22 February 2021

Investor & Analyst Briefing

Half year results to 31 December 2020

Rebekah O'Flaherty – CEO | Dimitri Aroney - CFO

3P Learning

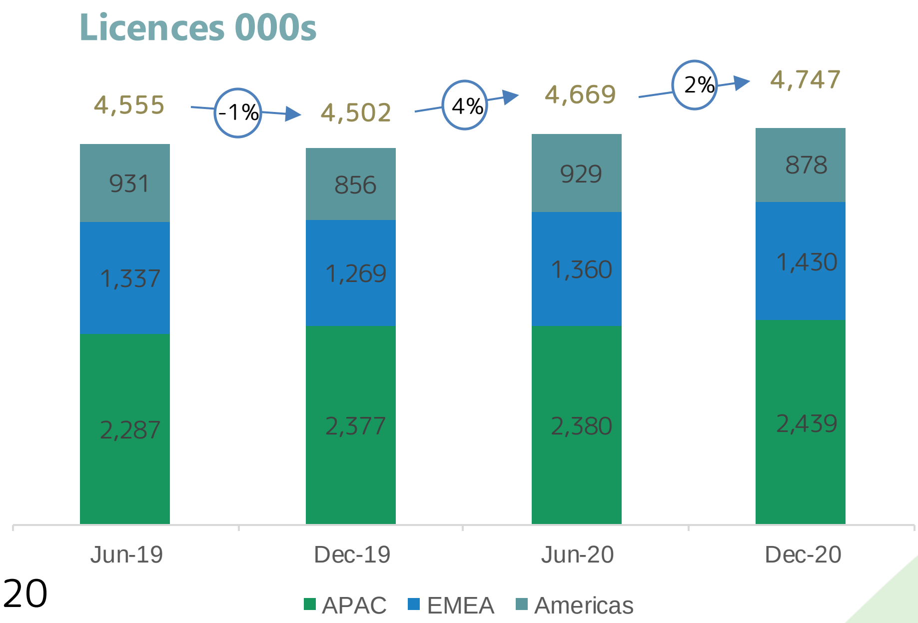
Our Agenda

- Overview
- Strategy Update
- H1-21 Financial Results
- Outlook
- Q&A
- Appendices

Overview

H1-21 Overview

- ARR - royalty adjusted[1]
  $50.9M ↑ 3% on pcp
- Licences[1]
  4.7M ↑ 5% on pcp
- Statutory Revenue[2]
  $24.0M ↑ 3% on pcp
- Underlying EBITDA
  $4.4M ↑ 26% on pcp
- Net Dollar Churn Percentage[1]
  11% 4%-pts improvement since FY20
- Cash
  $15.0M ↑ 20% on pcp

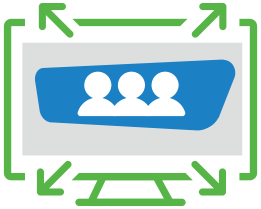


pcp – prior comparison period
[1] Refer to Appendices for definitions
[2] Statutory revenue is made up of $23.9M of total revenue and $0.1M of interest revenue which is included in underlying net profit after tax

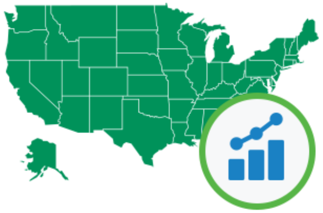
Strategy update

2020-2022 Accelerate profitable growth

Product and customer expansion



Accelerate profitable sales growth in the Americas

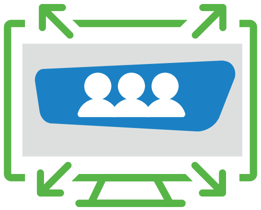


Enhance customer experience and retention

A growth focussed, high performance culture

- At the end of FY19 we completed a 3-year long organisational restructure, including tackling technical debt and investing in scalable sales and marketing systems. We now have a stable cost base positioning us well to enjoy operating leverage as we accelerate sales growth.

2020-2022 Accelerate Profitable Growth

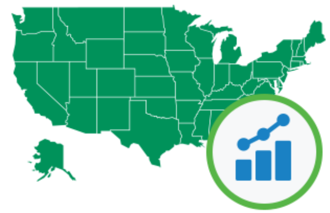


Product and customer expansion

- Like-for-like[1] New Business Mathletics ARR growth of 32%
- Readiwriter ARR grew 64% and licences grew 51% in the second quarter of FY21
- Licence growth of 5% since 31 December 2019
- Sizeable enterprise sales opportunity pipeline at proposal or contract stage with additional leads in progress.
- 4x increase in trials through use of auto-trials
- Lead growth of 12%, but more importantly the lead quality has improved with lead to sale conversions up 2%

[1] Includes $0.3M of new business billings invoiced during H1-21 that have licence start date after 1 January 2021, when the school year starts. In the prior year, in APAC we offered all new customers short complimentary periods for sales invoiced in Q2-20.

