

29th October 2025

Appendix 4C for Q1 Financial Year 2026

Key highlights for the quarter:

- Customer receipts for Q1 FY26 reached **\$1.42m**, an increase of **+54%** on Q1 FY25 (PCP). Cash receipts are seasonal, with Q1 historically the smallest quarter of the year due to the timing of SaaS contract payments. Revenue has been in line with budget expectations.
- During the quarter AdNeo completed the **acquisition of Learnt Group**, with effective date on the 16th August 2025. Learnt Group contributed \$0.58m to the quarterly cash receipts, with full quarter contribution expected from Q2 FY26.
- **Cash outflows** from operating activity were \$2.75m for Q1 FY26, which included non-recurring 1-off expenses for acquisition costs, expenses related to capital raise and redundancies for \$0.8m approx. Excluding 1-Offs and expenses from Learnt acquisition, the underlying AdNeo expenses reduced by -26% on PCP.
- **Annualised Cost Synergies of \$2.5m** have been completed in the quarter and will be fully contributing to cash flow in Q2 FY26 with a quarterly reduction in expenses by an estimated \$0.62m.
- **Financing activities** during the quarter included the Capital Raise, which contributed \$4.1m in cash proceeds. The company debt has been substantially reduced, eliminating \$3.7m in total debts and liabilities.
- The **Sales Synergies Program** has been initiated jointly by Learnt and AoM in August, resulting already in a first win worth \$153k in Total Contract Value (TCV). The synergies pipeline is progressed with 10 advanced opportunities and TCV in excess of \$1.0m.
- Oliver Grace has had its second consecutive record quarter +11% compared to Q4 FY25 (QoQ), with receipts contribution of \$0.46m and significant new customers added.
- AoM achieved a net growth quarter with \$0.11m in renewals and \$0.21m TCV in new contract sales. New customers include a global credit card company, a global mining association, and a large government department in Australia.
- AdNeo is fully funded to execute its rapid growth strategy and to reach cash flow positivity in FY26, after the integration of Learnt Group in completed and all benefits realised.

CEO **Angus Washington** commented on the quarter results:

"I want to thank our Shareholders for endorsing our transformation strategy. This quarter marks a pivotal moment, with the successful acquisition of Learnt Group, a well-supported capital raise, a significant reduction in debt, and the onboarding of two new global customers."

AdNeo is on a firm growth trajectory, doubling our revenue base, halving our debt, and reducing our cost base by approximately 20% on a consolidated group level.

I'm pleased with the momentum in our sales and cross-selling initiatives. The response to our Fully Integrated Mentoring and Learning platform has been overwhelmingly positive. As we refine our go-to-market strategy, we anticipate a substantial expansion of our sales pipeline, delivering greater transformational value to our customers. This quarter, we submitted four significant tenders, reflecting our enhanced value proposition for enterprises, government departments, and industry associations.

Operationally, we incurred anticipated one-off expenses during the quarter of about \$0.85m, which was funded through the capital raise. We remain committed to reaching rapidly positive cash flows and exercising disciplined capital allocation.

From a technology innovation perspective, we are advancing multiple AI initiatives, and the impact has been accelerating in the areas of platform integrations, technology features, enhancing customer engagement and streamlining operations."

AdNeo (ASX:AD1) actively acquires, owns, and manages high-growth companies in the **SaaS and innovative services sectors**. The goal of AdNeo is to become the market leader in technology that drives the workforce transformation in the AI-era. AdNeo currently operates multiple market leading businesses: Art of Mentoring (AoM), ApplyDirect (AD), Oliver Grace (OG), Catapult (CA) and the recently acquired Learnt Group (LG).

