



## Investor Presentation

June 2026



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# Forward-Looking Statements / Regulation G

This presentation contains certain statements made today which will be forward-looking. These forward-looking statements, by their nature, are subject to various risks and uncertainties, and actual results may differ materially from those currently anticipated.

Today's comments include references to certain non-GAAP financial measures as defined in Regulation G. The reconciliation of these non-GAAP financial measures with the relevant GAAP financial information and other information required by Regulation G is provided in the Company's earnings release, which is posted on the Company's investor relations website at [\*\*\*investor.scholastic.com\*\*\*](http://investor.scholastic.com).

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# Scholastic At A Glance

**Global publisher and distributor of bestselling children's books and a trusted provider of children's media and education materials, supporting the literacy, learning and growth of all children**

- **100+ year legacy and highly trusted brand**, built upon differentiated and relevant mission: inspiring children to read and learn
- **World's largest children's book publisher and distributor**, vertically integrating bestselling publishing, including of many of largest children's and young adult series and franchises, with proprietary channels reaching majority of U.S. schools
- **Award-winning creator, distributor and licensor** of high-quality children's IP and media
- **Leading provider of high-impact literacy resources and tools** to schools, districts and partners, addressing the growing literacy crisis
- **Global operations** across key English-speaking markets, with reach into 135+ countries

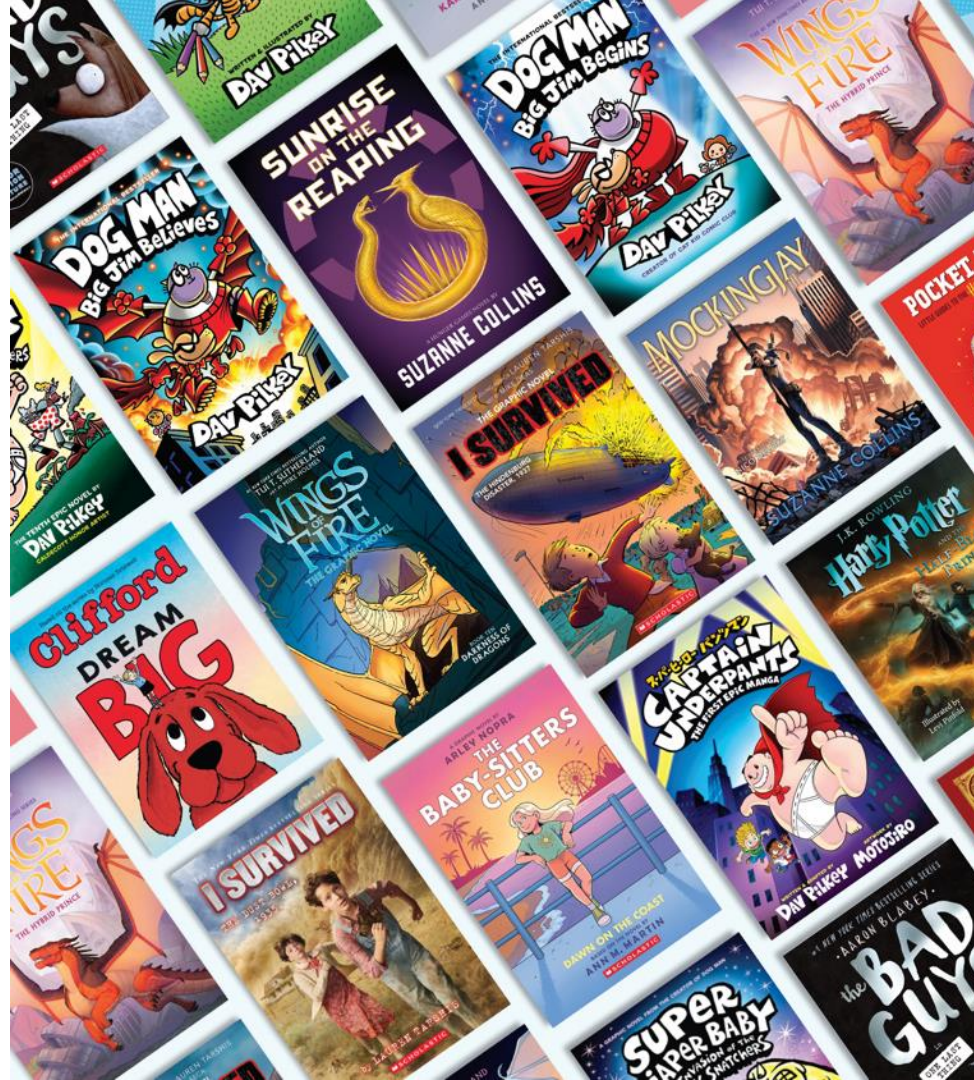


**SCHOLASTIC**EDUCATION





Scholastic inspires and empowers all children to become life-long readers and learners, unlocking an imaginative curiosity about themselves and the world.



