

Fiscal Q2 2027 Investor Presentation

November 5, 2026

Mc Graw Hill

Today's Presenters



Philip Moyer
President, CEO



Bob Sallmann
EVP, CFO

Disclaimer

This presentation includes statements that are, or may be deemed to be, “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by the use of forward-looking terminology, including terms such as “believes,” “estimates,” “anticipates,” “expects,” “projects,” “intends,” “plans,” “may,” “will,” “should” or “seeks,” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts and include, but are not limited to, statements regarding the Company’s intentions, beliefs or current expectations concerning, among other things, the Company’s results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which it operates. By their nature, forward-looking statements involve risks and uncertainties, as they relate to events and depend on circumstances that may or may not occur in the future. The Company’s expectations, beliefs and projections are expressed in good faith, and the Company believes there is a reasonable basis for them; however, the Company cautions readers that forward-looking statements are not guarantees of future performance and that the Company’s actual results of operations, financial condition and liquidity, and the developments in the industry in which the Company operates, may differ materially from those made in or suggested by the forward-looking statements contained in this presentation. There are a number of risks, uncertainties and other important factors that could cause our actual results to differ materially from the forward-looking statements contained in this presentation, including those described under the headings “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Business” and “Cautionary Note Regarding Forward-Looking Statements” in the Company’s Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, and in other filings made with the U.S. Securities and Exchange Commission. In addition, even if our results of operations, financial condition and liquidity, and the developments in the industry in which we operate are consistent with the forward-looking statements contained in this presentation, those results or developments may not be indicative of results or developments in subsequent periods. Any forward-looking statements the Company makes in this presentation speak only as of the date of such statement. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise, except as may be required by any applicable securities law. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data. Unless otherwise noted, all information included herein is as of September 30, 2026.

This presentation contains certain non-GAAP financial measures, including EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin. A “non-GAAP financial measure” is defined as a numerical measure of a company’s historical or future financial performance, financial position or cash flows that excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP in the statements of operations, balance sheets, or statement of cash flows of the Company. Such measures are presented for supplemental information purposes only, have limitations as analytical tools, and should not be considered in isolation or as substitute measures for our results as reported under GAAP. See slide 26. Because not all companies use identical calculations, our measures may not be comparable to other similarly titled measures of other companies, and our use of these measures varies from others in our industry. Such non-GAAP financial measures are included because they are a basis on which our management assesses the Company's performance. Although we believe these measures are useful for investors for the same reasons, we recommend that users of the financial statements note that these measures are not a substitute for GAAP financial measures or disclosures. We provide reconciliations of such non-GAAP measures to the corresponding most closely related GAAP measure on slide 26.

This presentation contains forward-looking estimates of Adjusted EBITDA for fiscal year 2027. We provide this non-GAAP measure to investors on a prospective basis for the same reasons (set forth above) that we provide it to investors on a historical basis. We are unable to provide a reconciliation of our forward-looking estimate of fiscal year 2027 net income (loss) to a forward-looking estimate of fiscal year 2027 Adjusted EBITDA because certain information needed to make a reasonable forward-looking estimate of net income (loss) for fiscal year 2027 is unreasonably difficult to predict and estimate and is often dependent on future events that may be uncertain or outside of our control. In addition, we believe such reconciliations would imply a degree of precision that would be confusing or misleading to investors. The unavailable information could have a significant impact on our future financial results. Our forward-looking estimates of both GAAP and non-GAAP measures of our financial performance may differ materially from our actual results and should not be relied upon as statements of fact.

Company Overview





Global Scale

Content Depth

Precision Learning

Delivering the right question at the right moment.

100M+
Active Curriculum Licenses
7.5M+ users of AI learning tools

9
AI Tools Embedded in Our Solutions
Agentic AI collaborations with Anthropic and Microsoft

190
Terabytes of Data
Mapped to global standards

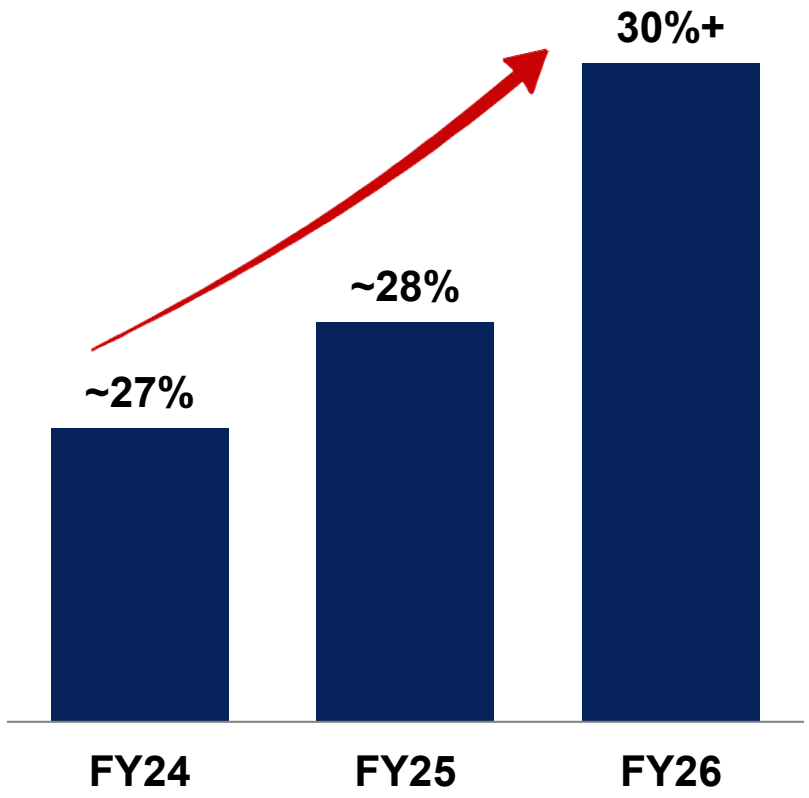
~26B
Learning Interactions[1]
Structured data interactions revealing how students learn

Trusted Content · Behavioral Data · Adaptive Intelligence · Personalized Learning