2020-2022 Accelerate Profitable Growth



Accelerate profitable sales growth in the Americas

- New Business ARR growth of 44%
- A$1.1M EBITDA representing growth of A$0.8M or 267% on pcp
- ARR growth of 8% in USD
- Improved net dollar churn of 15%
- Partnership with NWEA providing a connection to their Map Growth assessment which will unlock new customers for Mathletics
- Understanding Practice & Fluency content which has now enhanced Mathletics to cover 20 curricula in Northern America and support WCAG

2020-2022 Accelerate Profitable Growth

Enhance customer experience and retention

- Retention improvement for all products of 4%
- New customer retention for all products improved by 7% indicating improvements to our onboarding of customers in year 1 of our relationships
- Improved net dollar churn of 4%-pts
- 25% increase in logins per teacher and 13% increase in logins per student
- Continued to improve the B2C acquisition and retention journey seeing an improvement of 21% to B2C ARR
- Customer support case volumes reduced by 70% per customer onboarded

H1-21 Financial results

H1-21 Results summary

AU$M	H1-21	H1-20	$+/-	%+/-
Revenue	**23.9**	**23.0**	**0.9**	**4%**
Licence revenue				
APAC	13.3	12.5	0.8	6%
EMEA	5.6	5.5	0.1	2%
Americas	4.8	4.8	-	0%
Licence revenue	**23.7**	**22.8**	**0.9**	**4%**
Other revenue and other income	0.2	0.3	(0.1)	(33%)
Revenue & other income[1]	**23.9**	**23.1**	**0.8**	**3%**
Mathematics	19.6	19.7	(0.1)	(1%)
Literacy	4.0	3.1	0.9	29%
Other	0.3	0.3	-	0%
Revenue & other income[1]	**23.9**	**23.1**	**0.8**	**3%**
Expenses	(19.5)	(19.6)	0.1	(1%)
Underlying EBITDA	**4.4**	**3.5**	**0.9**	**26%**
Underlying EBITDA margin (%)	*18%*	*15%*	*3%*	
Underlying Net Profit After Tax	**(0.8)**	**(1.9)**	**1.1**	**(58%)**
Corporate advisory costs (after-tax)	(0.7)	-	(0.7)	(100%)
Net Profit After Tax	**(1.5)**	**(1.9)**	**0.4**	**(21%)**
ARR - royalty adjusted 31-Dec-20 vs. 31-Dec-19	**50.9**	**49.3**	**1.6**	**3%**

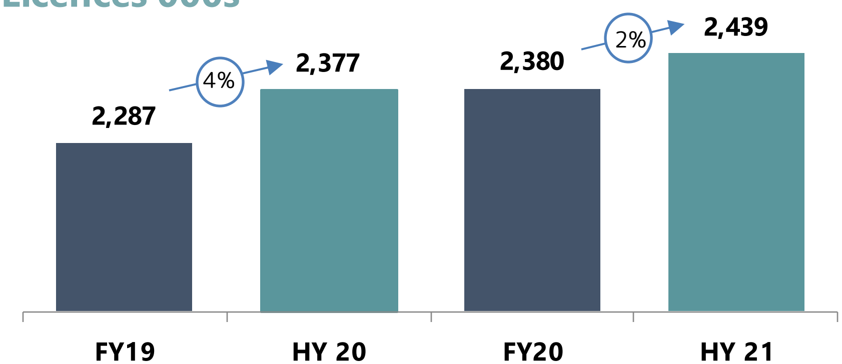
[1] Interest revenue of $0.1M (H1-20: $0.1M) is included in underlying net profit after tax and not in total revenue as per the statutory half-year report.

- Overall performance of the company has been resilient during the COVID-19 pandemic and in the background of corporate activity.
- Licence revenue was up 4% on consolidated basis.
- ARR-royalty adjusted, grew 3%
- Expenses were impacted $0.6M due to unrealised FX losses offset by savings on travel & entertainment and tenancy costs.
- Underlying EBITDA was up $0.9M or 26%.
- NPAT improved by $0.4M to ($1.5M) despite corporate advisory costs (after-tax) of $0.7M being recognised in relation to the recent corporate activity.

APAC

AU$M	HY-21	HY-20	$+/-	%+/-
Revenue - Maths & Literacy	13.3	12.5	0.8	6%
Revenue - Copyright fees, and other	0.1	0.1	-	0%
Total revenue	**13.4**	**12.6**	**0.8**	**6%**
Expenses	(3.6)	(3.6)	-	0%
EBITDA before corporate overheads	9.8	9.0	0.8	9%
EBITDA margin (%)	*73%*	*71%*	*2%*	
ARPU ($)	$12.79	$11.75	$1.04	9%
Full Time Equivalent (number)	61	55	6	10%
ARR - royalty adjusted[1]	**31.2**	**29.7**	**1.5**	**5%**

Licences 000s



[1] ARR excludes $0.4M and licences exclude 30,000 licences from new business sales invoiced in Q2-21 however with licences starting in Q3-21 when the school year starts, this was a result of changing sales tactics to maximise ARPUs. In the prior year we offered all new customers short complimentary periods for sales invoiced in Q2-20.

- ARR-royalty adjusted, was up 5% due to retention improvements from improved product and customer experience.
- Licence revenue included an additional $0.6M of revenue generated from early-bird renewals when compared to the prior year. After removing this timing benefit, revenue was up $0.2M due to retention improvements.
- EBITDA margin has improved 2%-pts to 73%.
- ARPU has increased due to the additional $0.6M of revenue generated from early-bird renewals.
- FTE have increased due to no vacant heads in the current period (4 vacant heads in pcp) and additional investment into volume sales team and sales administration.

