



Fiscal Q4 and Fiscal Year 2026 Investor Presentation

June 11, 2026

**Mc
Graw
Hill**

Today's Presenters



Simon Allen
Board Chair



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” 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. Unless otherwise noted, all information included herein is as of March 31, 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 30. These 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. 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 30.

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.

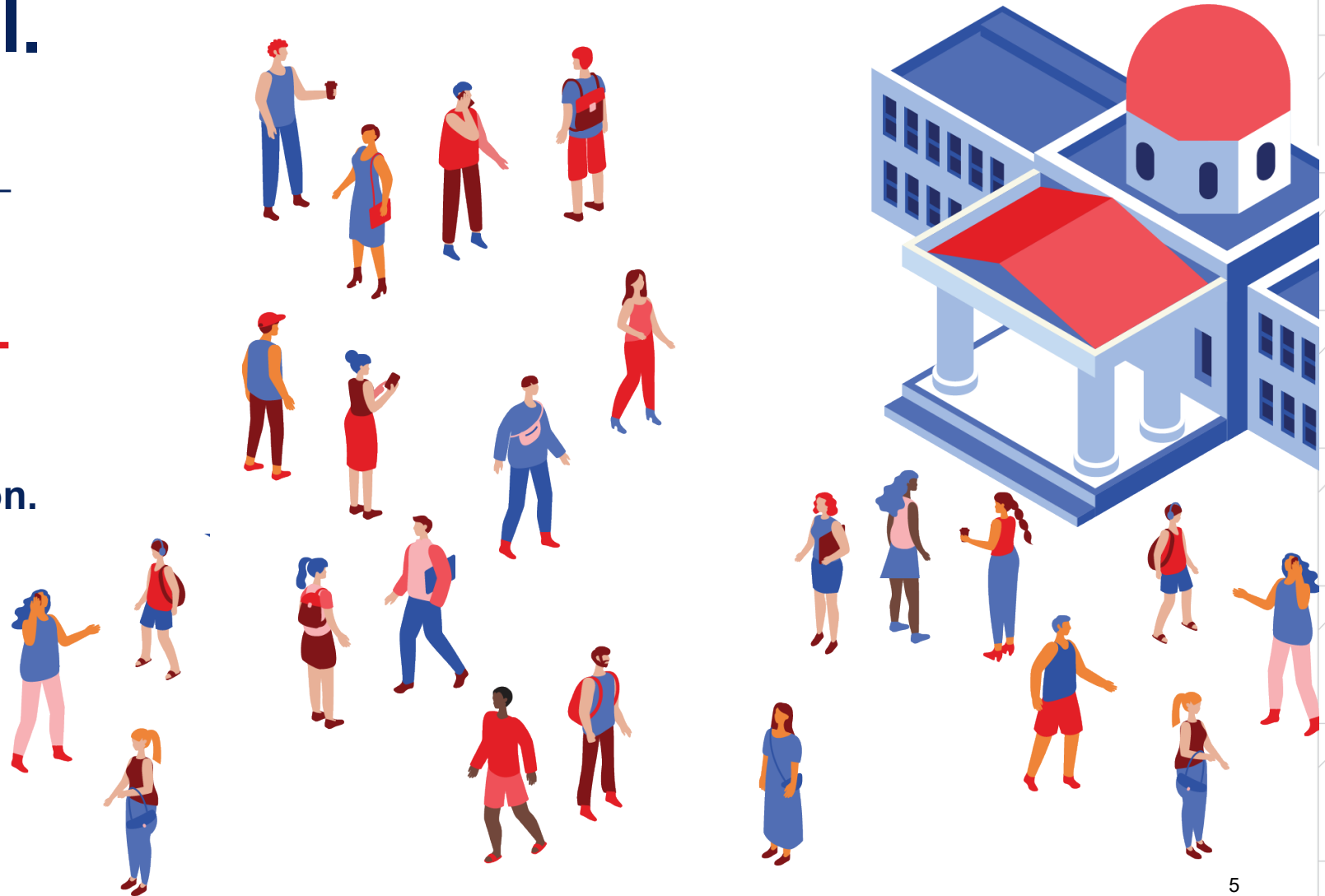
Company Overview



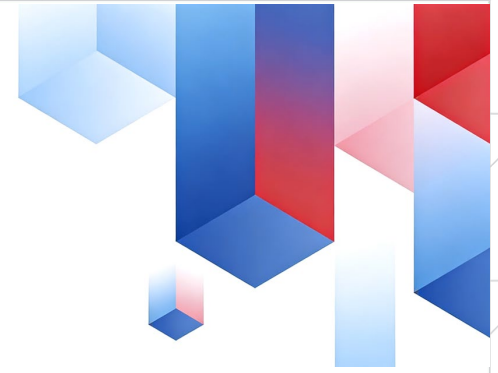
Accelerating Learning. Unlocking Potential.

100+ million active educator and learner curriculum licenses across **100+ countries** – combining trusted content with AI-driven personalization.

Where people and technology come together to transform education.



The McGraw Hill Value Proposition



Trusted. Innovative. Mission-Driven.

01 Trusted, Market-Leading Global Brand

Trusted by learners and educators across K-12, higher education and professional development.

02 Highly Defensible 3-Tiered Moat

Trusted IP, proprietary learner data, and domain expertise create a powerful competitive advantage.

03 Machine Learning & Responsible GenAI

Pioneering adaptive learning and data science for years — deploying Generative AI thoughtfully for better educational outcomes.

04 Extensive Global Institutional Sales

Deep global partnerships, long-standing customer relationships, and high retention driving re-occurring revenue.

05 Resilient, Profitable Business Model

High-margin, re-occurring revenue with strong cash flow supporting ongoing technology and content innovation.

06 Mission-Driven Culture & Leadership

A passionate team united by the mission and technology expertise to accelerate learning.