Quarterly Financial Results

During the period Q1 FY26, AdNeo completed the acquisition of the Learnt Group on the 16th August 2025. The mid-period acquisition, and the costs of completing that acquisition have resulted in 1-off expenses incurred by the Group during the period. The Group received \$1.42m in cash receipts from customers in Q1 FY26, an increase of +54% from the previous comparable quarter (Sep'24). Cyclically, a greater proportion of annual customer renewals for AdNeo occur in Q2 and Q3. Cash outflow from operating activities totalled \$2.76m for the quarter, of which \$0.8m were attributable to costs incurred as part of the Learnt acquisition, capital raising and activation of cost saving measures. As announced to the market on 8 October 2025, \$2.5m of annualised cost synergies have been identified and actioned, estimated to reduce expenditure by \$0.62m each quarter moving forward.

Net cash outflow from operating activities was approximately -\$1.34million, which included net cash outflows attributable to joining entities of \$0.26m after acquisition.

As disclosed in Section 6.1 of the accompanying Appendix 4C, payments to related parties totalled \$0.16m, consisting of fees paid to Directors of the Company.

Cash at bank at the end of the quarter was \$1.2m.

Financing Update

During the quarter, the group completed its announced \$5.6m capital raise. Cash proceeds from the capital raise totalled \$4.14m during the quarter, as \$0.54m was received in the prior quarter in advance, and the remainder was in non-cash cap raise and M&A costs.

The capital raise contributed to reduce the debts of the company by \$3.5m or more than 50%. Specifically, the Group reduced its debt with Pure Asset Management by a net \$2.6m. This included:

- Payment of \$1.5m cash to Pure;
- Conversion of \$1.5m of debt to equity at \$0.07;
- \$0.44m in financing charges for cancellation of warrants, debt prepayment fees and restructure fees capitalised into the new debt balance.

Commercial Updates by Individual Business Unit

Art of Mentoring

Art of Mentoring commenced the financial year with strong momentum, securing several strategic new partnerships that expand both our government and enterprise footprint. Key wins included a 12-month Platinum platform engagement with global payment provider (TCV \$53.4k), a large defence group on a 12-month Platinum platform package (TCV \$47.2k), and a 12-month online training contract with the National Disability Provider (TCV \$71.6k). These engagements reinforce AoM's position as a trusted partner in delivering scalable mentoring and learning solutions across diverse sectors.

Additionally, Art of Mentoring recorded \$111k in renewed contracts for Q1, alongside an additional \$29k in existing client expansion/upsell.

AOM US continued to renew its client base at 100% during the quarter, including the Society of Critical Care & Medicine plus the American Society of Baking. New business pipeline continues to build as AoM is presenting at the numerous conferences in North America in Q2.

Notably, two of the new clients launched by Art of Mentoring in Q1 FY26 are global customers with implementations spanning more than 20 countries.

Oliver Grace

Oliver Grace achieved its second consecutive record quarter, with a total \$459k in receipts from customers (up 11% QoQ). In addition, Oliver Grace won the Good Design Award for Web Design and Development for Zepto and is busy delivering 4 new website projects for the quarter. Focus continues to be on expanding client base and building projects pipeline for 2026.

Apply Direct

The ApplyDirect platform continues to perform strongly, demonstrating sustained engagement and stability across government recruitment activity. In Q1 FY26, the platform recorded over 19 million total page views, including 8.6 million job page views across more than 16,000 live job postings, and 364,263 application clicks. These metrics highlight consistent visibility, system reliability, and ongoing demand from job seekers across the I Work for NSW network.

Alongside this performance, substantial progress was made on the Gen 3 to Gen 4 upgrade project, focused on enhancing accessibility, infrastructure, and user experience in line with updated Premier's Department standards. During this phase, several workstreams required additional discovery and scoping to refine requirements and ensure alignment across all stakeholders, resulting in an adjusted delivery schedule.

The project timeline has been extended, with final completion now scheduled for mid-January 2026. Additional development work identified during Q1 will be delivered and invoiced in Q2, with commercial arrangements for the extension phase currently being finalised.

Learnt Group

The Learnt Group was acquired with effective date on the 16th August 2025. Learnt Group contributed \$0.58m to the quarterly cash receipts, with full quarter contribution expected from Q2 FY26.

The businesses have been performing well during the transition, with no loss of customers or momentum. The culture and leadership team have assimilated well in the culture of AdNeo and they brought additional capabilities and experience to the AdNeo Group in multiple functions.