H2 Focus & Outlook

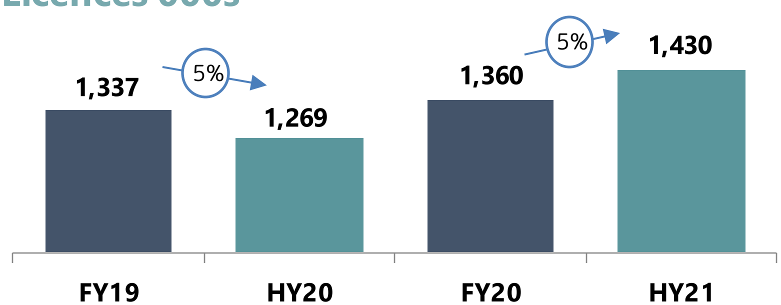
- We expect to see retention improvements from improved product and customer experience.
- Improvements to retention, upsell and new business will be supported by releases of a new assessment platform, additional understanding, practice and fluency content for extra year groups in Australia and the release of Meritopia a new student engagement platform across MX and RW supporting mastery.
- An emerging pipeline of new enterprise sales opportunities outside ANZ.
- A decline in copyright income.

EMEA

AU$M	HY-21	HY-20	$+/-	%+/-
Revenue - Maths and Literacy	5.6	5.5	0.1	2%
Total revenue	**5.6**	**5.5**	**0.1**	**2%**
Expenses	(3.2)	(2.9)	(0.3)	10%
EBITDA	2.4	2.6	(0.2)	(8%)
EBITDA margin (%)	*43%*	*47%*		
Full Time Equivalent (number)	52	53	(1)	(3%)
ARR - royalty adjusted	**11.6**	**11.3**	**0.3**	**3%**

£M	HY-21	HY-20	$+/-	%+/-
Revenue - Maths and Literacy	3.0	3.0	-	0%
Total revenue	**3.0**	**3.0**	**-**	**0%**
EBITDA	1.3	1.4	(0.1)	(7%)
EBITDA margin (%)	*43%*	*47%*		
ARPU (£)	£4.67	£4.69	(£0.02)	(0%)

Licences 000s



- ARR-royalty adjusted was up 3% (7% after adjusting for the impact of FX) due to improved retention rates during the key back to school period and a 100% improvement in new business ARR* versus the prior comparative period.
- Despite the ARR-royalty adjusted growth, licence revenue only grew 2% as it was impacted by a lower opening ARR balance than the pcp and due to our accounting policy which requires revenue on first party products to be straight-lined over the service period.
- Readiwriter Spelling performed well contributing to the strong H1-21 performance.
- Expenses were impacted by unfavourable FX of A$0.4M (pcp A$0.3M) and improved new business sales generating increased commission expense.

H2 Focus & Outlook

- To date COVID-19 has had a sustained positive impact on the performance of UK. However the recent lockdowns in the UK and other European and Middle Eastern countries introduces inherent uncertainty.
- FY20 and H1-21 new product releases such as Fast Phonics and Readiwriter Spelling as well as product improvements, such as Problem Solving & Reasoning, Understanding Practice & Fluency, Meritopia and our new assessments platform will continue to drive ARR growth.
- Continue to build and close our enterprise sales pipeline focused on Ministries of Educations, Multi-Academy Trusts and corporate social responsibility programs.

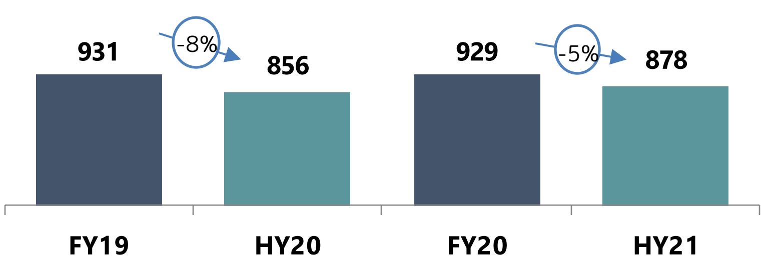
*H1-21 New business ARR was $1.4M versus H1-20 New business ARR of $0.7M
Refer to appendices for detailed ARR analysis.

Americas

AU$M	HY-21	HY-20	$+/-	%+/-
Revenue - Maths and Literacy	4.8	4.8	-	0%
Revenue - Other	0.1	0.2	(0.1)	(50%)
Total revenue	**4.9**	**5.0**	**(0.1)**	**(2%)**
Expenses	(3.8)	(4.7)	0.9	(19%)
EBITDA	1.1	0.3	0.8	267%
EBITDA margin (%)	*22%*	*6%*	*16%*	
Full Time Equivalent (number)	51	58	(7)	(12%)
ARR - royalty adjusted	**8.1**	**8.2**	**(0.1)**	**(1%)**

US$M	HY-21	HY-20	$+/-	%+/-
Revenue - Maths and Literacy	3.4	3.3	0.1	3%
Other revenue and income	0.1	0.1	-	0%
Total revenue	**3.5**	**3.4**	**0.1**	**3%**
EBITDA	0.8	0.2	0.6	300%
EBITDA margin (%)	*23%*	*6%*		
ARPU (US$)	$6.92	$7.16	($0.24)	(3%)

Licences 000s



- Licence revenue was up 3% in USD (flat in AUD) despite challenging conditions in the USA due to funding uncertainty caused by COVID-19.
- ARR-royalty adjusted declined 1% (9% growth after adjusting for the impacts of FX).
- New business ARR* was up 44% on the pcp despite lower headcount and lower customer acquisition cost. This reflects the successful execution of the go-to-market optimisations we made at the end of FY20.
- Net $ churn percentage improved by 15%-pts from 30 June 2020
- EBITDA grew A$0.8M to A$1.1M reflecting an increase to EBITDA margin of 16%.
- ARPU has declined due to product mix.