Most Trustworthy Companies in America
Newsweek — 2025



America's Best Midsize Employers
Forbes — 2025 & 2026

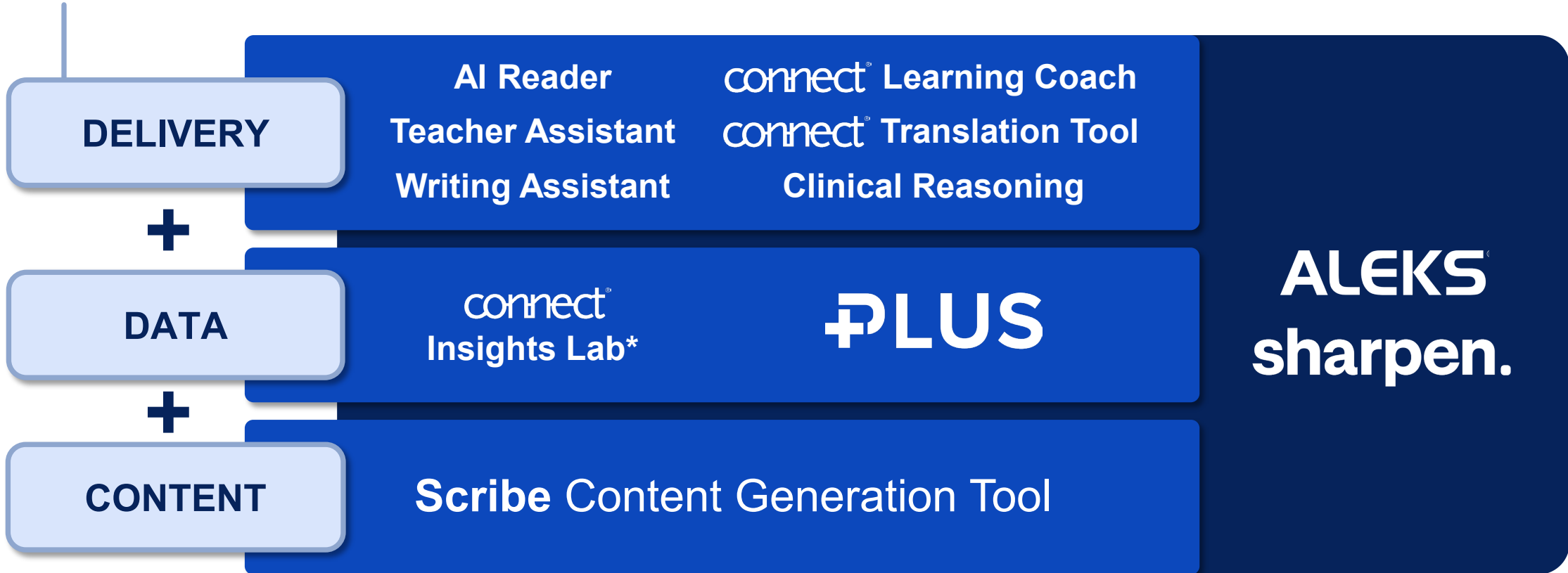


Equality 100 Award
HRC Foundation
Corporate Equality Index — 2026

Accelerated Pace of Innovation



The McGraw Hill AI Equation



In the past two years we have launched **8 new AI learning tools** and plan to launch 3 more this fiscal year

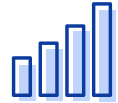
* Launching later this year
Learn more about our vision for AI and how we are leveraging this technology by visiting our website.

Leveraging Strengths for Differentiated AI Solutions



Authoritative Content & IP

- Premium IP from Nobel laureates and leading experts
- Trusted content serves as the backbone for safe GenAI
- GenAI multiplies content value through personalization



Irreplicable Data Assets

- Decades of proprietary data
- 190 terabytes of data
- ~26 billion learning interactions¹
- Convert engagement data into personalized instruction



Unparalleled Domain Expertise

- 100M+ active student and educator curriculum licenses in more than 100 countries
- World-class academic designers integrate region-specific standards at scale
- 7,000+ educators comprise the McGraw Hill Research Network



AI-Powered Technology

- Over 7.5 million users of our new AI personalized learning tools while saving educator time
- Launched new AI learning solutions with more to come
- New ALEKS solutions; Connect features; Ask Sharpen; Teacher and Writing Assistant



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.



Global Scale
Content Depth
Precision Learning

Delivering the right question at the right moment.

100M+

Active Licenses

Students & educators
across 100+ countries

**TENS OF
THOUSANDS**
of Titles in Library

Spanning
500+ subjects

190

Terabytes of Data

Mapped to
global standards

25.6B

Learning Interactions¹

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.

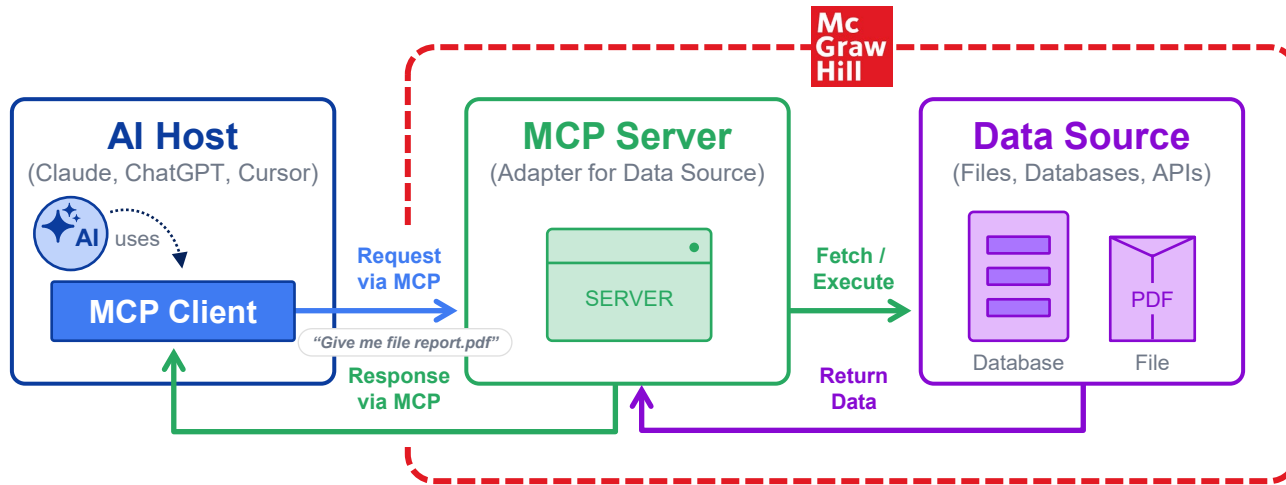
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Agentic Curriculum



MCP: A Structural Part of the Institutional AI Stack

MODEL CONTEXT PROTOCOL



KEY INITIATIVES & ROADMAP

- 1 Unlocking a Scalable Enterprise Content Delivery Mode
- 2 Healthcare pilot partner
- 3 Launch with additional pilot institutions

AI Coming Soon | Learning Coach

LEARNING COACH

Students hit a wall at 11pm on the hardest concepts in a course – and there's no scalable way for instructors to reach them in that moment.

10

Titles in Scope

50

Modules in Build

20

SME Reviewers

1. Disciplines

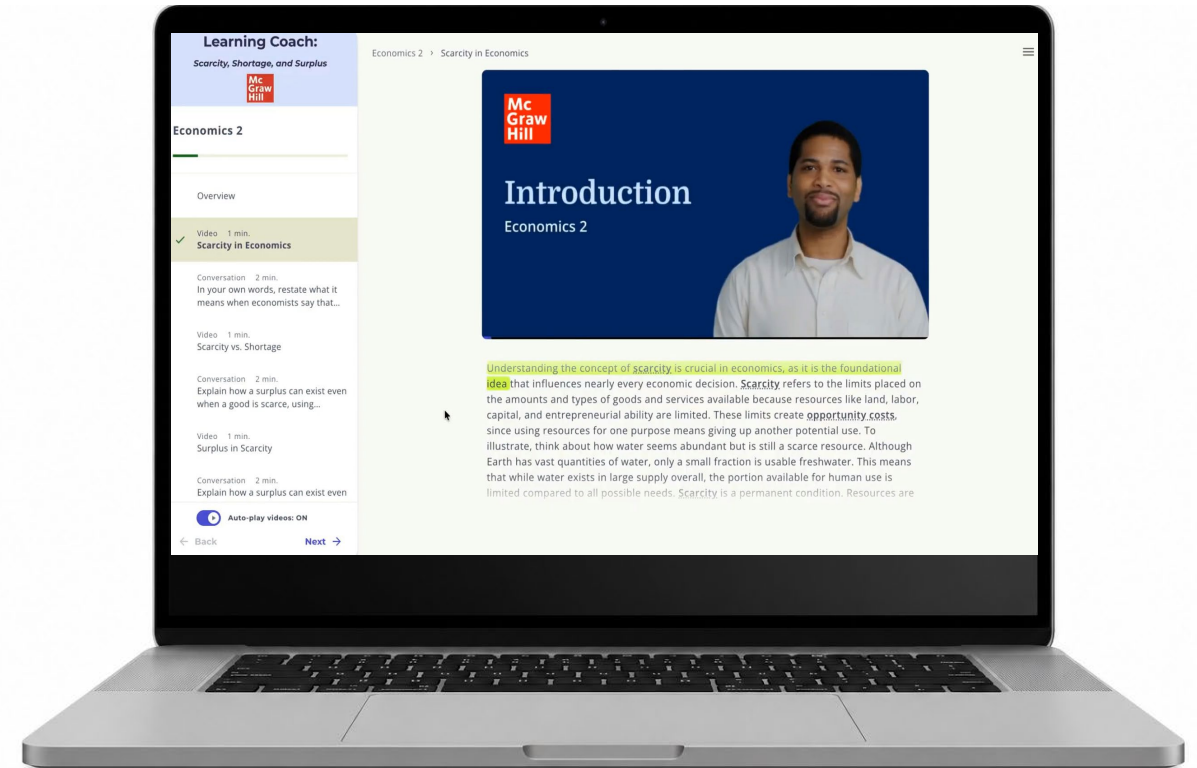
Accounting | Management | Marketing | Health Professions | A&P | Economics | Psychology | Communications | World Languages | Biology