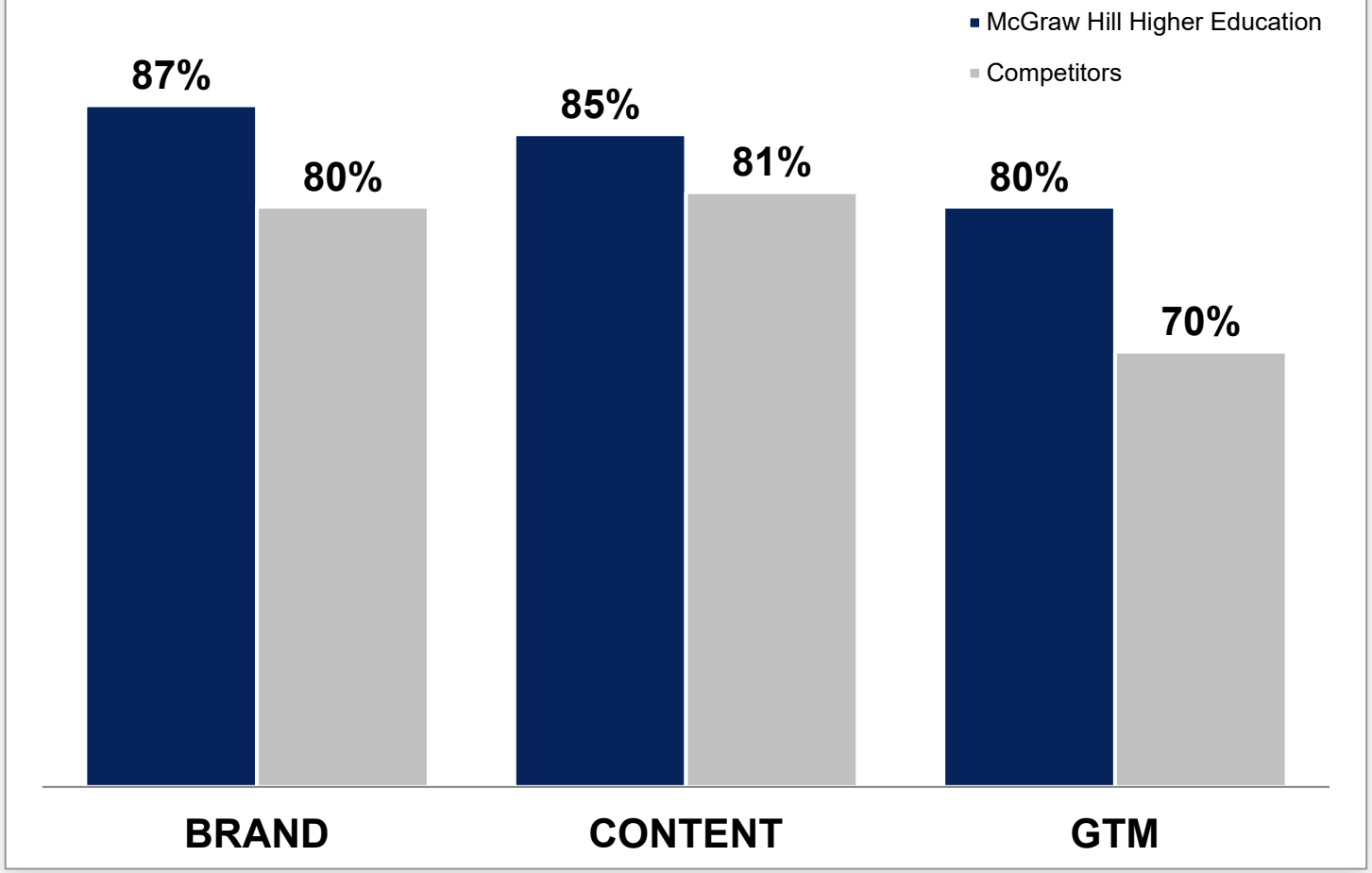
Note: All metrics are for the fiscal year ended March 31, 2026.
(1) Learning Interactions measures the volume of user-driven educational activities across McGraw Hill platforms — including answering questions, completing assignments, and engaging with learning content. This data captures activity across K-12 platforms (Open Learning, ConnectED, ALEKS), Higher Education (SmartBook, Connect), and Enterprise IDM. In FY2026, coverage expanded to include A3K Literacy, Actively Learn, and additional Connect data.

McGraw Hill is a Leader in the Higher Education Market

Market Share[1]



Customer Satisfaction[2]



(1) Refers to the net revenue share as reported by Management Practice Inc. (MPI) in the U.S. Higher Education Market.
(2) Source: Survey of Higher Education Instructors conducted on a blind basis by McGraw Hill, Spring 2026. N = 1396. Note: Percentages refer to the percent of respondents who were highly satisfied or somewhat satisfied.

Built to Lead the Science of Reading Opportunity

- **44 states**[1] with evidence-based reading laws or new policies
- **86% of US K–5 public school enrollment**
- **97% of adoption state enrollment** in states that will purchase a Science of Reading (SoR) aligned program

Science of Reading

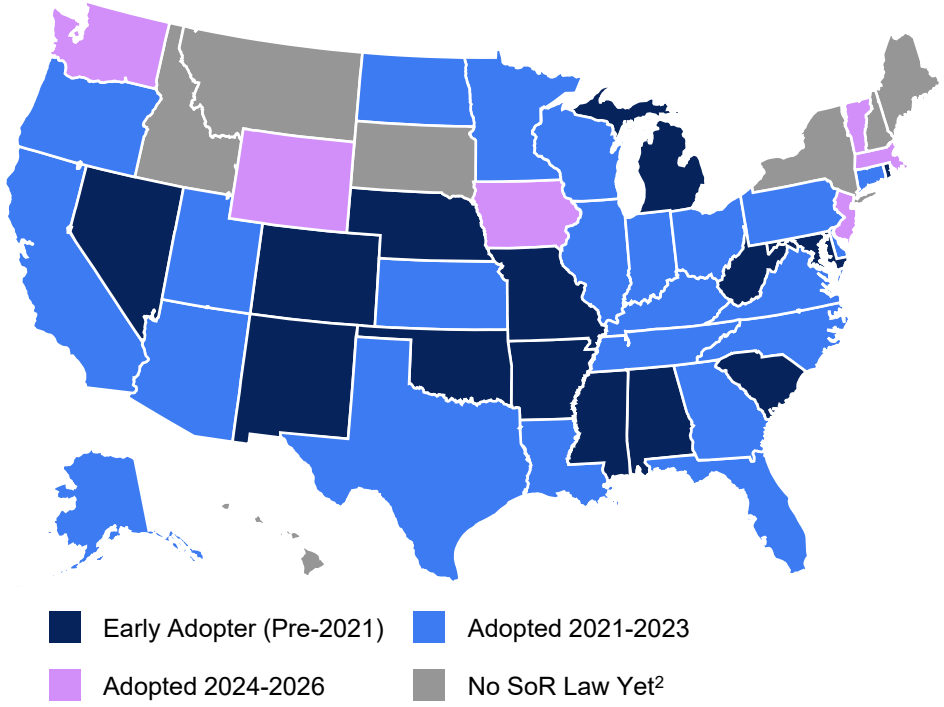
Multilingual Learner Support

Evidence-Based Technology

Professional Learning

Science of Writing

Cross-Curricular Connections



Emerge! McGraw Hill Literacy · SUMMIT! McGraw Hill Literacy · Soar! McGraw Hill Literacy · ¡Emerger juntos! McGraw Hill Literacy · Mc Graw Hill · ROAR

Source: Which States Have Passed 'Science of Reading' Laws? What's in Them?; Education Week.
(1) Count includes District of Columbia as of 2026.
(2) States without SoR Laws include Hawaii, Idaho, Maine, Montana, New Hampshire, New York and South Dakota.