H2 Focus & Outlook

- Continued sales growth momentum from our North American direct sales teams who are ready to capitalise as any additional USA federal funding is made available.
- Expansion of indirect partners in LatAm to distribute Spanish version of Mathletics.

*H1-21 New business ARR was $1.3M versus H1-20 New business ARR of $0.9M
Refer to appendices for detailed ARR analysis.

H1-21 Income statement

$M	H1-21	H1-20	$+/-	%+/-
Total Revenue	**23.9**	**23.1**	**0.8**	**3%**
Employee expenses	(14.3)	(14.1)	(0.2)	1%
Marketing expenses	(0.9)	(1.0)	0.1	(10%)
Technology and occupancy expenses	(2.0)	(2.4)	0.4	(17%)
Other expenses	(2.3)	(2.1)	(0.2)	10%
Expenses	**(19.5)**	**(19.6)**	**0.1**	**(1%)**
Underlying EBITDA	**4.4**	**3.5**	**0.9**	**26%**
Underlying EBITDA margin (%)	*18%*	*15%*	*3%*	
Depreciation & amortisation	(5.9)	(5.6)	(0.3)	5%
Underlying EBIT	**(1.5)**	**(2.1)**	**0.6**	**(29%)**
Underlying EBIT margin	*(6%)*	*(9%)*	*3%*	
Net interest income/(expense)	(0.1)	-	(0.1)	(100%)
Underlying Profit Before Tax	**(1.6)**	**(2.1)**	**0.5**	**(24%)**
Tax benefit/(expense)	0.8	0.2	0.6	300%
Tax rate	*50%*	*10%*	*40%*	
Underlying NPAT	**(0.8)**	**(1.9)**	**1.1**	**(58%)**
Corporate advisory costs (after-tax)	(0.7)	-	(0.7)	(100%)
NPAT	**(1.5)**	**(1.9)**	**0.4**	**(21%)**
Underlying EPS (cents)	(0.57)	(1.35)	0.78	(58%)
Statutory EPS (cents)	(1.09)	(1.35)	0.26	(19%)

[1] Interest revenue of $0.1M (H1-20: $0.1M) is shown in net interest here and not in total revenue as per the statutory half-year report.

- Employee expenses have increased by $0.2M as a result of improved new business sales generating increased commission expense.
- Headcount increased from 269 at December 2019 to 272 FTEs at December 2020.
- Technology and occupancy costs have decreased by $0.4M due to a decrease in short term office rental costs and decreased operating expenses related to office premises as a result of COVID-19.
- Other expenses include a $0.6M increase in FX loss offset by a $0.4M decrease in travel costs as a result of COVID-19.
- Increased amortisation of $0.3M due to increased investment into product development.
- The effective tax rate in the prior year was impacted by 2019 tax adjustments. The current year effective tax rate includes tax benefit from R&D of 8.5% and tax benefit from adjustments on prior year tax return of 10%.
- There are $0.7M corporate advisory costs after tax which have been excluded from underlying EBITDA, underlying EBIT and underlying NPAT.
- No JobKeeper payments have been received in Australia.

H1-21 Cash flow

$M	H1-21	H1-20	$+/-
Underlying EBITDA	**4.4**	**3.5**	**0.9**
FX and other non-cash	(0.2)	(0.8)	0.6
Change in working capital	(9.2)	(9.9)	0.7
Operating free cash flow before intangibles	**(5.0)**	**(7.2)**	**2.2**
Investment in product development & other intangibles	(5.8)	(4.9)	(0.9)
Operating free cash flow after intangibles	**(10.8)**	**(12.1)**	**1.3**
Net interest paid/received	-	-	-
Repayment of lease liabilities	(0.8)	(0.7)	(0.1)
Receipts from sub-leases	0.2	0.3	(0.1)
Income tax (paid)/refunded	(0.8)	(0.8)	-
Net cash flows before investments	**(12.2)**	**(13.3)**	**1.1**
Purchase of PP&E	(0.1)	(0.1)	-
Net cash flows after investments	**(12.3)**	**(13.4)**	**1.1**
Cash flow conversion[1] (before capital expenditure)	(114%)	(206%)	92%
Cash flow conversion[2] (after capital expenditure)	(245%)	(346%)	101%

[1] Cash flow conversion calculated as operating free cash flow before capital expenditure as a percentage of EBITDA.

[2] Cash flow conversion calculated as operating free cash flow after capital expenditure as a percentage of EBITDA.