2. Kyron AI + MH Content Depth

Kyron's AI coaching platform paired with MH content depth for personalized, concept-level coaching.

3. Accessibility, Guardrail & Cybersecurity Standards

Built to MH accessibility, AI guardrail, and cybersecurity standards.



AI in Motion | ALEKS + AI Reader + Sharpen

ALEKS



90%+

Students Achieve
Topic Mastery

Improvement in
Math Assessments:

~25pt | **~55pt**
First Grade¹ | Second Grade¹

AI Reader



57M

Interactions
AI Reader interactions from
Inception through May 2026

2.4M

Unique Students
used AI Reader from Inception
through May 2026

Sharpen



4x

Greater Engagement with Study
Activities
for Sharpen users vs. non-users

+47%

Higher Final Exam Scores
for Sharpen users vs. non-users²

Note: All figures sourced from internal Company data unless otherwise noted.

(1) Source: *Efficacy Study of ALEKS Adventure in a Pennsylvania School District.*

(2) Source: *Rowan College at Burlington County Case Study: Driving Student Success with Sharpen.*

McGraw Hill



**Strengthen
Existing
Businesses**



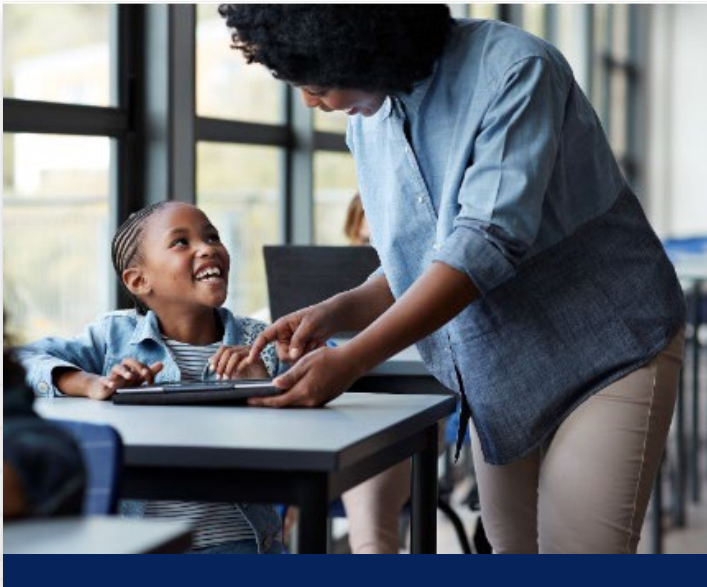
**Expand
Cross-Sell
Opportunities**



**Grow
Addressable
Market**



**Operate
Efficiently**



Science of Reading | Next-Gen Literacy Curriculum



Reading

- First Read
- Returning to the Text
- Working from the Text
- Multimedia



Writing

- Respond to Reading
- Sentence Construction
- Direct Writing Instruction
- Writing Process
- Research



Speaking and Listening

- Shared Reading
- Collaborative Work
- Presentations
- Performance



Self-Efficacy

The Science of Literacy

integrates research-backed reading, writing, and knowledge-building into a unified K–12 instructional framework that develops fluent, critical readers, writers, and thinkers.



[Learn more about the Science of Reading on our Website](#)





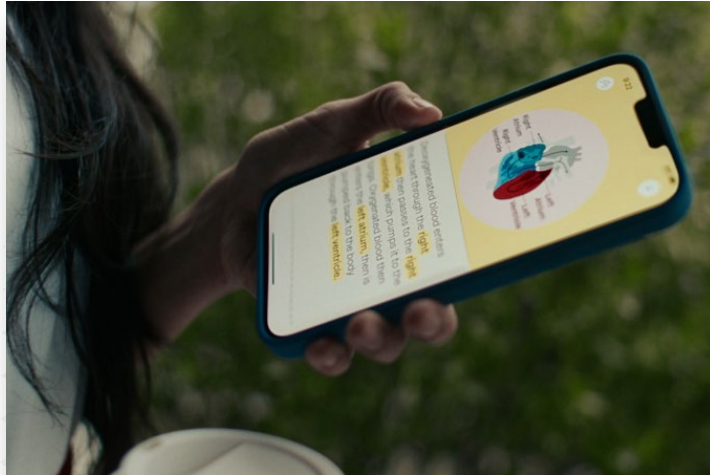
The complexity of developing human intelligence exponentially dwarfs any AI model ever invented — which makes the work we do to unlock the potential of each learner the most essential last mile of all.

Philip Moyer

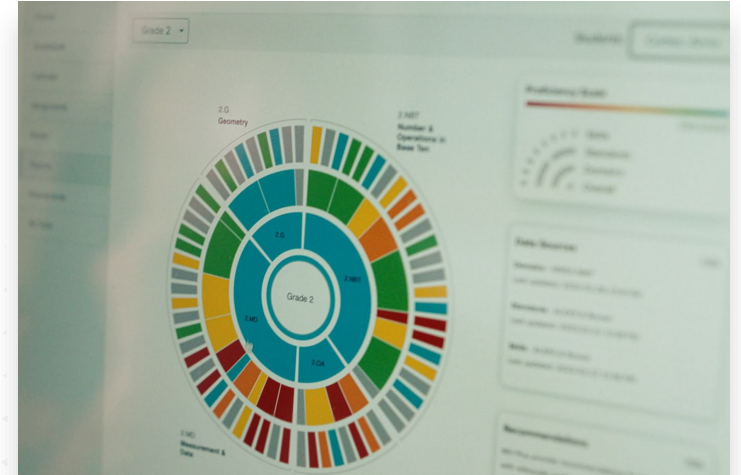
President, Chief Executive Officer of McGraw Hill, Inc.



Empowering Learners & Educators Worldwide



Digital-First Learning & AI Solutions



Connected. Engaged. Always Learning.

