

Australian Securities Exchange Limited Via e-lodgement

ASX Code ICT

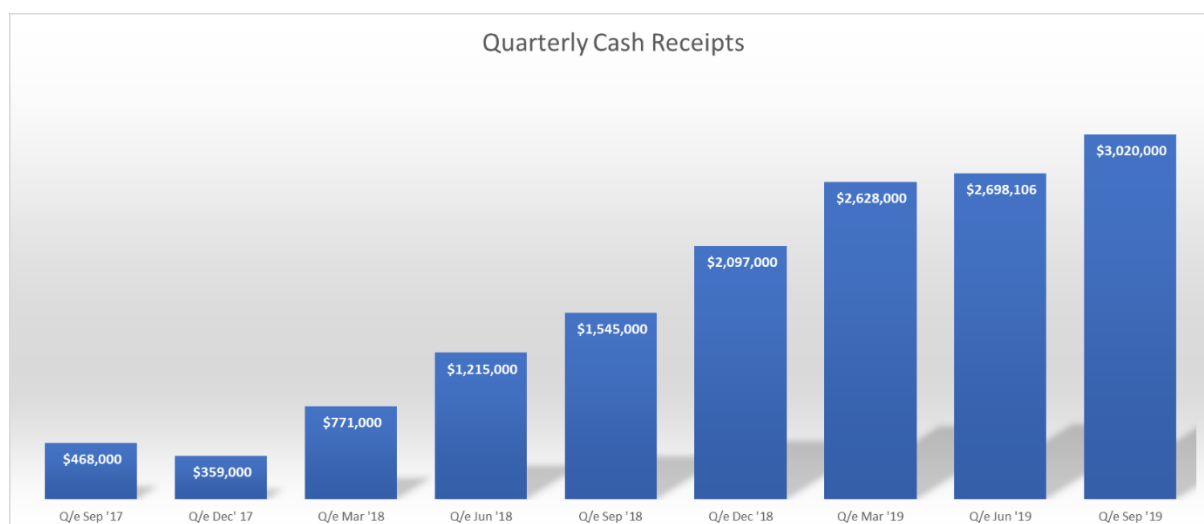
## iCollege Limited Quarterly Cash Flow

### Key points

- 7th consecutive quarter of growth with over \$3,000,000 in cash collections
- \$80,000 unaudited net profit for the quarter.
- \$48,000 occupancy costs reduced.
- \$118,000 debt retired in the September quarter
- Parabellum and Proclad Academy Partnerships signed.
- Cambridge Linguaskill Preferred Partner (Australia) agreement signed.

The board and executive of iCollege Limited are pleased to announce our 7<sup>th</sup> consecutive quarter of cash receipts growth following the Manthano acquisition and restructure of the company and board.

During the September quarter the company achieved cash receipts of \$3,020,000 an increase of 100% against the comparable quarter last year. The operational RTO's contributing an unaudited profit to the group of \$400,000 with a consolidated unaudited profit of \$80,000.



