

1H26 Results

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ReadCloud Limited (ASX: RCL) releases its financial statements for the half year ended 31 March 2026.

School businesses on track to outperform FY26 earnings guidance

ReadCloud's school-facing businesses are on track to exceed the Company's FY26 underlying EBITDA target of \$1m+. Cash receipts from school customers of \$7.0m in 1H26 were up 22% on pcp and a record. Group operating cashflow of \$2.1m for the half (up 10% on pcp) reflects strong earnings momentum while the business repositions for accelerated growth. ReadCloud held \$3.7m cash at half-year end, carries no debt, and does not anticipate any need to raise capital.

ReadCloudVET going from strength to strength

ReadCloudVET delivered 2Q cash receipts of \$1.7m, up 92% on pcp. 385 schools are contracted for 2026, with 55 new schools added and retention above the 90% target. A record 775 courses are being delivered, with average courses per school increasing to 2.1 extending a multi-year trend of rising revenue per school. Gross margins are continuing above 90% with further scale benefits anticipated. The 2027 pipeline is tracking ahead of pcp with 10 new schools already signed and 20 new schools in advanced discussions.

eBooks: transition year with compelling growth optionality

eBooks is navigating a transition year with single digit revenue growth expected in FY26, reflecting a reinvigorated focus on sales via the reseller channel and international pipeline. School retention of 89% and average revenue per school on track to exceed \$84,000 (up 18% on FY24) confirm the platform's mission-critical standing. Reseller recovery, a rebooted international sales pipeline, the first direct sale into South Australia, and accelerating inbound enquiries provide compelling growth optionality into FY27 and beyond.

Southern Solutions: on track, on time, on budget — FY27 clean

The wind-down of Southern Solutions is on budget and executing to plan. The business ceased commencing new students in 1H26 and the total EBITDA impact is expected to be

<\$600k and fully absorbed in FY26. There will be no earnings drag from Southern Solutions beyond this financial year. From FY27, ReadCloud is a pure-play school education business with two high-quality divisions and a clear path to materially stronger and more predictable earnings.

Outlook

ReadCloud has exceeded its FY26 target of 60+ new school customers at the half-year mark, school retention is on target across both divisions, and the Company expects positive operating cashflow for the full year ending 30 September 2026. With the school businesses on track to outperform EBITDA guidance and a strengthening pipeline across VET and eBooks' reseller and international channels, ReadCloud is well positioned for acceleration in FY27.

This announcement is authorised for release by the Board of Directors of ReadCloud Limited.

About ReadCloud Limited

At ReadCloud, everything we do is designed to support schools to deliver quality education.

Our proprietary eBook platform gives students and teachers seamless access to global educational resources, making curriculum content more engaging and inclusive while simplifying the textbook procurement process.

For schools looking to unlock choice and opportunity for students, our VET-in-Schools service delivers nationally recognised vocational programs that open up genuine pathways and build real-world skills. From platform implementation to tailored VET program design, we're proud to support secondary schools in shaping impactful learning experiences for every student.

ReadCloud is listed on the Australian Securities Exchange (RCL), partnering with over 400 schools across Australia and internationally to shape meaningful, inclusive, and future-focused learning.