The cost synergies have been fully delivered, as recently announced, having delivered \$2.5m in savings for FY26, in excess of the \$2.0m target previously communicated. The cost cuts have not impacted negatively processes and have helped bringing the businesses together and to use a consistent operating model.

The sales synergies program has been initiated jointly by Learnt and AoM in August, resulting already in a first win worth \$153k in Total Contract Value (TCV). The synergies pipeline is progressed with 10 advanced opportunities and TCV north of \$1m.

END

This ASX announcement has been authorised for release by the CEO and Managing Director.

Note on materiality: None of the information in this communication should be considered Material, unless otherwise specified.

For further information, investors and media please contact:

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AdNeo Ltd (ASX: AD1)

AdNeo (ASX:AD1) actively acquires, owns, and manages high-growth companies in the SaaS and innovative services sectors.

AdNeo drives shareholder value by strategically acquiring synergistic companies with significant growth potential. Our experienced management team enhances operational efficiency and stimulates innovation, opening new market opportunities. This focused strategy maximises profitability and ensures exceptional returns for our shareholders.

Definitions

Total Contract Value (TCV) is total amount of revenue AD1 will receive from a given contract over the duration of the contract.

It includes all recurring subscription revenue as well as one-time fees that may be associated with the contract, such as implementation fees.

Forward-looking statements

You are cautioned not to place undue reliance on any forward-looking statements regarding our belief, intent or expectations with respect to AD1's businesses, market conditions and/or results of operations (particularly in light of the current economic uncertainties and volatility).

Not advice

Information in this announcement, including forecast financial information, should not be considered as investment, legal, tax or other advice. You should make your own assessment and seek independent professional advice in connection with any investment decisions.

For more information



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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

AdNeo Ltd

ABN

29 123 129 162

Quarter ended ("current quarter")

30 September 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,421	1,421
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(144)	(144)
(c) advertising and marketing	(22)	(22)
(d) leased assets	(3)	(3)
(e) staff costs	(1,102)	(1,102)
(f) administration and corporate costs	(1,419)	(1,419)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(66)	(66)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,335)	(1,335)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	(100)	(100)
(b) businesses	-	-
(c) property, plant and equipment	(2)	(2)
(d) investments	-	-
(e) intellectual property	(406)	(406)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	(150)	(150)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	222 ¹	222
2.6	Net cash from / (used in) investing activities	(436)	(436)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	4,138	4,138
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(28)	(28)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(1,557)	(1,557)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	2,553	2,553

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	386	386
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,335)	(1,335)

¹ Amount represents funds brought into the group on the acquisition of Learnt Global Pty Ltd and its subsidiaries

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(436)	(436)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,553	2,553
4.5	Effect of movement in exchange rates on cash held	(3)	(3)
4.6	Cash and cash equivalents at end of period	1,165	1,165

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	1,165	386
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,165	386

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	158 ²
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

² Total of amounts paid to directors for monthly directors' fees, wages and superannuation. Includes a one-off loan repayment of \$50k to an entity controlled by Chairman Nicholas Smedley.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	3,008	3,008
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities	3,008	3,008
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. The facility is fully utilised and provided by Pure Asset Management. The loan is secured against the business at 10% interest per annum. The facility was amended in August 2025 as part of the broader capital raise. AdNeo paid \$1.5m cash to reduce the balance of the facility, with Pure converting \$1.5m of debt to equity at a rate of \$0.07 per share.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,335)
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,165
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	1,165
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.87
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions: 8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? Answer: No. The current quarter of cash flows is not representative as the acquisition of the Learnt Group was undertaken part way through the quarter. Durring the quarter the business incurred 1-off non recurring costs that will not impact future cash flows. The business also executed cost savings of \$2.5m annualised, as announced to the market on 8 October 2025. 8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? Answer: No, the company is fully funded and does not intend to raise capital.	

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes. Based on the responses above, the company expects current funding levels to be sufficient to enable the company strategy and operations.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

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.

29 October 2025

Date:

The Board of Directors

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.