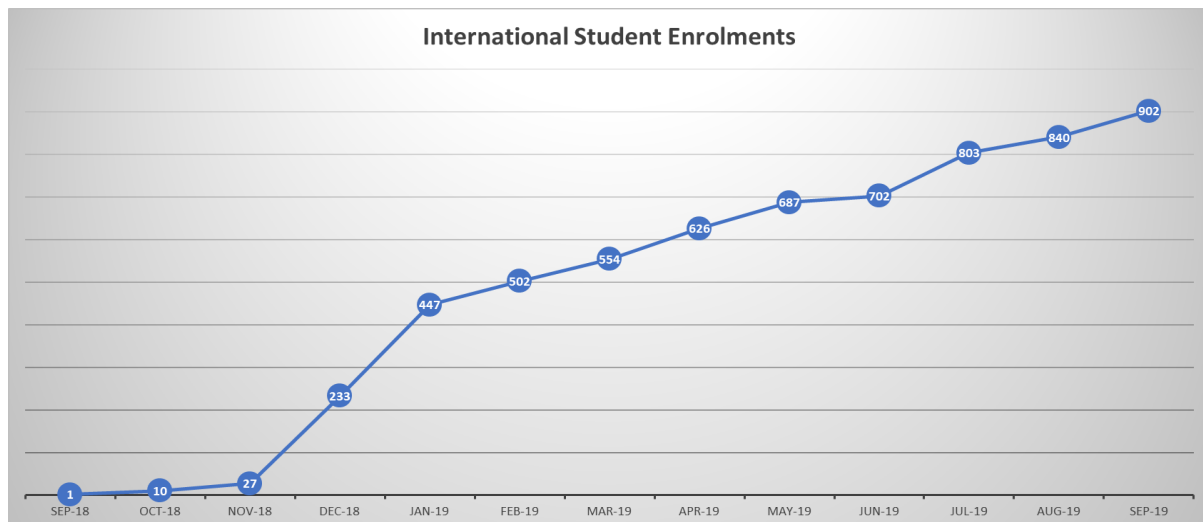
**icollge.edu.au**

**Corporate inquiries**  
+61 8 9466 9008

**Investor inquiries**  
investors@icollge.edu.au

**Media inquiries**  
media@icollge.edu.au

During the September quarter, savings were seen in occupancy costs with a quarterly saving of **\$48,000**. The company also extinguished **\$118,000** of loans further strengthening the balance sheet. The company is expecting lower revenue growth in the December quarter owing predominantly to the Christmas break and a seasonal downturn in vocational enrolments as agents focus on the Higher Education sector for February commencements.



The September quarter saw three significant developments for the iCollege Group both at home and internationally.

### **Opening of Training and Simulation Centre in Dubai**

On July 23, the business announced that subsidiary, Risktec International had opened its new training and Simulation Centre in partnership with Proclad Academy. This facility is in Dubai and is well positioned to service the Middle Eastern resources market.

Risktec International is a specialist Crises and Emergency Management training organisation delivering training to major operating companies. Risktec International has been operational for 18 years and during that time has been the recipient of several awards and has delivered training to many of the world's largest operating and drilling companies including BP and Transocean.

Following the Risktec announcement, iCollege completed negotiations with Parabellum International to enter into a training services agreement. iCollege had been working with Parabellum International to develop a resources-based client specific scope of training services designed to be delivered either at the new Parabellum International Emergency Response site or at the client's premises.

**icollege.edu.au**

**Corporate inquiries**  
+61 8 9466 9008

**Investor inquiries**  
investors@icollege.edu.au

**Media inquiries**  
media@icollege.edu.au

## Partnership with Parabellum International

Following a successful pilot program, the partnership agreement was announced to the market on 27 August 2019.

Parabellum International systems are designed for the most exacting clients in the world and under strict legislative frameworks, which makes Parabellum one of the most sought-after remote crisis and emergency response specialists worldwide.

Training has continued since the signing of the partnership agreement and additional clients have shown great interest in the delivery of nationally accredited training to their employees. iCollege also anticipates the expansion of this agreement to include delivery internationally in conjunction with Risktec International.

## Preferred partnership agreement with Cambridge English

iCollege Limited signed a preferred partnership agreement with Cambridge English as the Australian agent for their exciting new English Assessment product LINGUASKILL.

Linguaskill is a quick and convenient online test to help organisations check the English levels of individuals and groups of candidates. It tests all four language skills: speaking, writing, reading and listening. It's fast and accurate and can be easily administered at a company's own venue. If required, the test can be remote proctored (securely monitored).

Linguaskill provides accurate results within 48 hours, with clear individual test reports and group reports. Results are aligned to the Common European Framework of Reference (CEFR), the international standard for describing language ability. Linguaskill also reports against the Cambridge English Scale to provide a more detailed understanding of performance. Supported by artificial intelligence, the test is reliable and accurate.