Bolstering AI Capabilities and Market Expansion through M&A



- **AI-native instructional coaching platform**
- Converts classroom audio and interactions into **actionable instructional insights**
- **Expands MH** into the ~$6B K-12 professional learning market



- AI content customization tool supports **more engaging classroom materials**
- MH's content **makes Teachally's engine notably stronger**
- Speeds internal content development, **unlocking new opportunities and efficiencies**

Responsible, Intentional AI to Strengthen Teacher Effectiveness and Improve Student Outcomes

The Most Trusted Provider for AI-Enabled Teaching and Learning[1]

Top Ranked Education company using AI most effectively in its products[2]

93% McGraw Hill brand name recognition[3]

Educators are 81% More Likely to completely trust AI embedded in education platforms than general GenAI chatbots[4]

(1) Among US K-12 faculty and administrators, McGraw Hill is the most trusted provider overall for AI-enabled teaching and learning. Source: Morning Consult Brand Health Tracker, October 2026.
(2) In a recent survey of US K-12 educators and administrators and HE students commissioned by McGraw Hill and conducted by Morning Consult, McGraw Hill was ranked as the education company using AI most effectively in their products. Source: Morning Consult Brand Health Tracker, June 2026.
(3) Among US K-12, higher ed, medical school faculty and administrators and higher ed and medical students 93% recognize the McGraw Hill brand name. Source: Morning Consult Brand Health Tracker, October 2026.
(4) 2026 McGraw Hill Global Education Insights Report.

McGraw Hill AI Differentiation

01 Trusted Content Is the Foundation of Effective AI

AI without structure hallucinates. Effective AI in education demands state-aligned, culturally adept, **pedagogically sound curriculum** as its backbone.

02 One Integrated Solution; No Assembly Required

The average school juggles 2,400+ tools and 25+ logins per teacher. McGraw Hill replaces that chaos with a **single integrated platform embedded directly in educator workflows**.

03 Learning Requires Real Data

Content alone isn't enough. McGraw Hill Plus uses machine learning and billions of learning interactions to build **holistic learner profiles**, giving educators **precise insight** into what's working and for whom.

04 The "Last Mile" of Support

From print to digital delivery to professional development, McGraw Hill provides a **complete, integrated offering**, not just materials, but the ongoing support to use them effectively.

05 Predictable Pricing, Built for District Budgets

One bundled price covers students, teachers, and the institution, eliminating the unpredictable token-consumption costs that could make AI tools difficult for districts to plan around.

06 Built for the Agentic AI Era

McGraw Hill continues to make progress on its agentic strategy, introducing plugins with Copilot and Claude for Teachers this year, positioning our curriculum as a **trusted content layer** powering the user interface that students, instructors, and others can engage with.

Visit our website to learn more about our AI tools and guiding principles.

Among the First in Education to Make Content Available via MCP

McGraw Hill Provides the Universal Plug for Institution-Built AI Experiences, Extending its Value Proposition into High-Impact Learning Environments

Who

Eligible McGraw Hill customers (Higher Ed, U.S. K-12, Global Professional) with licensed McGraw Hill products and Microsoft enterprise licenses.

What

Summarize, translate and adapt course materials; generate study aids, lesson plans and learning resources.

Copilot

Microsoft

Who

Verified U.S. K-12 educators in districts that license McGraw Hill curriculum.

What

Create and adapt instructional materials using the McGraw Hill curriculum already supporting their classrooms.

Claude for teachers

ANTHROP\C

Questions & Answers

District / University Authorization

The Universal Plug

MCP

Model Context Protocol Bridge

The Universal Plug for AI in Education

McGraw Hill Trusted Content

Mc Graw Hill

Indicates multi-layer security ensuring protection and licensed access of proprietary content

Institution-Built Agents Grounded in McGraw Hill Content

Institutions Build the AI Experience; McGraw Hill Provides Authoritative Content through MCP

UCSF School of Medicine

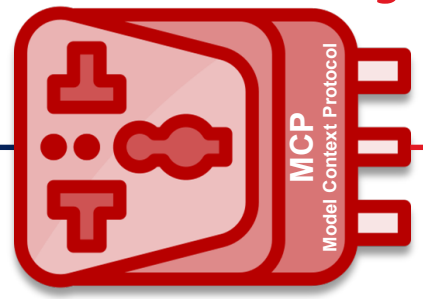
Who

UCSF School of Medicine clinicians and medical students; initial pilot in internal medicine, family medicine and pediatrics clinical rotations.

What

Curate, UCSF's institution-built AI tutor, queries McGraw Hill's MCP server so answers are grounded in trusted medical content, including *Harrison's Principles of Internal Medicine*.

The Universal Plug



Model Context Protocol Bridge

The Universal Plug for AI in Education

McGraw Hill Trusted Content



Financial Overview



FY27-Q2 and FY27-1H Highlights

$ in millions

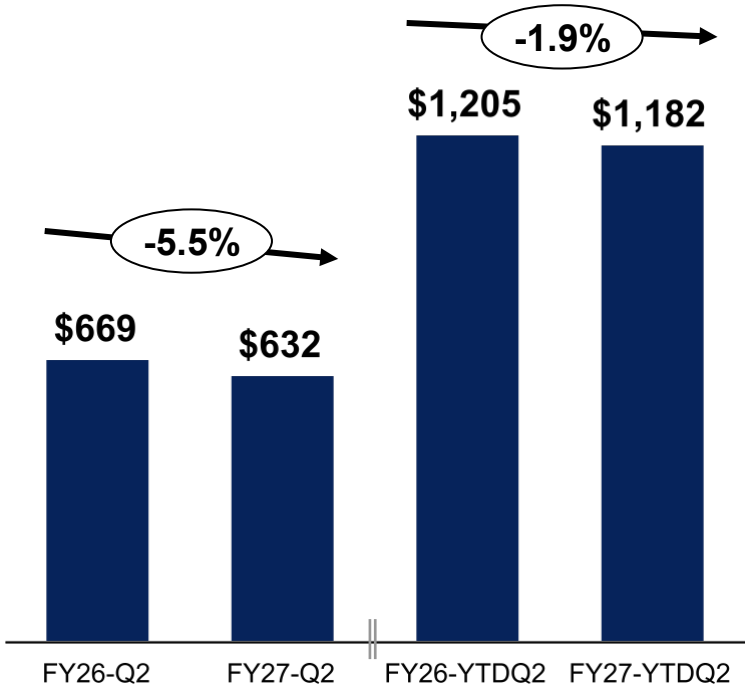
FY27 Q2		FY27 YTD Q2	
$632M Revenue -5.5% Y/Y		**$1.2B** Revenue -1.9% Y/Y	
$414M Re-occurring Revenue -2.0% Y/Y	**$361M** Digital Revenue +2.6% Y/Y	**$840M** Re-occurring Revenue +3.7% Y/Y	**$715M** Digital Revenue +5.6% Y/Y
79.2% Gross Profit Margin	**$1.8B** RPO[1] Providing Forward Visibility	**79.5%** Gross Profit Margin	**$1.8B** RPO[1] Providing Forward Visibility
$251M Adjusted EBITDA[2] -12.5% Y/Y	**39.6%** Adj. EBITDA Margin[2]	**$458M** Adjusted EBITDA[2] -4.2% Y/Y	**38.7%** Adj. EBITDA Margin[2]
$86M GAAP Net Income		**$144M** GAAP Net Income	

Note: All metrics are for the fiscal quarter ended September 30, 2026. Company fiscal year end is March 31st.
(1) See slide 29 for RPO definition. (2) See slide 26 for Adj. EBITDA and Adj. EBITDA Margin Reconciliation and slide 30 for definition of Adj. EBITDA and Adj. EBITDA Margin.