Financial Overview





FY-2026 Highlights

- FY26 results exceeded guidance
- Market share gains and strong business momentum
- Digital and re-occurring revenue growth
- Proprietary data and integrated AI solutions scaling to millions of learners
- Strong operating leverage and margin expansion amid ongoing reinvestment

\$2.1B

Revenue
+0.1% Y/Y

\$1.5B

Re-occurring Revenue
+5.8% Y/Y

\$1.4B

Digital Revenue
+5.5% Y/Y

80.9%

Gross Profit Margin
+100 bps Y/Y

\$1.7B

RPO¹
Providing Forward Visibility

\$744M

Adjusted EBITDA²

35.4%

Adj. EBITDA Margin²
+80 bps Y/Y

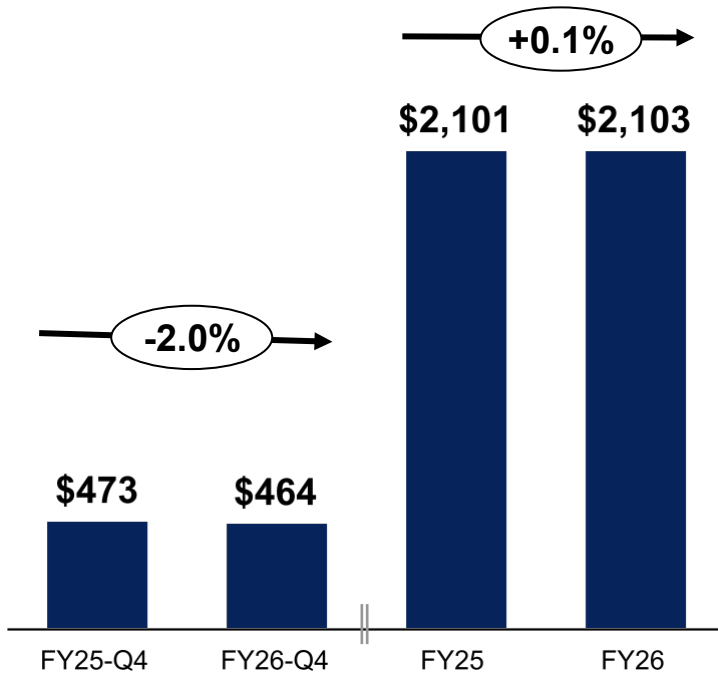
Note: All metrics are for the fiscal quarter ended March 31, 2026. Company fiscal year end is March 31st.

(1) See slide 34 for RPO definition. (2) See slide 30 for Adj. EBITDA and Adj. EBITDA Margin Reconciliation and slide 35 for definition of Adj. EBITDA and Adj. EBITDA Margin.

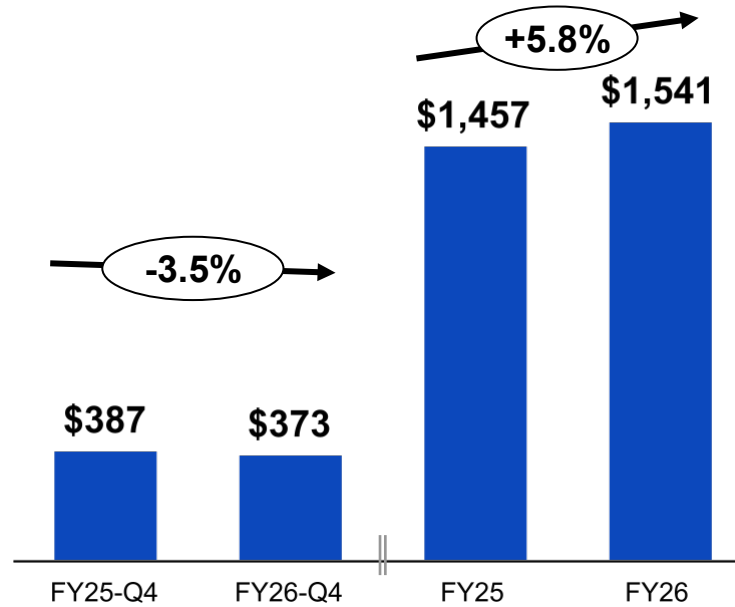
Total Company FY26-Q4 Revenue

\$ in millions

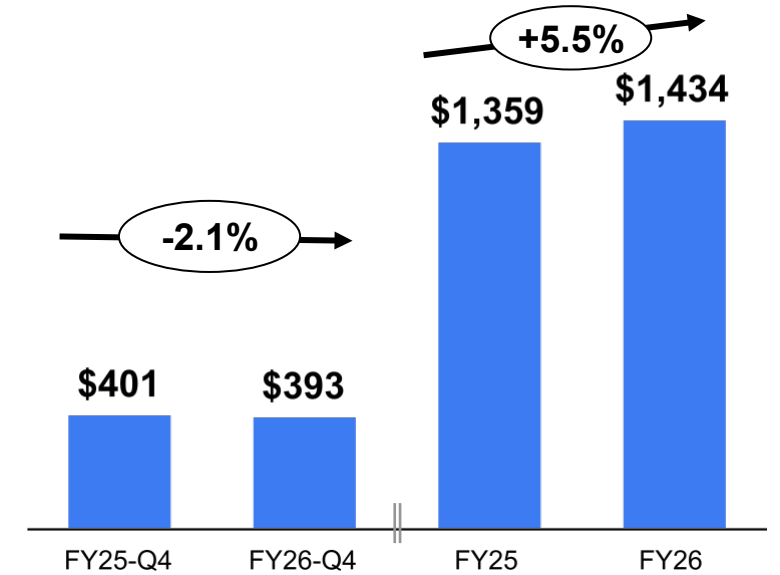
Total Revenue



Re-occurring Revenue¹



Digital Revenue



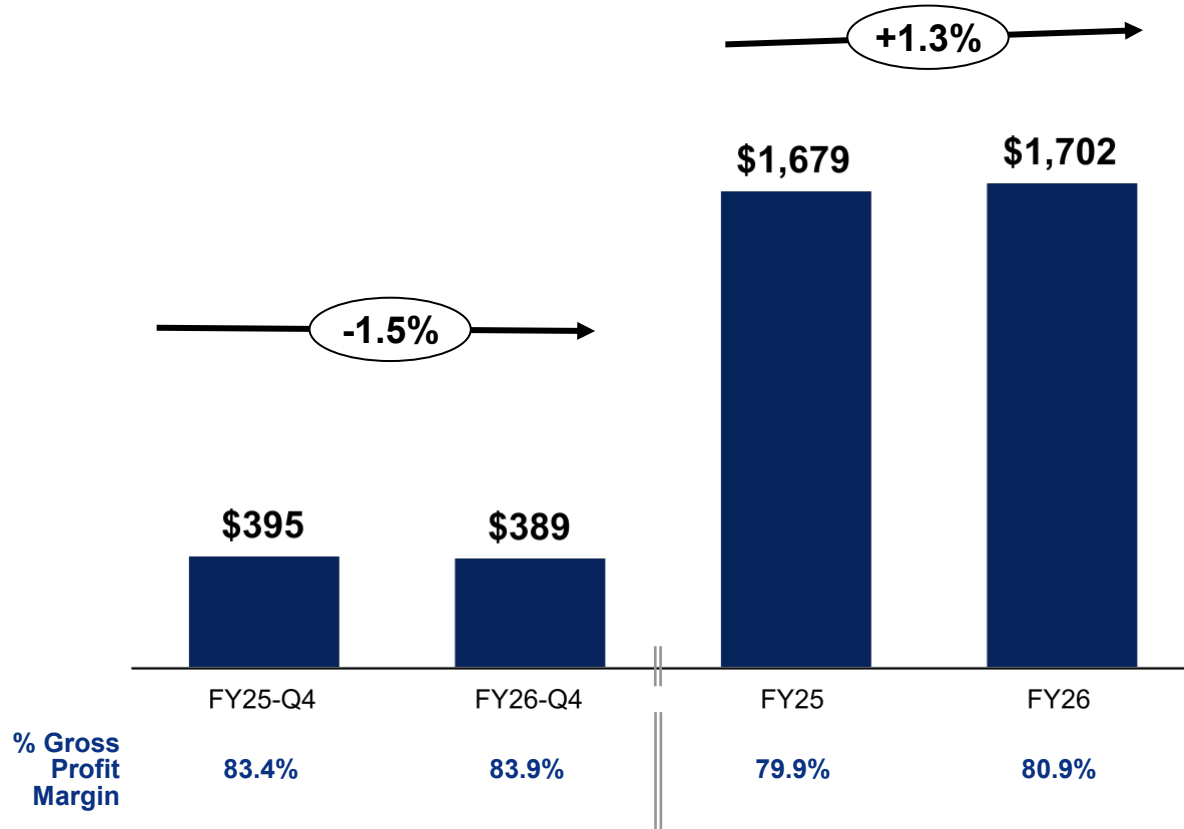
% Re-occurring	82%	81%	69%	73%
% Digital	85%	85%	65%	68%

