For personal use only

31 July 2025 **ASX/Media Release (ASX: KNM)**

Quarterly Activities Report & Appendix 4C

KNeoMedia Limited ("**KneoMedia**", "**KNM**" or the "**Company**"), a SaaS and CSP publishing company delivering world-class education and assessment products, provides this update on activities and performance for the quarter ended 30 June 2025. All figures are in AUD unless stated otherwise.

Corporate Update

Progress Toward ASX Reinstatement:
As previously advised, since the suspension of the Company's shares on 7 March 2024, the Board has remained focused on securing the necessary funding and satisfying ASX listing rule requirements to enable a resumption of trading. Key achievements to date include the successful completion of the FY2024 financial audit and confirmation of an appropriate working capital position at that time. Further initiatives have included a September 2024, $1.25 million placement to sophisticated investors, approved by shareholders at a 27 August 2024 Extraordinary General Meeting, and a December 2024 fully underwritten entitlement offer which raised $1.657 million. The offer allowed existing shareholders to participate on similar terms to the placement, with Directors providing additional support via sub-underwriting and the conversion of loans into equity.
With both capital raisings completed the focus now remains on the third component of finalising outstanding revenue payable to the Company and securing FY2026 revenue particularly through the KneoScience platform. With the collection of substantial receivables and the securing of the future revenue stream, the Company will attain a sustainable working capital position. The expected finalisation of key contracts with the New York City Department of Education is anticipated to further strengthen the Company's financial position and support the lifting of the ASX suspension.
The Directors reaffirm the Going Concern Statement as outlined in the FY2024 Annual Report, with core assumptions either already achieved or progressing in line with expectations while also managing changing leadership within the NYCDOE**.**

Operational and Review Update

Nominal additional revenue was received during the quarter from Florida operations in line with end of school year expectations.

The Company continued to invest in Intellectual Property of $232,000 (March quarter $351,000 and December quarter $186,000) primarily on the increased functionality of the **KneoScience CSP** developed in close cooperation with the New York City Department of Education ("NYC DOE"). Part of the development cost was related to the inclusion of the mandated 9 language translations to cater for the wide range of New York City student nationalities and the now requested mandated high school science investigations. The initial Science Investigations included grades 3-8 in Elementary and Middle Schools. At the request of the DOE, KNM has now added the Biology Investigations for High School students to its Content Services Platform and envisages deployment to students in February 2025. This is a most significant development and reinforces the unique value the DOE attributes to the KneoScience platform. The inclusion of 530 High

Schools increases the potential student deployment by 300,000 students and potential for additional substantial revenue. While the Company has invested in this additional content, it will secure contractional arrangements before meeting deployment requests.

Since announcing the Company's original development investment in KneoScience, in October 2024, educators have now had the opportunity use the platform extensively, particularly during the last few months of the FY 2025 academic year which is now ended.

Educators consistently report that KneoScience increases student engagement while significantly reducing preparation and grading time.

As KneoScience is a secure content Services Platform not available for public viewing, some key features are outlined for better shareholder understanding of its unique benefits:

Developed in partnership with the New York City Department of Education (NYCDOE), KneoScience digitizes the NYSED-mandated Science Investigations for Grades 3–8. Built collaboratively with divisions across NYCDOE and NYSED KneoScience replaces outdated paper processes with a modern, efficient, and inclusive digital platform.

Key Benefits

- Cuts teacher workload by up to **50%**
- Delivers **real-time data** on student participation and performance
- Promotes 21st-century skills and **enthusiastic student participation**
- Enables full participation for **dyslexic and cognitively diverse learners** through audio-visual content and flexible submission methods (voice recordings, drawings)
- Multi-lingual ultimately in 9 languages

Instructional Alignment

KneoScience directly supports NYCDOE's instructional priorities, including:

- **Inquiry-based learning** and collaborative investigation
- **Structured protocols** aligned with NYSED performance expectations
- **Technology integration** that enhances learning experiences
- **Inclusive design** for neurodiverse learners
- **Digital grading system** with rubric-based feedback
- **Secure student data wallets** to track progress across schools

For personal use only

For personal use only

Performance Framework

The platform integrates NYSED's eight Science Investigation Rubrics to help teachers assess student understanding and tailor instruction accordingly. All student work is digitally stored and accessible for tracking, grading, and transfers.