Linguaskill has been developed for higher education institutions, VET providers, employers, student recruitment agencies and can be used to determine suitability for:

- **Admissions:** Assess students' language levels on admission.
- **Graduation:** Check your students meet exit requirements.
- **Progression:** Measure improvement in language ability over time.
- **Recruitment:** Hire employees with the right English skills.

Marketing of the Linguaskill product has begun in earnest through the newly established iCollege division, TestEd. This initiative is expected to provide significant revenue streams.

The September quarter clearly demonstrates the turnaround of the business and provides a solid base to move forward. The business will continue to concentrate on growing student

**icollege.edu.au**

**Corporate inquiries**  
+61 8 9466 9008

**Investor inquiries**  
investors@icollege.edu.au

**Media inquiries**  
media@icollege.edu.au

numbers and stringent cash management processes. I look forward to sharing further successes with you across the coming quarter.

## **Ends – For further Information:**

Mr. Ashish Katta –  
Managing Director  
iCollege Limited  
+61 8 9466 9008  
[ash.katta@icollge.edu.au](mailto:ash.katta@icollge.edu.au)

## **About iCollege**

iCollege Limited comprises of seven businesses which deliver accredited and non-accredited vocational education and training solutions throughout Australia and abroad. iCollege currently has four registered training organisations (RTO's) based in Australia, an internationally recognised training provider based in Singapore and an international student recruitment agency, with offices in India.

The training is targeted at fee paying consumers and large corporations seeking essential skills and knowledge required to gain employment or grow their workforce across a range of industry sectors including construction, aged care, disability, hospitality, business, English language and health & fitness.

iCollege's subsidiaries are approved to train both domestic and international students throughout Australia. iCollege's subsidiaries currently provide training to a range of existing workers, job seekers and school leavers throughout our eight campuses in Sydney, Brisbane, Gold Coast, Perth, Adelaide and Canberra.

**[icollge.edu.au](http://icollge.edu.au)**

**Corporate inquiries**  
+61 8 9466 9008

**Investor inquiries**  
[investors@icollge.edu.au](mailto:investors@icollge.edu.au)

**Media inquiries**  
[media@icollge.edu.au](mailto:media@icollge.edu.au)

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

iCollege Limited

**ABN**

75 105 012 066

**Quarter ended ("current quarter")**

30 September 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	3,020	3,020
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(17)	(17)
(d) leased assets	(19)	(19)
(e) staff costs	(1,200)	(1,200)
(f) administration and corporate costs	(668)	(668)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	(25)	(25)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (Costs of course delivery)	(966)	(966)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>126</b>	<b>126</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(1)	(1)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
	(d) intellectual property	-	-
	(e) other non-current assets (Final deferred consideration (Celtic Training & Consultancy))	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other –	-	-
2.6	<b>Net cash from / (used in) investing activities</b>	<b>(1)</b>	<b>(1)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	82	82
3.6	Repayment of borrowings	(118)	(118)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)	-	
3.10	<b>Net cash from / (used in) financing activities</b>	<b>(36)</b>	<b>(36)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	135	135
4.2	Net cash from / (used in) operating activities (item 1.9 above)	126	126
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1)	(1)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(36)	(36)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>224</b>	<b>224</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	224	135
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>224</b>	<b>135</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter  
\$A'000**

52

-

Exec Dir Salaries - \$52k

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter  
\$A'000**

-

-

-

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	150	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
Secured by director guarantee		

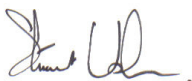
9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	
9.2 Product manufacturing and operating costs	
9.3 Advertising and marketing	
9.4 Leased assets	
9.5 Staff costs	1,400
9.6 Administration and corporate costs	650
9.7 Other (Costs of course delivery)	900
<b>9.8 Total estimated cash outflows</b>	<b>2,950</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	Acquisitions	Disposals
10.1 Name of entity	Nil	Nil
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		



### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: .....  
Company Secretary

Date: 28 October 2019

Print name: Stuart Usher

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.