

## 1. Company details

Name of entity:	ReadCloud Limited
ABN:	44 136 815 891
Reporting period:	For the quarter ended 30 September 2021
Previous period:	For the year ended 30 June 2021

## 2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	97.1% to	223,318
Loss from ordinary activities after tax attributable to the Owners of ReadCloud Limited	up	45.4% To	(1,674,344)
Loss for the period attributable to the Owners of ReadCloud Limited	up	45.4% to	(1,674,344)

### Dividends

There were no dividends paid, recommended or declared during the current financial period.

### Comments

The Company recorded revenue of \$223,318 for the 2021 September quarter and a loss after tax of \$1,674,344 (year ended 30 June 2021: revenue \$7,687,376 and loss after tax of \$1,151,371), reflecting the fact that the September quarter is typically the lowest revenue quarter for both operating segments (eBook solutions and Vocational Education and Training, "VET"). The vast majority of Full-Curriculum eBook sales occur in the months of December to March (coinciding with the commencement of the school year) and the majority of revenue for the VET segment occurs in the months of February to April (coinciding with the peak enrolment period for VET-in-school enrolments). The underlying loss before interest, taxation, depreciation and amortisation ('Underlying EBITDA') for the 2021 September quarter was a loss of \$1,400,481 (year ended 30 June 2021: Underlying EBITDA profit of \$15,553). This is reconciled to the statutory loss as follows:

	Consolidated 30 September 2021	30 June 2021
	\$	\$
Reported (statutory) net loss after tax	(1,674,344)	(1,151,371)
Add back: Depreciation and amortisation	257,679	928,536
Share based payments	10,197	59,603
Transaction costs incurred on business acquisitions (expensed) and one-off ASX fees	-	144,830
Net interest expense	5,987	12,833
Income tax expense	-	21,122
Underlying EBITDA*	<u>(1,400,481)</u>	<u>15,553</u>

For further details on the results, refer to the Review of Operations within the Directors' Report.

\* EBITDA and Underlying EBITDA are non-statutory financial measures which are not prescribed by Australian Accounting Standards (AAS). They represent the profit under AAS adjusted for Interest, Tax, Depreciation and Amortisation and certain other specified items. The Directors consider that EBITDA and underlying EBITDA reflect core earnings of the entity consistent with internal reporting.

### 3. Net tangible assets

	Reporting period Cents	30 June 2021 Cents
Net tangible assets per ordinary security	2.28	3.71

### 4. Control gained over entities

Not applicable.

### 5. Loss of control over entities

Not applicable.

### 6. Dividends

#### *Current period*

There were no dividends paid, recommended or declared during the current financial period.

#### *Previous period*

There were no dividends paid, recommended or declared during the previous financial period.

### 7. Dividend reinvestment plans

Not applicable.

### 8. Details of associates and joint venture entities

Not applicable.

### 9. Foreign entities

#### *Details of origin of accounting standards used in compiling the report:*

Not applicable.

### 10. Audit qualification or review

#### *Details of audit/review dispute or qualification (if any):*

The financial statements have been audited and an unqualified opinion has been issued.

### 11. Attachments

#### *Details of attachments (if any):*

The Financial Report of ReadCloud Limited for the quarter ended 30 September 2021 is attached.

12. Signed

Signed  \_\_\_\_\_

Cristiano Nicolli  
Chairman

Date: 30 November 2021

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