Note: Figures presented on a GAAP basis. Amounts may not sum due to rounding. Company fiscal year end is March 31st. (1) See slide 34 for Re-occurring revenue definition.

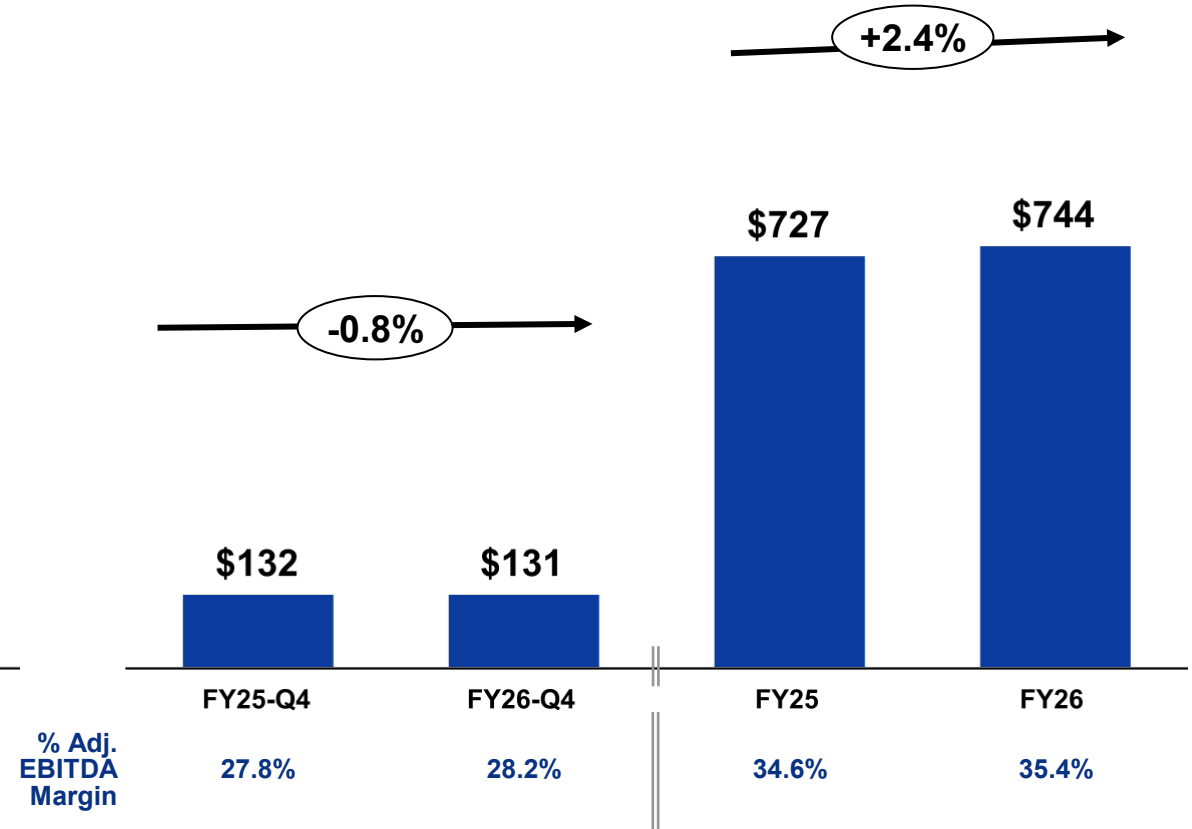
Total Company FY26-Q4 Margin Profile

\$ in millions

Gross Profit¹



Adj. EBITDA²



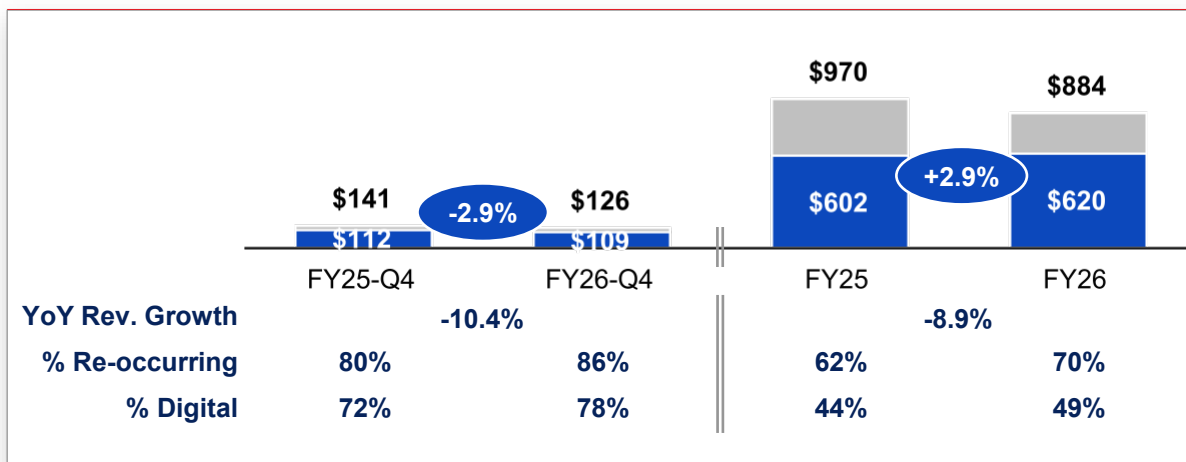
(1) See slide 33 for Gross Profit and Gross Margin Reconciliation. Gross profit is revenue less cost of sales (excluding depreciation and amortization).

(2) See slide 30 for Adj. EBITDA and Adj. EBITDA Margin Reconciliation and slide 35 for definition of Adj. EBITDA and Adj. EBITDA Margin.

