIMITED**

Directors' Responsibility for the Half Year Financial Report

The directors of OpenLearning Limited are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half year financial report based on our review. ASRE 410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 30 June 2025 and its performance for the half year ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Hall Chadwick (NSW)

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

Martin Sabanos

MARTIN SABANOS
Partner
Dated: 29 August 2025