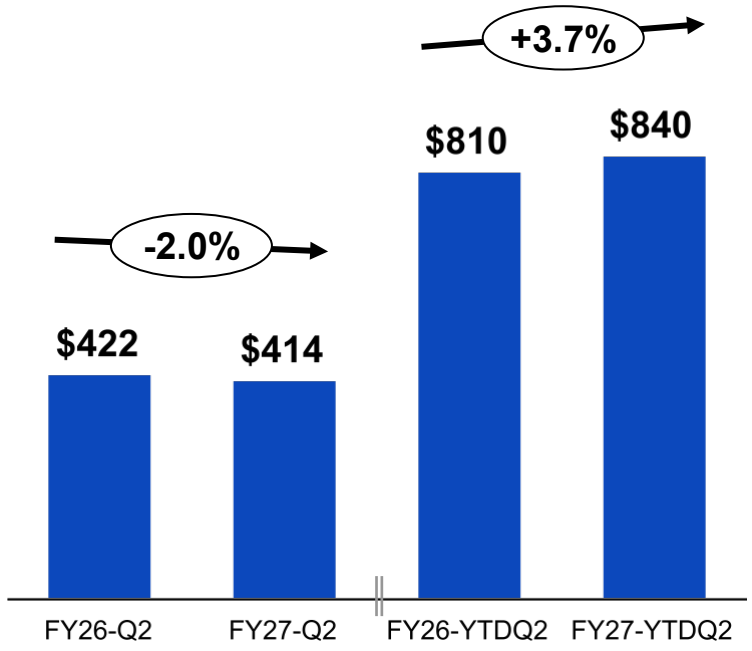
Total Company FY27-Q2 Revenue

$ in millions

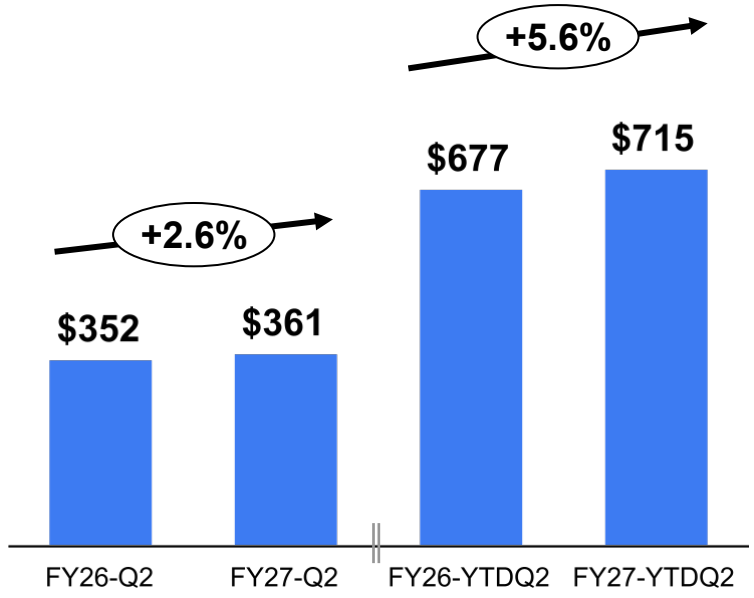
Total Revenue



Re-occurring Revenue[1]



Digital Revenue



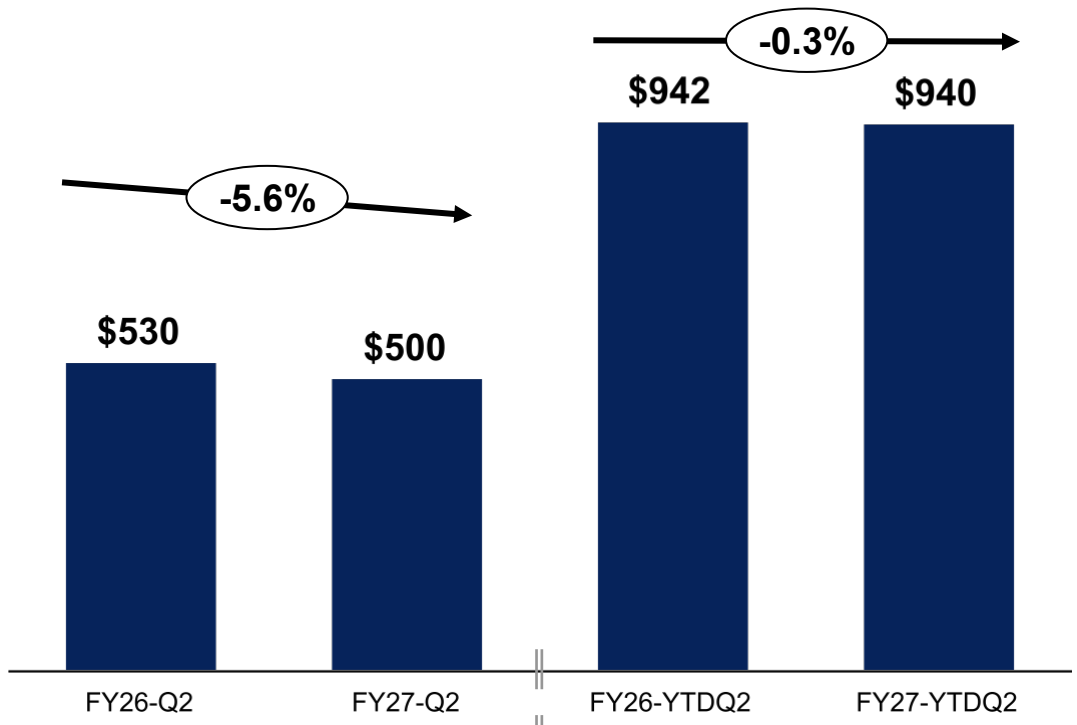
	FY26-Q2	FY27-Q2	FY26-YTDQ2	FY27-YTDQ2
% Re-occurring	63%	65%	67%	71%
% Digital	53%	57%	56%	60%

Note: Figures presented on a GAAP basis. Amounts may not sum due to rounding. Company fiscal year end is March 31st.
(1) See slide 29 for Re-occurring Revenue definition.