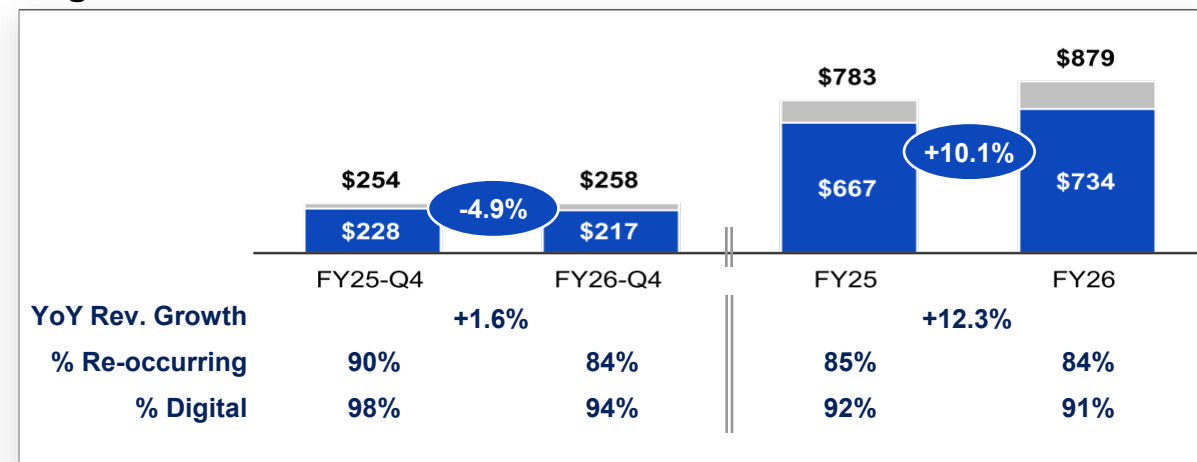
McGraw Hill FY26-Q4 Revenue by Segment

\$ in millions

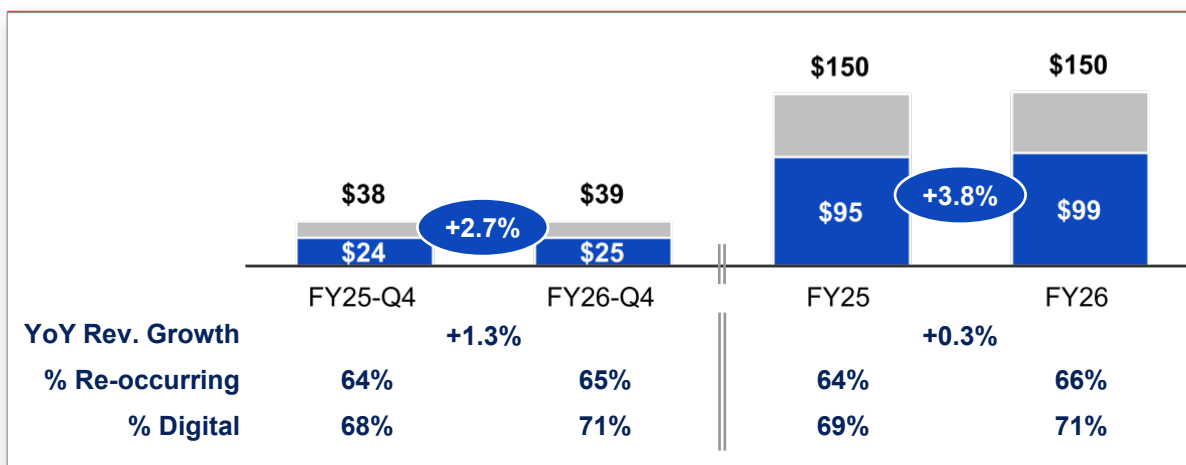
K-12



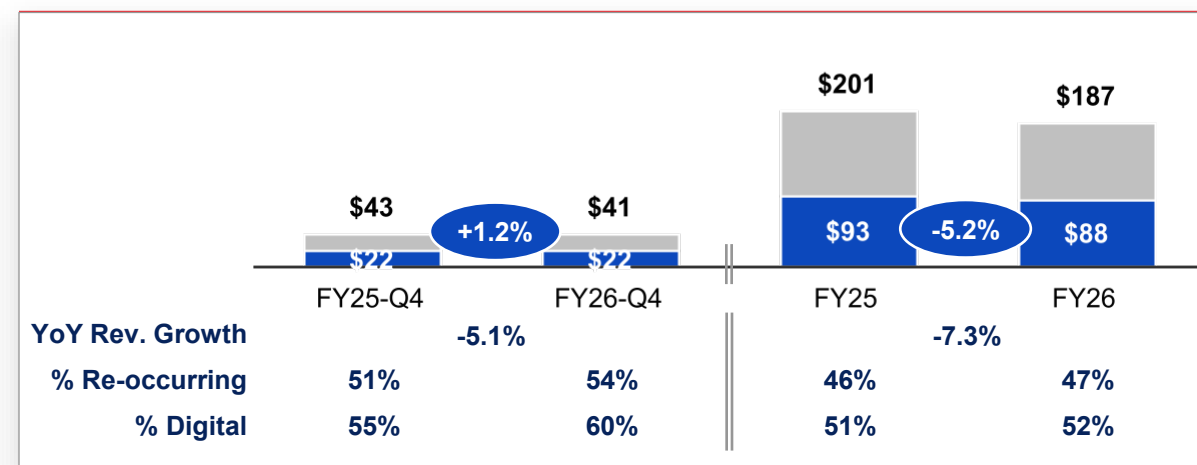
Higher Education



Global Professional



International*



Transaction 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 declined 10% year-over-year in fiscal Q4 and 9% year-over-year in the FY.

Balance Sheet and Liquidity

\$ in millions

- Cash on hand of \$254M; Total committed liquidity of \$704M (cash, revolver & ABL)
- Revolving credit facilities remain undrawn
- Reduced gross debt by \$646M in FY 2026 including \$50M million in fiscal Q4 during the cash trough
- Committed to 2.0x – 2.5x Net Debt / Adjusted EBITDA target

Debt Profile: 03/31/2026

(\$ in millions)	
Senior Secured Term Loan due 2031	\$555
Revolving Credit Facility due 2029 (\$450M) ¹	—
Senior Secured Notes due 2028	828
Senior Secured Notes due 2031	650
Total First Lien Indebtedness	\$2,033
Less: Cash and Cash Equivalents	(254)
Net First Lien Indebtedness	\$1,780
Senior Unsecured Notes Due 2029	599
Gross Debt	\$2,632
Total Net Indebtedness - MH, Inc.	\$2,379
Adjusted EBITDA (Last Twelve Months - "LTM")	\$744
Total Net Indebtedness / LTM Adjusted EBITDA	3.2x
Consolidated Adjusted EBITDA (LTM as defined under the credit agreement)	\$752
Net First Lien Leverage ²	2.4x
Total Net Indebtedness / LTM Consolidated Adjusted EBITDA	3.2x

Note: LTM is defined as the twelve-month period ended on the last day of the most recently completed fiscal quarter. LTM Adjusted EBITDA is equal to Adjusted EBITDA for the fiscal year ended March 31, 2026.

The company no longer discloses Proforma 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) Revolving credit facility of \$450M includes \$150M RCF and \$300M ABL, excluding ~\$4M of letters of credit. Under the recent amend and extend transaction, of the \$150M RCF, approximately ~\$111M extended and the remaining did not. After the July 2026 maturity, the RCF will decrease by \$38.75M leaving the remaining facility at \$412M.

