

ASX Release

23 March 2020



Market update

ReadCloud Limited (“ReadCloud” or “the Company”; ASX: RCL, RCLO), a leading provider of digital eLearning solutions to secondary schools and the VET sector in Australia, is providing a business update to the market in response to the rapidly changing economic environment caused by the COVID-19 virus.

Key points

- The current pandemic has so far had minimal impact on ReadCloud’s operations, as the Company is fully capable of operating in a remote capacity whilst supporting current and new customers, and continuing our exciting product development
- On-boarding of full-curriculum schools for the 2020 school year, including eBook purchases, was completed successfully prior to the current COVID-19 pandemic and the vast majority of revenues from these schools locked in and paid up-front
- The ReadCloud platform is designed to enable teachers and students to access all of their in-classroom content (eBooks, shared notes, videos, images and more) in one application, whether they’re on-campus or studying remotely, with the ability to collaborate and socialise learning within the platform
- ReadCloud is in discussions with existing and potential new customers as these schools begin to forward plan for remote education and to leverage the Company’s unique and proprietary software as an on-line learning solution during these challenging times
- The Company believes that the current situation has substantially accelerated the shift by all schools to have a remote learning solution, which plays to the strength of the key features of the ReadCloud platform
- At this stage student enrolments in ReadCloud’s Vocational Education and Training (“VET”) courses are continuing, with student enrolments expected to be completed by the end of March in line with expectations
- The Company has a strong balance sheet, with a cash balance as at the date of this announcement of \$3.1 million and invoicing and new business for FY20 still ongoing

ReadCloud will provide a further update to the market with the release of its March quarter Quarterly Activities Report in the coming weeks.

-Ends-



CONTACTS:

Investors & Media:

Luke Murphy, Chief Financial Officer
+61 409 933 924

About ReadCloud Limited

ReadCloud is the leading provider of eLearning software solutions, including eBooks, to Schools and the Vocational Education and Training (VET) sector in Australia. ReadCloud's proprietary eBook platform delivers digital content to students and teachers with extensive functionality, including the ability to make commentary in, and import third party content into eBooks.

Students and teachers can share notes, questions, videos and weblinks directly inside the eBooks turning the eBook into a place for discussion, collaboration and social learning, substantially improving learning outcomes.

ReadCloud sources content for its solutions from multiple publishers, delivering the full Australian school curriculum in digital form in all States, on one platform. In the Vocational Education and Training (VET) sector, ReadCloud provides over 40 digital VET courses and auspicing services to schools across Australia.

ReadCloud currently has over 100,000 users on its platform.

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