Total Company FY27-Q2 Margin Profile

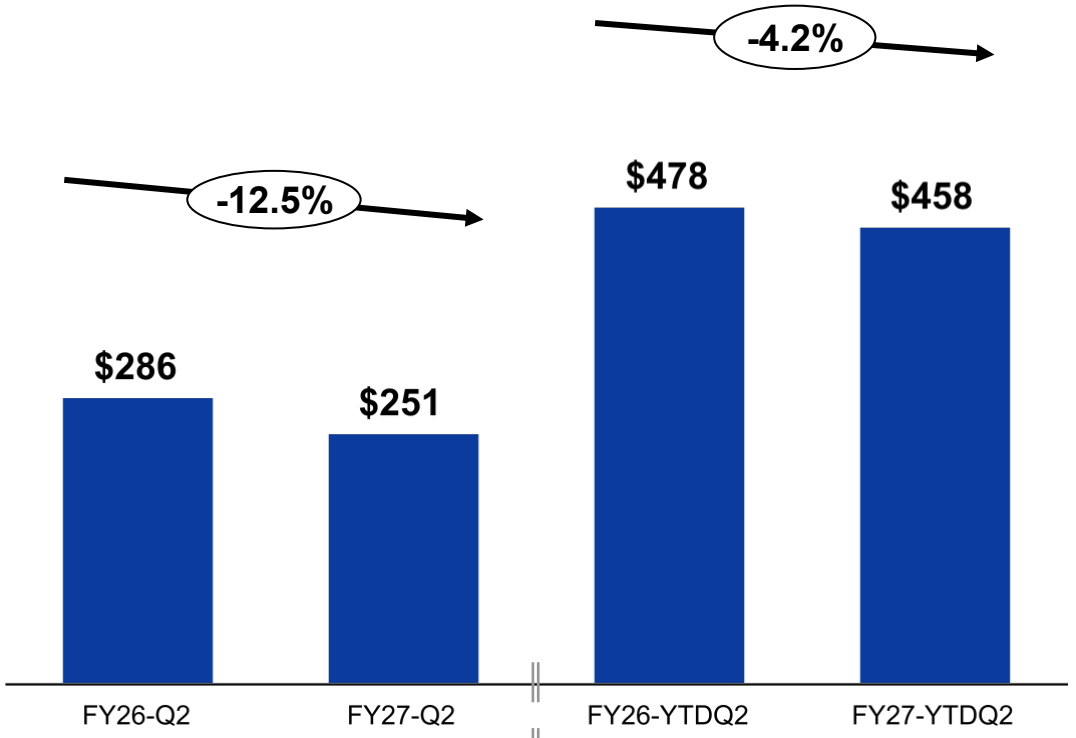
$ in millions

Gross Profit[1]



	FY26-Q2	FY27-Q2	FY26-YTDQ2	FY27-YTDQ2
% Gross Profit Margin[1]	79.2%	79.2%	78.2%	79.5%

Adj. EBITDA[2]



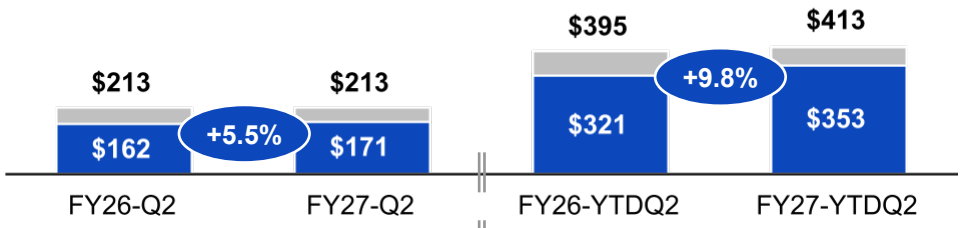
	FY26-Q2	FY27-Q2	FY26-YTDQ2	FY27-YTDQ2
% Adj. EBITDA Margin[2]	42.8%	39.6%	39.7%	38.7%

(1) See slide 28 for Gross Profit and Gross Margin Reconciliation. Gross profit is revenue less cost of sales (excluding depreciation and amortization).
(2) See slide 26 for Adj. EBITDA and Adj. EBITDA Margin Reconciliation and slide 30 for definition of Adj. EBITDA and Adj. EBITDA Margin.

McGraw Hill FY27-Q2 Revenue by Segment

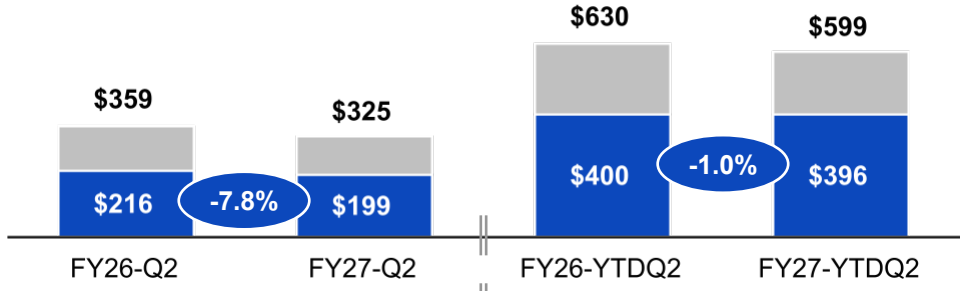
$ in millions

Higher Education



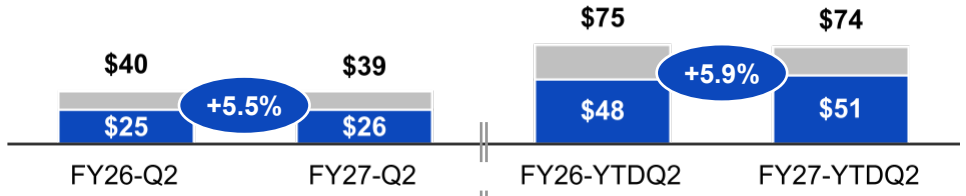
	FY26-Q2	FY27-Q2	FY26-YTDQ2	FY27-YTDQ2
YoY Rev. Growth		+0.2%		+4.5%
% Re-occurring	76%	80%	81%	85%
% Digital	87%	91%	90%	93%

K-12



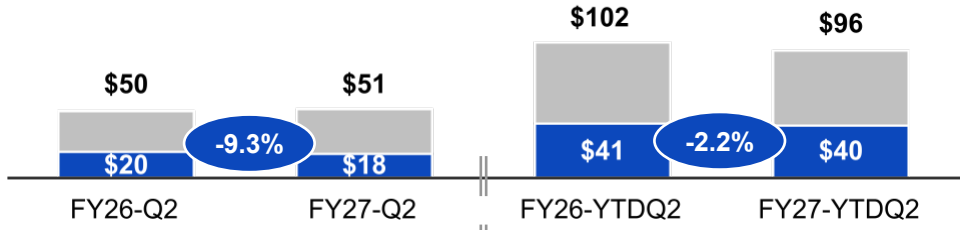
	FY26-Q2	FY27-Q2	FY26-YTDQ2	FY27-YTDQ2
YoY Rev. Growth		-9.6%		-4.9%
% Re-occurring	60%	61%	63%	66%
% Digital	33%	37%	36%	39%

Global Professional



	FY26-Q2	FY27-Q2	FY26-YTDQ2	FY27-YTDQ2
YoY Rev. Growth		-2.7%		-1.9%
% Re-occurring	62%	67%	64%	70%
% Digital	65%	72%	68%	74%

International*



	FY26-Q2	FY27-Q2	FY26-YTDQ2	FY27-YTDQ2
YoY Rev. Growth		+1.6%		-5.3%
% Re-occurring	39%	35%	40%	41%
% Digital	42%	37%	43%	43%

Transactional Revenue *Re-occurring Revenue*

*Note: Figures presented on a GAAP basis. Amounts may not sum due to rounding. *On a constant currency basis, total International revenue increased 2% year-over-year in fiscal Q2 and declined 6% Y/Y YTD.*

Consolidated FY27-Q2 Cash Flow Summary

$ in millions

	Three Months Ended September 30,			Six Months Ended September 30,		
	FY26-Q2	FY27-Q2	Variance	FY26-YTDQ2	FY27-YTDQ2	Variance
Net Income (Loss)	**105**	**86**	**(19)**	**106**	**144**	**38**
Adjustments to reconcile net income (loss) to net cash provided by operating activities						
D&A, Provisions, Impairments and Other	181	138	(43)	318	278	(40)
Change in Working Capital	(21)	(35)	(13)	(255)	(232)	23
Cash provided by (used for) operating activities	**265**	**189**	**(76)**	**168**	**190**	**22**
Product development expenditures	(26)	(39)	(13)	(49)	(74)	(25)
Capital expenditures	(21)	(25)	(4)	(37)	(49)	(12)
Cash consideration paid for acquisitions	—	(29)	(29)	—	(29)	(29)
Cash provided by (used for) investing activities	**(47)**	**(94)**	**(47)**	**(87)**	**(152)**	**(66)**
Cash paid for interest expense	91	81	(10)	113	90	(23)

Note: Amounts may not sum due to rounding.