(2) 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 \$1,796M as of March 31, 2026, and is defined as Net First Lien Indebtedness of \$1,780M plus capital lease obligations of \$16M. 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.

Consolidated FY26-Q4 Cash Flow Summary

\$ in millions

	Three Months Ended March 31,			Year Ended March 31,		
	<u>FY25-Q4</u>	<u>FY26-Q4</u>	<u>Variance</u>	<u>FY25</u>	<u>FY26</u>	<u>Variance</u>
Net Income (Loss)	\$(157)	\$(50)	\$107	\$(86)	\$35	\$121
Adjustments to reconcile net income (loss) to net cash provided by operating activities						
D&A, Provisions, Impairments and Other	119	149	30	506	587	82
Change in Working Capital	(4)	(245)	(241)	226	(292)	(518)
Cash provided by (used for) operating activities	\$(41)	\$(146)	\$(105)	\$646	\$331	\$(315)
Product development expenditures	(30)	(42)	(13)	(90)	(119)	(29)
Capital expenditures	(28)	(24)	5	(71)	(85)	(14)
Cash provided by (used for) investing activities	\$(58)	\$(66)	\$(8)	\$(161)	\$(204)	\$(43)
Cash paid for interest expense	101	83	(18)	275	208	(67)

Note: Amounts may not sum due to rounding.

(1) For FY25-Q4 and FY25, cash provided by (used for) investing activities excludes \$6.0 million cash consideration paid in connection with the acquisition of EssayPop.

Fiscal Year 2027 - Guidance

\$ in millions

	FY27 Guidance	
	Low	High
Revenue	\$2,115	\$2,175
Re-occurring Revenue	\$1,587	\$1,627
Adjusted EBITDA¹	\$750	\$790

(1) See slide 35 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%	73.0%	75%+
Digital Revenue (% of Total Revenue)	58.9%	64.0%	64.7%	68.0%	75%+
Gross Margin¹	76.1%	78.6%	79.9%	80.9%	82%+
Adjusted EBITDA Margin²	31.7%	33.5%	34.6%	35.4%	37%+
Net Debt / Adjusted EBITDA³	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 10-K. (1) See slide 33 for Gross Margin Reconciliation. Gross profit is revenue less cost of sales (excluding Depreciation and Amortization). (2) See slide 30 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.

A

Appendix / Reconciliations



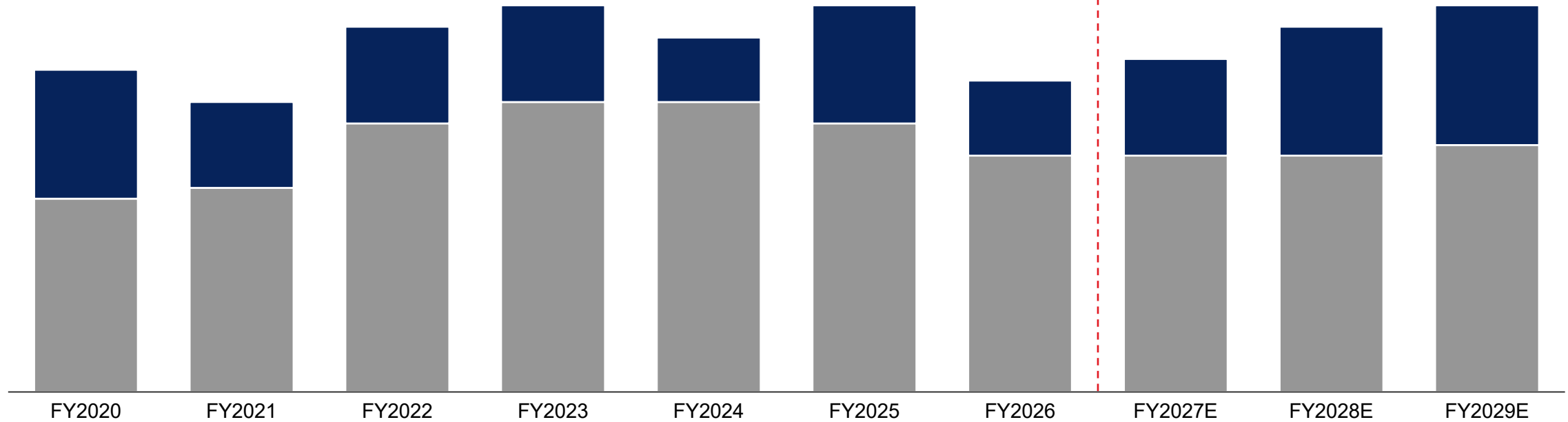
K-12 Core Purchasing Schedules (FY2020 – FY2029E)

K-12 Core Market Size

■ Top 3 States (CA, FL, TX) ■ All Other States

Predictable Purchasing Schedules

*Strong Alignment with Core Subject Pipeline,
Well-Positioned to Capitalize on Upcoming Opportunities*



Fiscal Year	Key Subject and Grade Adoptions
FY2020	<ul style="list-style-type: none"> TX ELA (K-8) CA Science (yr1)
FY2021	<ul style="list-style-type: none"> TX ELA (K-9-12) CA Science (yr2)
FY2022	<ul style="list-style-type: none"> FL ELA CA Science (yr3)
FY2023	<ul style="list-style-type: none"> FL Math FL ELA (yr2) CA Science (yr4)
FY2024	<ul style="list-style-type: none"> FL Social Studies CA Science (yr5)
FY2025	<ul style="list-style-type: none"> TX Science FL Science FL SS (yr2)
FY2026	<ul style="list-style-type: none"> FL Science (yr2) FL ELA (yr0) CA Math (yr0)
FY2027E	<ul style="list-style-type: none"> TX Math (yr1) FL ELA (yr1) CA Math (yr1)
FY2028E	<ul style="list-style-type: none"> TX Math (yr2) FL Math (yr1) CA Math (yr2) CA ELA (yr1)
FY2029E	<ul style="list-style-type: none"> 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 2025	Fiscal Year 2025	Fiscal Year 2025	Fiscal Year 2025	FY Ended March 31, 2025	Fiscal Year 2026	Fiscal Year 2026	Fiscal Year 2026	Fiscal Year 2026	FY Ended March 31, 2026
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4	
K-12	\$ 275	\$ 405	\$ 150	\$ 141	\$ 970	\$ 271	\$ 359	\$ 128	\$ 126	\$ 884
Higher Education	160	187	182	254	783	182	213	225	258	879
Global Professional	35	40	36	38	150	35	40	36	39	150
International	58	55	45	43	201	51	50	44	41	187
Other	(5)	1	4	(3)	(3)	(4)	7	-	-	3
Total Revenue	\$ 523	\$ 689	\$ 416	\$ 473	\$ 2,101	\$ 536	\$ 669	\$ 434	\$ 464	\$ 2,103

Digital Revenue										
	Fiscal Year 2025	Fiscal Year 2025	Fiscal Year 2025	Fiscal Year 2025	FY Ended March 31, 2025	Fiscal Year 2026	Fiscal Year 2026	Fiscal Year 2026	Fiscal Year 2026	FY Ended March 31, 2026
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4	
K-12	\$ 100	\$ 121	\$ 108	\$ 102	\$ 431	\$ 109	\$ 119	\$ 104	\$ 99	\$ 430
Higher Education	154	157	163	249	723	169	186	203	242	800
Global Professional	25	25	26	26	103	25	26	28	28	107
International	25	24	31	24	103	22	21	29	24	97
Other	-	-	-	-	-	-	-	-	-	-
Total Digital Revenue	\$ 303	\$ 327	\$ 328	\$ 401	\$ 1,359	\$ 325	\$ 352	\$ 364	\$ 393	\$ 1,434