- $2.2M improvement to operating free cash flow before intangibles was generated from improved performance with ARR-royalty adjusted increasing 3% from pcp.
- FX and other non-cash items improved as unfavourable FX movements of $0.6M were recorded in the P&L.
- The change in working capital is due COVID-19 VAT deferral in the UK, higher employee benefits and accrued corporate advisory costs.
- As indicated in the FY20 Investor & Analyst Briefing on 14 August 2020, we have increased investment into product development during FY21 to accelerate the development of features which open up new markets or expand opportunities within existing markets.

H1-21 Balance sheet

$M	31-Dec-20	30-Jun-20	31-Dec-19
Cash and cash equivalents	15.0	27.1	12.5
Trade and other receivables	13.6	11.1	12.0
Income tax receivable	0.3	-	0.2
Lease receivable	0.7	0.6	0.5
Total current assets	**29.6**	**38.8**	**25.2**
Lease receivable	0.9	1.2	1.4
Property, plant and equipment	0.4	0.6	0.8
Right-of-use assets	2.0	2.8	3.4
Deferred tax assets	5.9	4.8	5.4
Intangibles and goodwill	22.2	20.9	20.4
Other assets	0.2	0.0	0.0
Total non-current assets	**31.6**	**30.3**	**31.4**
Total assets	**61.2**	**69.1**	**56.6**
Trade and other payables	6.2	8.2	4.4
Income tax payable	0.1	0.2	0.1
Contract liabilities	20.4	23.9	19.3
Lease liabilities	1.6	1.6	1.5
Provisions	1.7	1.7	1.2
Total current liabilities	**30.0**	**35.6**	**26.5**
Provisions	0.8	0.7	0.7
Lease liabilities	2.2	3.2	4.1
Contract liabilities	2.4	3.3	2.3
Total non-current liabilities	**5.4**	**7.2**	**7.1**
Total liabilities	**35.4**	**42.8**	**33.6**
Net assets	**25.8**	**26.3**	**23.0**
Contributed equity	34.5	34.5	34.4
Retained earnings	(17.7)	(16.2)	(19.6)
Reserves	9.0	8.0	8.2
Total equity	**25.8**	**26.3**	**23.0**

- Trade receivables & contract liabilities have increased from 31 December 2019 due to improved new business & renewals and as more customers in APAC elected to be invoiced for next school year's renewals during Q2-21.
- Lease receivable, right-of-use assets, and lease liabilities have decreased due to the passage of time. Additionally, during the period we sub-leased our office premises in Bristol, UK resulting in a derecognition of the right-of-use asset of $0.3M offset by the recognition of a lease receivable of $0.3M.
- Property, plant and equipment has decreased $0.4M due to the sublease of the Bristol office premises.
- Increase in intangibles due to continued investment in product development.
- Trade and other payables have increased from 31 December 2019 as the UK government have deferred payment terms on VAT due to COVID-19.
- No dividend declared with cash being retained to support working capital and growth opportunities.

Investment in products & technology assets

Investment split by asset type and accounting treatment

H1-21 AU$M	CAPEX	%	OPEX	%	Total
Mathematics	3.6	80%	0.9	20%	4.5
Literacy	1.4	82%	0.3	18%	1.7
Digital Systems	0.8	47%	0.9	53%	1.7
Total cash investments	**5.8**	**73%**	**2.1**	**27%**	**7.9**

H1-20 AU$M	CAPEX	%	OPEX	%	Total
Mathematics	3.6	82%	0.8	18%	4.4
Literacy - WIP	0.8	89%	0.1	11%	0.9
Digital Systems	0.5	45%	0.6	55%	1.1
Total cash investments	**4.9**	**77%**	**1.5**	**23%**	**6.4**

Product and systems balances

$M	Opening Value	Add	Amort'n	Closing Value
Mathematics	11.2	3.6	(3.4)	11.4
Literacy	3.5	1.4	(0.8)	4.1
Digital Systems	1.5	0.8	(0.5)	1.8
Total Product and Systems Development Assets	**16.2**	**5.8**	**(4.7)**	**17.3**

- During the period we enhanced Mathletics with the release of a new assessment platform; new understanding practice and fluency content for additional grades in our key markets; Meritopia, our new student engagement platform across Mathletics and Readiwriter supporting mastery.
- Literacy capitalisation has accelerated as we have started the build of Readiwriter-writing in addition to enhancing Readiwriter-spelling with features to measure and demonstrate student growth and Readiracer, our new spelling game based on personalised revision which improves student engagement.
- Software and curriculum content is amortised over 3 years.

Corporate Costs

AU$M	FY20	H1-21	Total
Transaction Phase			
Phase 1	0.2	0.1	0.3
Phase 2	-	0.8	0.8
Phase 3	-	0.1	0.1
Total Corporate Costs (Pre-Tax)	**0.2**	**1.0**	**1.2**
Transaction Type			
Corporate Advisory fees	0.1	0.3	0.4
Legal Fees	0.1	0.5	0.6
Other fees and services	-	0.2	0.2
Total Corporate Costs (Pre-Tax)	**0.2**	**1.0**	**1.2**
Income tax expense / (benefit)	-	(0.3)	(0.3)
Total Corporate Costs (after Tax)	**0.2**	**0.7**	**0.9**

- Costs are separated into three key phases since the corporate activity that started in FY20:
  - Phase 1 – costs incurred prior to the receipt IXL's offer announced to the market on 14 August 2020
  - Phase 2 – costs incurred between the date of IXL's offer (14 August 2020) and the date of the scheme meeting to vote on IXL's offer (20 November 2020).
  - Phase 3 – costs incurred since the IXL scheme meeting (20 November 2020) up to 31 December 2020.
- Additional costs month to month are expected to be incurred during H2-21 as the process with Blake eLearning Pty Ltd continues.
- A success fee would become payable in the event the Group is acquired, or in the event the Group acquires 100% of Blake eLearning Pty Ltd for the terms set out in the announcement released to the market on 21 January 2021.