Balance Sheet and Liquidity

$ in millions

- Cash on hand of $233M; Total committed liquidity of $644M (cash, revolver & ABL)
- Revolving credit facilities remain undrawn
- S&P upgraded credit in September 2026
- Reduced Term Loan principal by $50M in September
- Committed to 2.0x – 2.5x Net Debt / Adjusted EBITDA target

Debt Profile: 09/30/2026[1]

($ in millions)	
Senior Secured Term Loan due 2031	**$498**
Revolving Credit Facilities due 2029[2]	**—**
Senior Secured Notes due 2028	**828**
Senior Secured Notes due 2031	**650**
Total First Lien Indebtedness	**$1,976**
Less: Cash and Cash Equivalents	(233)
Net First Lien Indebtedness	**$1,743**
Senior Unsecured Notes due 2029	599
Gross Debt	**$2,575**
Total Net Indebtedness - MH, Inc.	**$2,342**
Adjusted EBITDA (Last Twelve Months - "LTM")	$724
Total Net Indebtedness / LTM Adjusted EBITDA	**3.2x**
Consolidated Adjusted EBITDA (LTM as defined under the credit agreement)	$606
Net First Lien Leverage[3]	**2.9x**
Total Net Indebtedness / LTM Consolidated Adjusted EBITDA	**3.9x**

Note: LTM is defined as the twelve-month period ended on the last day of the most recently completed fiscal quarter and is calculated by adding the results for the six months ended September 30, 2026, to the results of the fiscal year ended March 31, 2026, and subtracting the six months ended September 30, 2025.

The Company no longer discloses pro forma Consolidated Adjusted EBITDA further adjusted for cost savings. Prior operational improvements have been realized net of costs to achieve. Additional cost savings are considered within the Company's fiscal year 2027 guidance.

(1) Does not take into account the impact of the secured debt refinancing transactions completed on October 9, 2026.

(2) Revolving credit facility of $411.25M includes $111.25M RCF and $300M ABL, excluding ~$5.4M of letters of credit.

(3) Net First Lien Leverage springing covenant for the revolving credit facility is tested if 40% of revolving credit facility is drawn at quarter-end. Net First Lien Leverage springing covenant levels, if required to be tested, would be 6.95x for the relevant quarter. The Net First Lien Leverage springing covenant is calculated by dividing Consolidated First Lien Secured Debt by Consolidated Adjusted EBITDA, as such terms are defined in our credit agreements. The Consolidated First Lien Secured Debt was $1,757M as of September 30, 2026, and is defined as Net First Lien Indebtedness of $1,743M plus finance lease obligations of $14M. Consolidated Adjusted EBITDA is calculated in accordance with our credit agreements and may include pro forma adjustments that are permitted under the credit agreements and indentures.

Fiscal Year 2027 - Guidance

$ in millions

	FY27 Guidance As of November 5, 2026	
	Low	**High**
Revenue	$2,115	$2,175
Re-occurring Revenue[1]	$1,587	$1,627
Adjusted EBITDA[1]	$750	$790

(1) See slide 29 for definition of Re-occurring Revenue. See slide 30 for definition of Adjusted EBITDA.

Medium-Long Range Framework

	FY2023A	FY2024A	FY2025A	FY2026A	Medium-Long Term Targets
Revenue Growth	8.8%	0.7%	7.2%	0.1%	5%+
Re-occurring Revenue (% of Total Revenue)	62.8%	67.1%	69.3%	73.3%	75%+
Digital Revenue (% of Total Revenue)	58.9%	64.0%	64.7%	68.2%	75%+
Gross Margin[1]	76.1%	78.6%	79.9%	80.9%	82%+
Adjusted EBITDA Margin[2]	31.7%	33.5%	34.6%	35.4%	37%+
Net Debt / Adjusted EBITDA[3]	5.5x	5.1x	4.0x	3.2x	2.0x – 2.5x

Notes: These medium- to long-term targets are for illustrative purposes only and should not be read as a guarantee of future performance or results. There can be no assurance when (if at all) such performance or results will be achieved. These forward looking medium- to long-term targets are not projections, estimates or guarantees of actual growth or enhanced unit economics. They are targets and are forward-looking, are subject to significant business, economic and competitive uncertainties, risks and contingencies, many of which are beyond the control of the Company and its management, and are based on assumptions with respect to future decisions, which are subject to change. Actual results may vary, and these variations may be material. For a discussion of some of these important factors that could cause these variations, please consult the "Risk Factors" section of the Company's Annual Report on Form 10-K. (1) See slide 28 for Gross Margin Reconciliation. Gross profit is revenue less cost of sales (excluding depreciation and amortization). (2) See slide 26 for Adj. EBITDA Margin Reconciliation. (3) Net Debt is defined as Gross Debt, net of cash and cash equivalents. Gross Debt is defined as the total amount of principal borrowings outstanding.

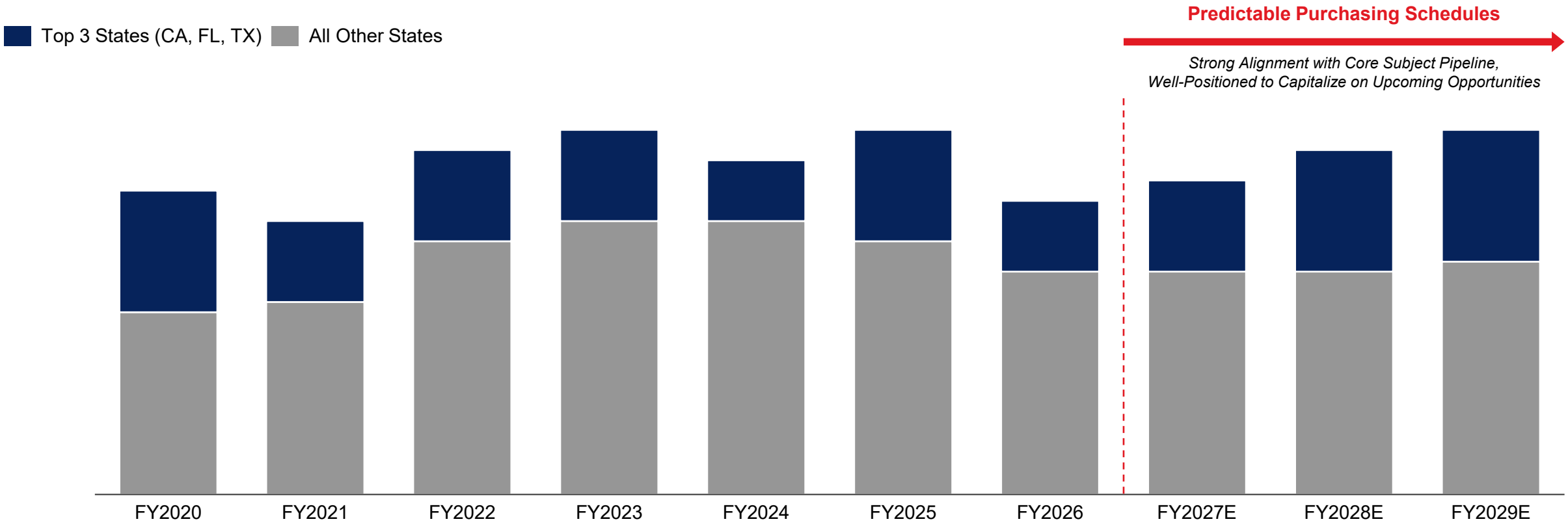
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Appendix / Reconciliations