Re-occurring Revenue										
	Fiscal Year 2025	Fiscal Year 2025	Fiscal Year 2025	Fiscal Year 2025	FY Ended March 31, 2025	Fiscal Year 2026	Fiscal Year 2026	Fiscal Year 2026	Fiscal Year 2026	FY Ended March 31, 2026
	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4	
K-12	\$ 167	\$ 210	\$ 113	\$ 112	\$ 602	\$ 184	\$ 216	\$ 111	\$ 109	\$ 620
Higher Education	149	142	147	228	667	160	162	196	217	734
Global Professional	23	23	24	24	95	24	25	25	25	99
International	23	21	28	22	93	21	20	25	22	88
Other	-	-	-	-	-	-	-	-	-	-
Re-occurring Revenue	\$ 362	\$ 397	\$ 311	\$ 387	\$ 1,457	\$ 388	\$ 422	\$ 357	\$ 373	\$ 1,541

Note: Amounts may not sum due to rounding.

Remaining Performance Obligations (RPO)

\$ in millions

	March 31, 2025			March 31, 2026		
	Current	Non-Current	Total	Current	Non-Current	Total
RPO by Segment:						
K-12	\$ 457	\$ 822	\$ 1,280	\$ 477	\$ 772	\$ 1,249
Higher Education	248	50	297	269	53	322
Global Professional	55	7	62	58	8	66
International	31	3	33	30	3	33
Other	4	-	4	1	-	1
Total RPO	\$ 794	\$ 882	\$ 1,676	\$ 835	\$ 836	\$ 1,671

Note: Amounts may not sum due to rounding.

Adjusted EBITDA Reconciliation

\$ in millions

	Three Months Ended March 31,		Year Ended March 31,	
	FY25-Q4	FY26-Q4	FY25	FY26
Net income (loss)	\$ (157)	\$ (50)	\$ (86)	\$ 35
Interest expense (income), net	64	45	293	207
Income tax provision (benefit)	121	(2)	96	8
Depreciation, amortization and product development amortization	87	86	362	362
EBITDA	\$ 114	\$ 78	\$ 666	\$ 613
Restructuring and cost savings implementation charges (a)	8	2	25	11
Advisory fees (b)	3	—	10	3
Impairment charge (c)	—	39	—	39
Transaction and integration costs (d)	—	—	3	1
Stock-based compensation (e)	—	2	—	34
Gain (loss) on extinguishment of debt (f)	—	1	3	26
Other (g)	7	8	20	17
Adjusted EBITDA (h)	\$ 132	\$ 131	\$ 727	\$ 744
Total Revenue	\$ 473	\$ 464	\$ 2,101	\$ 2,103
Net income (loss) margin	(33.1)%	(10.8)%	(4.1)%	1.7 %
Adjusted EBITDA Margin	27.8 %	28.2 %	34.6 %	35.4 %

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 restructuring initiatives.
- b. For the fiscal year ended March 31, 2026, represents the pro rata portion of the annual \$10.0 million advisory fee paid to Platinum Advisors pursuant to the Advisory Agreement through its termination on July 25, 2025 in connection with the consummation of our initial public offering. For the fiscal year ended March 31, 2025, represents \$10.0 million of annual advisory fees paid to Platinum Advisors pursuant to the Advisory Agreement. For the three months ended March 31, 2025, represents the quarterly portion of such annual advisory fee.
- c. For the three months ended March 31, 2026 and the fiscal year ended March 31, 2026, we recorded an impairment charge of \$39.0 million, related to our International goodwill and indefinite-lived intangible trademark.
- d. This primarily represents transaction and integration costs associated with acquisitions.
- e. Represents stock-based compensation expense related to awards granted to our employees, directors and consultants under the Company's long-term incentive plans.
- f. For the three months ended March 31, 2026, the amount represents accelerated amortization of debt discount and deferred financing costs associated with the repayment of \$40.0 million face value of the 2022 Unsecured Notes and \$6.7 million of debt outstanding under the A&E Term Loan Facility.

For the fiscal year ended March 31, 2026, the amount represents accelerated amortization of debt discount and deferred financing costs related to (i) the repayment of \$385.7 million of debt outstanding under the A&E Term Loan Facility using net proceeds from our initial public offering on July 25, 2025, (ii) the repayment of an additional \$206.7 million of debt outstanding under the A&E Term Loan Facility during the second half of fiscal year 2026 and (iii) the repayment of \$40.0 million face value of the 2022 Unsecured Notes during the fourth fiscal quarter of 2026.

For the fiscal year ended March 31, 2025, the amount represents accelerated amortization of debt discount and deferred financing costs associated with the August 6, 2024 refinancing of the Term Loan Facility.

Adjusted EBITDA Footnotes (cont'd)

- g. For the three months ended March 31, 2026 and 2025, this amount represents (i) foreign currency exchange transaction impact of \$(0.1) million and \$(0.3) 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 \$3.7 million and \$1.2 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 \$0.5 million 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 \$1.8 million, respectively, (v) lease termination costs of nil and \$3.3 million, respectively, associated with the early exit of a leased property in connection with the strategic rationalization of our real estate properties to optimize cost efficiency, and (vi) the impact of additional insignificant earnings or charges resulting from matters that we do not consider indicative of our ongoing operations of \$3.5 million and \$0.6 million, respectively, that are primarily related to individually insignificant miscellaneous items, including third-party consulting and advisory fees associated with system and process rationalization initiatives and 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 fiscal years ended March 31, 2026 and 2025, the amount represents (i) foreign currency exchange transaction impact of \$(2.3) million and \$1.3 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 \$9.2 million and \$4.3 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 \$0.8 million and \$0.6 million, respectively, (iv) non-recurring transaction-related costs associated with our initial public offering that were expensed as incurred of \$2.8 million and \$4.9 million, respectively, (v) lease termination costs of nil and \$3.3 million, respectively, associated with the early exit of a leased property in connection with the strategic rationalization of our real estate properties to optimize cost efficiency, (vi) post-acquisition compensation expense of nil and \$0.6 million, respectively, associated with the acquisition of Boards & Beyond, and (vii) the impact of additional insignificant earnings or charges resulting from matters that we do not consider indicative of our ongoing operations of \$6.9 million and \$5.0 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.

- h. The purchase accounting adjustment included in the definition of Adjusted EBITDA is not presented in the table above, as there were no such charges recognized during the three months ended March 31, 2026 and 2025 and the fiscal years ended March 31, 2026 and 2025.

Gross Profit and Gross Margin Reconciliation¹

\$ in millions

	Three Months Ended March 31,		Year Ended March 31,	
	FY25-Q4	FY26-Q4	FY25	FY26
Revenue	\$ 473	\$ 464	\$ 2,101	\$ 2,103
(-) Cost of sales (excluding depreciation and amortization)	78	75	422	401
Gross Profit	\$ 395	\$ 389	\$ 1,679	\$ 1,702
Gross Margin	83.4%	83.9%	79.9%	80.9%

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 within the contract period, 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 are 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 Obligation (“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 that we anticipate we will need to incur to realize cost savings before such savings have occurred.

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.