Outlook

Outlook

- **APAC:** We expect low single digit licence revenue and EBITDA growth.
- **EMEA:** We expect low single digit licence revenue and EBITDA growth in British Pounds. The timing of the delivery of the ME MOE is uncertain due to the impacts of COVID-19, however the expected delivery of this agreement will generate significant growth to revenue and EBITDA.
- **AMERICAS**: We expect continued market uncertainty in the USA and double digit revenue growth driving significant EBITDA growth in US Dollar for the full year.
- Revenue and EBITDA in EMEA and Americas segment could be significantly enhanced with the closure of one of many enterprise opportunities in the funnel.
- Despite the improvements we have made across the group in local currencies, we expect foreign exchange movements since the prior year to dampen revenue and EBITDA performance.
- Our cost base is now set, our mix of cost is optimised and we expect to deliver revenue growth with increased operating leverage.

Q & A

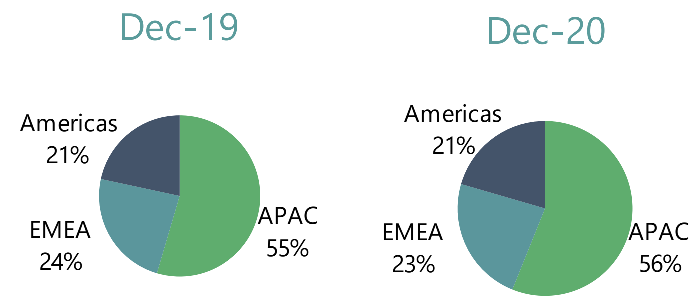
Appendices

Revenue by geography and product family

Revenue by Geography

A$M	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19	Dec-19	Jun-20	Dec-20
APAC	30.1	30.8	31.8	34.4	33.7	12.6	33.8	13.4
EMEA	10.3	12.6	13.0	13.0	12.1	5.5	12.2	5.6
Americas	4.4	5.9	7.7	8.0	8.6	5.0	9.1	4.9
Total	44.8	49.3	52.5	55.4	54.4	23.1	55.1	23.9

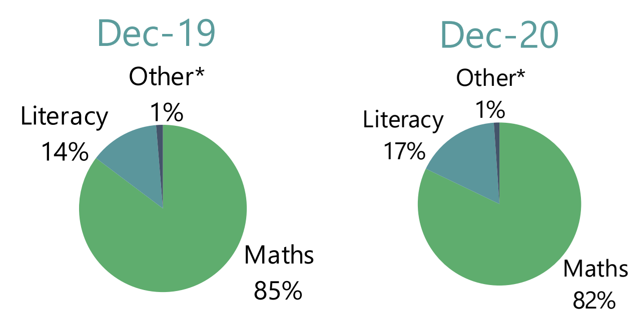
Revenue Split by Geography



Revenue by Product Family

A$M	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19	Dec-19	Jun-20	Dec-20
Mathematics	32.9	36.9	39.6	40.9	40.4	19.7	39.4	19.6
Literacy	7.9	8.9	9.3	9.8	10.7	3.1	12.0	4.0
Other*	4.0	3.5	3.6	4.7	3.3	0.3	3.7	0.3
Total	44.8	49.3	52.5	55.4	54.4	23.1	55.1	23.9

Revenue Split by Product Family



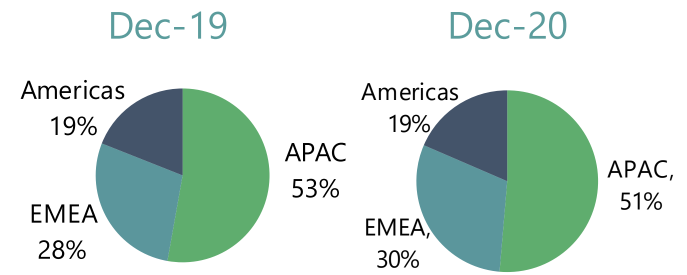
* Other revenue includes copyright fees, workbook sales, IntoScience, STEMScopes and sponsorships.