K-12 Core Purchasing Schedules (FY2020 – FY2029E)

K-12 Core Market Size



	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027E	FY2028E	FY2029E
Top 3 States Key Subject and Grade Adoptions	• TX ELA (K-8) • CA Science (yr1)	• TX ELA (K-9-12) • CA Science (yr2)	• FL ELA • CA Science (yr3)	• FL Math • FL ELA (yr2) • CA Science (yr4)	• FL Social Studies • CA Science (yr5)	• TX Science • FL Science • FL SS (yr2)	• FL Science (yr2) • FL ELA (yr0) • CA Math (yr0)	• TX Math (yr1) • FL ELA (yr1) • CA Math (yr1)	• TX Math (yr2) • FL Math (yr1) • CA Math (yr2) • CA ELA (yr1)	• TX Math (yr3) • FL Math (yr2) • FL SS (yr1) • CA Math (yr3) • CA ELA (yr2)

Source: Internal company data. The data shown in this image reflects McGraw Hill's best estimates and projections for the K-12 Core Market and has been prepared by McGraw Hill using internal assumptions, estimates and data. Estimated and projected state and subject adoptions are subject to change.

GAAP Revenue Detail

$ in millions

Total Revenue

	Fiscal Year Ended March 31, 2025	Fiscal Year 2026 Q1	Fiscal Year 2026 Q2	Fiscal Year 2026 Q3	Fiscal Year 2026 Q4	Fiscal Year Ended March 31, 2026	Fiscal Year 2027 Q1	Fiscal Year 2027 Q2
K-12	$ 970	$ 271	$ 359	$ 128	$ 126	$ 884	$ 274	$ 325
Higher Education	783	182	213	225	258	879	200	213
Global Professional	150	35	40	36	39	150	35	39
International	201	51	50	44	41	187	45	51
Other	(3)	(4)	7	-	-	3	(4)	4
Total Revenue	**$ 2,101**	**$ 536**	**$ 669**	**$ 434**	**$ 464**	**$ 2,103**	**$ 550**	**$ 632**

Digital Revenue

	Fiscal Year Ended March 31, 2025	Fiscal Year 2026 Q1	Fiscal Year 2026 Q2	Fiscal Year 2026 Q3	Fiscal Year 2026 Q4	Fiscal Year Ended March 31, 2026	Fiscal Year 2027 Q1	Fiscal Year 2027 Q2
K-12	$ 431	$ 109	$ 119	$ 104	$ 99	$ 430	$ 114	$ 121
Higher Education	723	169	186	203	242	800	190	194
Global Professional	103	25	26	28	28	107	27	28
International	103	22	21	29	24	97	23	19
Other	-	-	-	-	-	-	-	-
Total Digital Revenue	**$ 1,359**	**$ 325**	**$ 352**	**$ 364**	**$ 393**	**$ 1,434**	**$ 354**	**$ 361**

Re-occurring Revenue

	Fiscal Year Ended March 31, 2025	Fiscal Year 2026 Q1	Fiscal Year 2026 Q2	Fiscal Year 2026 Q3	Fiscal Year 2026 Q4	Fiscal Year Ended March 31, 2026	Fiscal Year 2027 Q1	Fiscal Year 2027 Q2
K-12	$ 602	$ 184	$ 216	$ 111	$ 109	$ 620	$ 197	$ 199
Higher Education	667	160	162	196	217	734	182	171
Global Professional	95	24	25	25	25	99	25	26
International	93	21	20	25	22	88	22	18
Other	-	-	-	-	-	-	-	-
Re-occurring Revenue	**$ 1,457**	**$ 388**	**$ 422**	**$ 357**	**$ 373**	**$ 1,541**	**$ 426**	**$ 414**

Note: Amounts may not sum due to rounding.

Remaining Performance Obligations (RPO)

$ in millions

	September 30, 2026			March 31, 2026		
	Current	Non-Current	Total	Current	Non-Current	Total
RPO by Segment:						
K-12	$ 540	$ 749	$ 1,289	$ 477	$ 772	$ 1,249
Higher Education	327	59	387	269	53	322
Global Professional	58	6	64	58	8	66
International	47	2	50	30	3	33
Other	1	-	1	1	-	1
Total RPO	**$ 974**	**$ 816**	**$ 1,791**	**$ 835**	**$ 836**	**$ 1,671**

Note: Amounts may not sum due to rounding.

Adjusted EBITDA Reconciliation

$ in millions

	Three Months Ended September 30,		Six Months Ended September 30,	
	FY26-Q2	FY27-Q2	FY26-YTDQ2	FY27-YTDQ2
Net income (loss)	$ 105	$ 86	$ 106	$ 144
Interest expense (income), net	56	46	115	92
Income tax provision (benefit)	(21)	7	16	17
Depreciation, amortization and product development amortization	93	98	181	182
EBITDA	**$ 233**	**$ 238**	**$ 417**	**$ 435**
Restructuring and cost savings implementation charges (a)	2	4	5	8
Advisory fees (b)	1	—	3	—
Transaction and integration costs (c)	—	—	—	—
Stock-based compensation (d)	31	2	31	6
Gain (loss) on extinguishment of debt (e)	16	2	16	2
Other (f)	3	5	5	7
Adjusted EBITDA (g)	**$ 286**	**$ 251**	**$ 478**	**$ 458**
Total Revenue	$ 669	$ 632	$ 1,205	$ 1,182
Net income (loss) margin	15.7 %	13.7 %	8.8 %	12.2 %
Adjusted EBITDA Margin	42.8 %	39.6 %	39.7 %	38.7 %

Note: Amounts may not sum due to rounding.