High School & Future Expansion

KneoScience is now expanding into Regents-level investigations for high school sciences:

- **Biology, Chemistry, Earth Science, and Physics** content is in final development.
- These modules will include multilingual access and align with NYSED standards.

KneoScience Summary

KneoScience is now a proven, scalable platform developed *with* NYC educators *for* NYC students. It enables rigorous, inclusive science learning at scale while cutting administrative time and improving student outcomes. With early success across multiple districts and Regents-level tools nearly ready, KneoScience help NYCDOE meet and exceed its science proficiency targets., evidenced by recent school results.

Continuous Disclosure

KNM confirms its general compliance with listing rules including LR 3.1 (continuous disclosure).

Related Party Payments

In accordance with Listing Rule 4.7C, payments made to related parties and their associates are included in item 6.1 of the Appendix 4C includes Directors' fees and salaries (including superannuation).

Authorised For Release By The Board.

About KNeoMedia Limited:

KneoMedia Limited (ASX: KNM) is a SaaS and CSP publishing company that delivers world-class education and assessment products to global markets in both general and special education classrooms via its KneoWorld and KneoScience platforms. Student seat licences are sold to education departments on an annual basis and via distribution agreements. Researched and evidence based, programs are mapped and measured to curriculum or deliver curriculum with student performance data delivered via the educator dashboard.

KneoWorld and KneoScience are fully compliant with child online privacy protection including US COPPA and European GDPR. Our proven ability to engage, educate and assess provides a global education market opportunity selling on a business-to-business strategy.

For further information, please contact:

James Kellett
Chief Executive Officer
T: +61 1300 155 606 M: +61 439 805 070
E: jkellett@kneomedia.com

Eryl Baron
Company Secretary
T: +61 1300 155 606
E: Eryl.baron@boardroomlimited.com.au

For personal use only

Appendix 4C

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

For personal use only

Name of entity	
KNEOMEDIA LIMITED	
ABN	**Quarter ended ("current quarter")**
41 009 221 783	30 June 2025

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	55	1,445
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(38)	(184)
	(c) advertising and marketing	(84)	(318)
	(d) leased assets		
	(e) staff costs	(67)	(618)
	(f) administration and corporate costs	(88)	(522)
1.3	Dividends received (see note 3)		-
1.4	Interest received	-	1
1.5	Interest and other costs of finance paid	(4)	(17)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other	-	-
1.9	**Net cash from / (used in) operating activities**	**(226)**	**(213)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(0)	(3)
	(d) investments	-	-
	(e) intellectual property	(232)	(1,238)
	(f) other non-current assets	-	-

For personal use only

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 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	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(232)**	**(1,241)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,866
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	-	(146)
3.5	Proceeds from borrowings	76	106
3.6	Repayment of borrowings	-	(30)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (director's and other loans to the company converted to equity as part of underwriting agreements)	-	(325)
3.10	**Net cash from / (used in) financing activities**	**76**	**1,471**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	261	33
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(226)	(213)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(232)	(1,241)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	76	1,471
4.5	Effect of movement in exchange rates on cash held	164	(7)
4.6	**Cash and cash equivalents at end of period**	**43**	**43**

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	43	261
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (customer receipts) cash in transit	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**43**	**261**

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	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

For personal use only

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	2,000	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	2,000	-

7.5	**Unused financing facilities available at quarter end**	2,000

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.

Access to a $2m facility equity line of credit provided by Stratford Capital valid to 31 January 2026. Utilisation of the facility agreement requires that the Company not be suspended at time of drawdown (noting the Company is well progressed in initiatives in seeking a reinstatement of trading of its shares). The $2 million Equity Placement facility was, on 24th January extended to 31 January 2026 and all and any previous and current defaults under the agreement were waived. Under the facility the Company can nominate a placement amount of between $150,000 at its full discretion and up to $500,000 with investor consent provided the company has available capacity and combined placements do not exceed 5% of the Company's issued shares.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(226)
8.2	Cash and cash equivalents at quarter end (item 4.6)	43
8.3	Unused finance facilities available at quarter end (item 7.5)	2,000
8.4	Total available funding (item 8.2 + item 8.3)	2,043
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	9

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.

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: N/A. In addition to the $2m facility equity line of credit referred to in item 7.6, the Company also expects to generate cash flows from customer receipts, which will provide for sufficient working capital

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: N/A

For personal use only

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: N/A	

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.

Date: .....31 July 2025.....

Authorised by: .....The Board.....
(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.

For personal use only