Licence by geography and product family

Licence by Geography

000s	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19	Dec-19	Jun-20	Dec-20
APAC	2,627	2,664	2,704	2,678	2,287	2,377	2,380	2,439
EMEA	1,498	1,660	1,737	1,534	1,337	1,269	1,360	1,430
Americas	903	1,026	1,001	849	931	856	929	878
Total	5,028	5,350	5,442	5,061	4,555	4,502	4,669	4,747
Legacy contract*	185	185	0	0	0	0	0	0
Sunset products**	99	117	85	15	0	1	13	9
Total	5,312	5,652	5,527	5,076	4,555	4,503	4,682	4,756

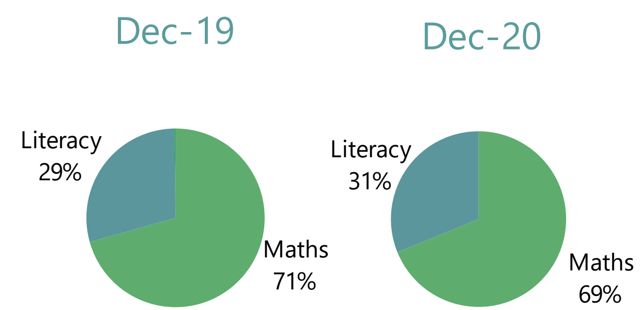
Licence Split by Geography



Licence by Product Family

000s	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19	Dec-19	Jun-20	Dec-20
Mathematics	3,606	3,818	3,953	3,583	3,271	3,180	3,214	3,189
Literacy	1,422	1,532	1,489	1,478	1,283	1,314	1,455	1,558
Other***	0	0	0	0	1	8	0	0
Total	5,028	5,350	5,442	5,061	4,555	4,502	4,669	4,747
Legacy contract*	185	185	0	0	0	0	0	0
Sunset products**	99	117	85	15	0	1	13	9
Total	5,312	5,652	5,527	5,076	4,555	4,503	4,682	4,756

Licence Split by Product Family



* Legacy Middle East contracts for Mathletics licences.
** Sunset products includes IntoScience product not actively sold from February 2017, and STEMscopes product sold from late Jun 2019 and discontinued in November 2020.

ARR Analysis

Group

A$M	H2-19	FY19	H1-20	H2-20	FY20	H1-21
Opening ARR - royalty adjusted	**52.0**	**49.9**	**49.6**	**49.3**	**49.6**	**50.0**
Acquired business*	0.2	2.3	-	-	-	-
New business	2.8	5.2	2.8	5.5	8.3	3.4**
Net upsell/downsell	(0.9)	(0.1)	0.4	(0.7)	(0.3)	0.4
Net churn	(4.7)	(8.4)	(4.0)	(3.4)	(7.4)	(2.1)
FX impact	0.2	0.7	0.5	(0.7)	(0.2)	(0.8)
Closing ARR - royalty adjusted	**49.6**	**49.6**	**49.3**	**50.0**	**50.0**	**50.9**
Net dollar churn %	(17%)	(17%)	(17%)	(15%)	(15%)	(11%)
Exit ARPU (A$)	10.89	10.89	10.95	10.68	10.68	10.70

EMEA

A$M	H2-19	FY19	H1-20	H2-20	FY20	H1-21
Opening ARR - royalty adjusted	**12.0**	**12.6**	**11.3**	**11.3**	**11.3**	**10.9**
Acquired business	-	-	-	-	-	-
New business	0.7	1.4	0.7	1.1	1.8	1.4
Net upsell/downsell	-	0.2	(0.1)	0.1	-	-
Net churn	(1.6)	(3.2)	(1.0)	(1.0)	(2.0)	(0.6)
FX Impact	0.2	0.3	0.4	(0.6)	(0.2)	(0.1)
Closing ARR - royalty adjusted	**11.3**	**11.3**	**11.3**	**10.9**	**10.9**	**11.6**
Net dollar churn %	(25%)	(25%)	(22%)	(18%)	(18%)	(14%)
Exit ARPU (A$)	8.45	8.45	8.91	8.01	8.01	8.11

APAC

A$M	H2-19	FY19	H1-20	H2-20	FY20	H1-21
Opening ARR - royalty adjusted	**30.6**	**29.8**	**28.6**	**29.7**	**28.6**	**30.7**
Acquired business	-	-	-	-	-	-
New business	1.6	2.7	1.2	3.8	5.0	0.7**
Net upsell/downsell	(1.0)	(0.8)	0.2	(0.9)	(0.7)	0.3
Net churn	(2.7)	(3.3)	(0.3)	(1.9)	(2.2)	(0.5)
FX impact	0.1	0.2	-	-	-	-
Closing ARR - royalty adjusted	**28.6**	**28.6**	**29.7**	**30.7**	**30.7**	**31.2****
Net dollar churn %	(11%)	(11%)	(10%)	(8%)	(8%)	(8%)
Exit ARPU (A$)	12.51	12.51	12.49	12.90	12.90	12.79

Americas

A$M	H2-19	FY19	H1-20	H2-20	FY20	H1-21
Opening ARR - royalty adjusted	**9.2**	**7.5**	**9.7**	**8.2**	**9.7**	**8.5**
Acquired business*	0.2	2.3	-	-	-	-
New business	0.5	1.1	0.9	0.6	1.5	1.3
Net upsell/downsell	0.1	0.4	0.2	0.1	0.3	-
Net churn	(0.5)	(2.0)	(2.7)	(0.5)	(3.2)	(1.0)
FX Impact	0.2	0.4	0.1	0.1	0.2	(0.7)
Closing ARR - royalty adjusted	**9.7**	**9.7**	**8.2**	**8.5**	**8.5**	**8.1**
Net dollar churn %	(27%)	(27%)	(35%)	(33%)	(33%)	(18%)
Exit ARPU (A$)	10.42	10.42	9.68	9.15	9.15	9.23

* In FY19, AMER acquired $2.3M upon gaining the Mathseeds distribution rights. Value has been estimated based on 3rd party information.
** Excludes $0.4M from APAC which start after 1 January 2020 as we did not offer complimentary period promotion.
APAC net churn includes churn from B2C of $0.4M which are on monthly plans and spiked during COVID-19.