Adjusted EBITDA Footnotes

a. Represents severance and other expenses associated with headcount reductions and other cost savings initiated as part of our formal restructuring initiatives.

b. For the three and six months ended September 30, 2025, represents the pro rata portion of the annual $10.0 million of advisory fees paid to Platinum Advisors pursuant to the Advisory Agreement (which was terminated on July 25, 2025 in connection with the consummation of our initial public offering).

c. This primarily represents transaction and integration costs associated with acquisitions.

d. Represents stock-based compensation expense related to awards granted to our employees, directors and consultants under the Company's long-term incentive plans.

e. For the three and six months ended September 30, 2026 and 2025, represents accelerated amortization of debt discount and deferred financing costs associated with the repayments of debt outstanding under the A&E Term Loan Facility of $50.0 million on September 30, 2026 and $385.7 million in connection with our initial public offering on July 25, 2025, respectively.

f. For the three months ended September 30, 2026 and 2025, this amount represents (i) foreign currency exchange transaction impact of $0.6 million and $0.1 million, respectively, (ii) non-recurring expenses related to strategic initiatives, including marketing, consulting, and non-operational costs associated with the market introduction of a new product launch of $3.6 million and $1.7 million, respectively, (iii) reimbursements of expenses paid to Platinum Advisors incurred in connection with its services under the Advisory Agreement (which was terminated on July 25, 2025 in connection with the consummation of our initial public offering) of nil and $0.1 million, respectively, (iv) non-recurring transaction-related costs associated with our initial public offering that were expensed as incurred of nil and $0.9 million, respectively, and (v) the impact of additional insignificant earnings or charges resulting from matters that we do not consider indicative of our ongoing operations of $0.9 million and $0.6 million, respectively, that are primarily related to individually insignificant miscellaneous items, including asset dispositions, third-party consulting and advisory fees associated with system and process rationalization initiatives, as well as certain additional payments related to incremental insurance premiums and policies as a result of the Platinum acquisition that did not renew after the consummation of our initial public offering.

   For the six months ended September 30, 2026 and 2025, this amount represents (i) foreign currency exchange transaction impact of $(0.1) million and $(1.8) million, respectively, (ii) non-recurring expenses related to strategic initiatives, including marketing, consulting, and non-operational costs associated with the market introduction of a new product launch of $6.3 million and $2.5 million, respectively, (iii) reimbursements of expenses paid to Platinum Advisors incurred in connection with its services under the Advisory Agreement (which was terminated on July 25, 2025 in connection with the consummation of our initial public offering) of nil and $0.2 million, respectively, (iv) non-recurring transaction-related costs associated with our initial public offering that were expensed as incurred of nil and $2.8 million, respectively, and (v) the impact of additional insignificant earnings or charges resulting from matters that we do not consider indicative of our ongoing operations of $0.6 million and $1.3 million, respectively, primarily related to individually insignificant miscellaneous items, including asset dispositions, third-party consulting and advisory fees associated with system and process rationalization initiatives, as well as certain additional payments related to incremental insurance premiums and policies as a result of the Platinum acquisition that did not renew after the consummation of our initial public offering.

g. The purchase accounting and impairment charge adjustments included in the definition of Adjusted EBITDA are not presented in the table above, as there were no such charges recognized during the three and six months ended September 30, 2026 and 2025.

Gross Profit and Gross Margin Reconciliation[1]

$ in millions

	Three Months Ended September 30,		Six Months Ended September 30,	
	FY26-Q2	FY27-Q2	FY26-YTDQ2	FY27-YTDQ2
Revenue	$ 669	$ 632	$ 1,205	$ 1,182
(-) Cost of sales (excluding depreciation and amortization)	139	132	262	242
Gross Profit	**$ 530**	**$ 500**	**$ 942**	**$ 940**
Gross Margin	**79.2%**	**79.2%**	**78.2%**	**79.5%**

Note: Amounts may not sum due to rounding. (1) Due to the inherent subjectivity in the classification of costs between cost of sales and operating and administrative expenses across our industry, we do not focus on gross profit or gross margin as key operating metrics for our business.

Terms: Re-occurring Revenue, Transactional Revenue and RPO

Re-occurring Revenue includes revenue from offerings that are generally sold as digital subscriptions and multi-year print products. Revenue from digital subscriptions, which are paid for at the time of sale or shortly thereafter, is recognized ratably over the term of the subscription period as the performance obligation is satisfied. For multi-year print products (e.g., workbooks), which are paid for at the beginning of the contract period, each academic year represents a distinct performance obligation. Revenue is recognized upon delivery to the customer for each respective academic year. Re-occurring Revenue serves as a key operating metric used by management as it offers valuable insight into the subscription-based nature of our business.

Transactional Revenue includes revenue from both print and digital offerings. Revenue from print offerings is recognized at the point of shipment and revenue from digital offerings is recognized at the time of delivery. In addition, revenues for amounts billed to customers in a sales transaction for shipping and handling are included in Transactional Revenue.

Remaining Performance Obligations ("RPO") represent the total contracted future revenue that has not yet been recognized. RPO is associated with our digital subscriptions and multi-year print products and is impacted by various factors, including the timing of renewals and purchases, contract durations, and seasonal trends. Given these influencing factors, RPO should be evaluated alongside Re-occurring Revenue and other financial metrics disclosed within this presentation. RPO serves as a key operating metric used by management as it offers visibility into future revenue and facilitates the assessment of long-term growth sustainability.

While we believe that the above key operating metrics provide useful information to investors and others in understanding and evaluating our operating results in the same manner as our management, it is important to note that other companies, including companies in our industry, may not use these metrics, may calculate them differently, may have different frequencies or may use other financial measures to evaluate their performance, all of which could reduce the usefulness of Re-occurring Revenue, Transactional Revenue or RPO as a comparative measure.

Terms: EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin

EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin are presented because our management uses them to assess our performance. We believe they reflect the underlying trends and indicators of our business and allow management to focus on the most meaningful indicators of our continuous operational performance.

EBITDA is defined as net income (loss) from continuing operations plus interest expense (income), net, income tax provision (benefit), depreciation and amortization.

Adjusted EBITDA is defined as net income (loss) from continuing operations plus interest expense (income), net, income tax provision (benefit), depreciation and amortization, restructuring and cost savings implementation charges, the effects of the application of purchase accounting, advisory fees paid to Platinum Advisors pursuant to the Advisory Agreement (which was terminated on July 25, 2025 in connection with the consummation of our initial public offering), impairment charges, transaction and integration costs, stock-based compensation, (gain) loss on extinguishment of debt and the impact of earnings or charges resulting from matters that we do not consider indicative of our ongoing operations. Further, although not included in the calculation of Adjusted EBITDA, we may at times add estimated cost savings and operating synergies related to operational changes ranging from acquisitions or dispositions to restructurings and exclude one-time transition expenditures.

Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by total revenue.

Each of the above measures is not a recognized term under GAAP and does not purport to be an alternative to net income (loss), or any other measure derived in accordance with GAAP as a measure of operating performance, or to cash flows from operations as a measure of liquidity. Such measures are presented for supplemental information purposes only, have limitations as analytical tools, and should not be considered in isolation or as substitute measures for our results as reported under GAAP. Management uses non-GAAP financial measures to supplement GAAP results to provide a more complete understanding of the factors and trends affecting the business than GAAP results alone. Because not all companies use identical calculations, our measures may not be comparable to other similarly titled measures of other companies, and our use of these measures varies from others in our industry. Such measures are not intended to be a measure of cash available for management's discretionary use, as they may not capture actual cash obligations associated with interest payments, taxes and debt service requirements.

McGraw Hill Upcoming Conference & Event Participation

November 5	**McGraw Hill Fiscal 2027 Q2 Investor Update** *Link to Webcast*
November 12	**BMO** *BMO Technology & Innovation Leaders Conference*
November 18	**McGraw Hill Investor Day** *A New Frontier of Learning*
December 1	**Bank of America** *BofA Securities Leveraged Finance Conference*
December 2	**UBS** *UBS Global Technology and AI Conference*