Statutory EBITDA

Reconciliation of Segment EBITDA to Statutory EBITDA per note 3 of the H1-21 financial statements*

$M	H1-21	H1-20	Mvmt	Growth
APAC Underlying EBITDA	**9.8**	**9.0**	**0.8**	**9%**
Less : Corporate Costs and Development*	(9.9)	(8.4)	(1.5)	18%
Add : Intersegment Royalties & Charges	2.9	3.2	(0.3)	(9%)
Statutory EBITDA	**2.8**	**3.8**	**(1.0)**	**(26%)**
EMEA Underlying EBITDA	**2.4**	**2.6**	**(0.2)**	**(8%)**
Less : Intersegment Royalties & Charges	(1.8)	(1.9)	0.1	(5%)
Statutory EBITDA	**0.6**	**0.7**	**(0.1)**	**(14%)**
Americas Underlying EBITDA	**1.1**	**0.3**	**0.8**	**267%**
Less : Intersegment Royalties & Charges	(1.1)	(1.3)	0.2	(15%)
Statutory EBITDA	**-**	**(1.0)**	**1.0**	**(100%)**
Add : Professional Fees - Corporate Advisory Costs	**1.0**	**-**	**1.0**	**100%**
Group Underlying EBITDA	**4.4**	**3.5**	**0.9**	**26%**

* Corporate costs and development include $1.0M of professional fees relating to corporate advisory costs.

Definitions

Term	Definition
Annual Recuring Revenue - Royalty Adjusted (ARR - Royalty Adjusted)	ARR - royalty adjusted is the annualised customer contract value of all active licence contracts in effect at a particular date, adjusted for the annualised value of royalties payable to third parties on that contract.
Licences	Licences reported reflect the number of indivdiual students using 3P Learning products. It excludes any teacher or administrator users.
Net Churn	Net churn represents the ARR - royalty adjusted value of licences which were not renewed by a customer at the end of a subscription period, offset by the value of recovered subscriptions previously churned.
Net Dollar Churn Percentage	Net dollar churn percentage is calculated as a proportion of the opening ARR - royalty adjusted value in a rolling 12-month period.
Licence Revenue	Licence revenue includes all statutory revenue recorded on the sale of online education products. Specifically it includes first party products recognised as "Licence fees" and 3rd party products recognised as "Net commission revenue" in the statutory financial statements.
Average Revenue per User (ARPU)	ARPU represents the rolling 12-month licence revenue divided by the average licences. Average licences are calculated as (opening licences + closing licences) / 2
Exit Average Revenue per User (Exit ARPU)	Exit ARPU represents the closing ARR - royalty adjusted divided by the closing number of licences.

For further information, analysts, investors and other interested parties should contact:

Rebekah O'Flaherty

Chief Executive Officer
rebekah.oflaherty@3plearning.com

Dimitri Aroney

Chief Financial Officer
dimitri.aroney@3plearning.com

The release of this announcement has been authorised by the Board of 3P Learning Limited

Important Notice and Disclaimer

The material in this presentation is a summary of 3P Learning Limited's ('3P') activities and results as at the time of preparation, 22 February 2021.

No representation, express or implied, is made as to the fairness, accuracy, completeness or correctness of information contained in this presentation, including the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this presentation ('forward-looking statements'). Such forward-looking statements are by their nature not based on historical facts and are subject to significant uncertainties and contingencies and are based on a number of estimates and assumptions that are subject to change (and in many cases are outside the control of 3P and its Directors and officers) which may cause the actual results or performance of 3P to be materially different from any future results or performance expressed or implied by such forward-looking statements. Reliance should not be placed on forward-looking statements and except as required by law or regulation 3P assumes no obligation to update these forward-looking statements. To the maximum extent permitted by law, 3P and its related corporations, directors, officers, employees and agents disclaim any obligation or undertaking to release any updates or revisions to the information in this presentation to reflect any change in expectation or assumptions and disclaim all responsibility and liability for the forward-looking statements (including without limitation, liability for fault or negligence).

This presentation provides information in summary form only and is not intended or represented to be complete. Further, it is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation, or needs of any particular investor.

Due care and consideration should be undertaken when considering and analysing 3P's financial performance. All references to $ are to Australian $ unless otherwise stated.

To the maximum extent permitted by law, neither 3P nor its related corporations, directors, officers, employees and agents, nor any other person, accepts any liability, including without limitation, any liability arising from fault or negligence, for any loss arising from the use or reliance on this presentation or its content or otherwise arising in connection with it.

This presentation is not and should not be considered as an offer or invitation to acquire shares in 3P and does not and will not form part of any contract for the acquisition of shares.

This presentation should be read in conjunction with other publicly available materials. Further information is available on 3P's website at: www.3plearning.com/investors