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# Long-Term Macro Trends Supporting Scholastic's Growth

- 1** **Enduring importance of children's books, print and reading**, reflecting families' continued involvement in their children's education and development

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- 2** **New emerging funding sources** to support children's reading achievement across schools and communities, in response to declining scores and outcomes

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- 3** **Rising demand for trusted, proven children's brands and content** as families and educators seek high-quality, authentic content in a crowded landscape

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- 4** **Children's content increasingly extends across formats and platforms**, creating new opportunities for engagement, IP monetization and renewed print discovery

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- 5** **Technology enabling** streamlining of marketing, editorial and production processes while supporting human-created, authentic children's content

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# Scholastic Operating Segments

## Children's Book Group (CBG)

**School Reading Events:** direct distribution of children's books through Book Fairs and Book Clubs



**Trade Publishing:** publishing of children's books sold across retail and School Reading Events channels



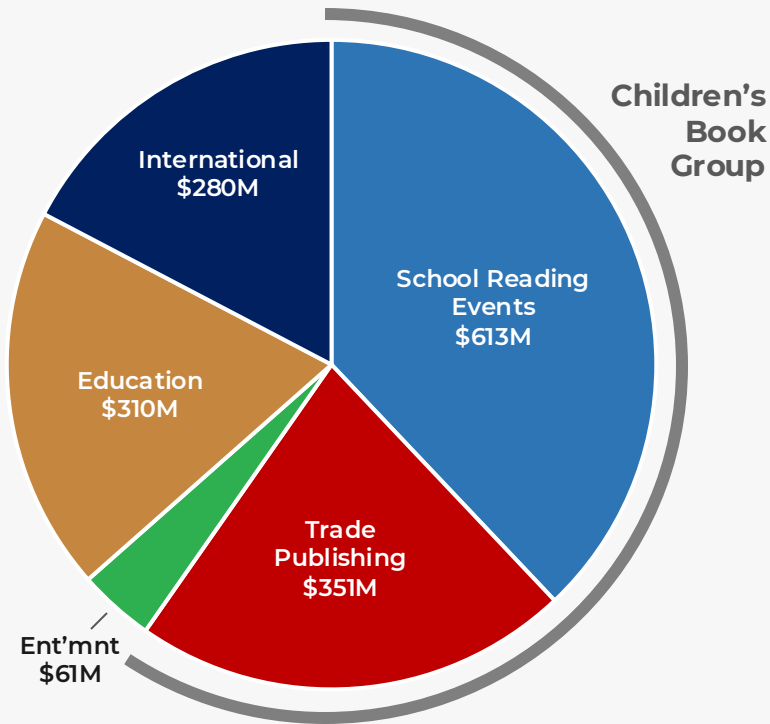
**Entertainment:** develops and distributes high-quality children's media content across multiple platforms



**Education:** literacy and knowledge-building educational products and resources for teachers and students



**International:** publishing, school reading events and exports of children's books and education materials outside of the United States



Fiscal 2025 Revenues\*

# Children's Book Group: School Reading Events

FY25 Revenue\*

**\$613M**

- Differentiated, event-based fundraising models – school-based book fairs and clubs – bringing highly curated books directly into the majority of U.S. K–12 schools, while driving engagement and excitement across the school community
- Exclusive access to hit Scholastic titles and pricing power through vertical integration with Scholastic's original publishing and scale
- Reaches over 30 million kids annually, with opportunity to deepen engagement with families beyond the fair through Scholastic's digital ecosystem
- Expanding total addressable market through new fair formats, school types and select non-school channels, increasing fair frequency and participation
- Strong operating leverage with attractive variable margins, supporting earnings growth even on modest revenue growth



# Children's Book Group: Trade Publishing

FY25 Revenue\*

**\$351M**

- Leading children's publisher with global scale, supported by a trusted brand and distribution across retail and proprietary school channels
- Deep author relationships and proven ability to create enduring global franchises, including best-selling series such as Harry Potter®, The Hunger Games® and Dog Man®
- Over 500 new titles published annually alongside significant backlist and franchise portfolio, providing recurring revenue and long-term IP monetization opportunities
- Strong presence in key growing categories – including young-adult series and graphic novels – with significant opportunities to gain share in underpenetrated categories, including early childhood
- Integrated Children's Book Group model enables cross-channel growth, leveraging school-based distribution and marketing to drive discovery and demand across channels



# Entertainment

FY25 Revenue\*\*

**\$61M**

- Producer and distributor of award-winning children's film, television and digital content across platforms, developing both Scholastic and licensed IP
- Extending trusted Scholastic IP beyond the page to the screen, leveraging beloved stories and characters to drive franchise growth
- 9 Story Media Group\* enhances production and distribution capabilities at scale, enabling participation across the full IP lifecycle from creation to monetization
- Expanding pipeline of IP-based content, positioning the business for further growth as industry greenlight activity improves
- Growing digital footprint across major Advertising Video On Demand platforms – including YouTube and ScholasticTV – expands audience reach and discovery, supporting long-term monetization opportunities



\*Scholastic acquired 100% of 9 Story's economic interests in June 2024. The Entertainment segment includes the operations of 9 Story Media Group Inc. ("9 Story") and Scholastic Entertainment Inc. ("SEI"). SEI was reported in the Children's Book Publishing and Distribution segment in prior periods.

\*\*Fiscal Year ended May 31, 2025 Financial Results and Annual Metrics

# Education

FY25 Revenue\*

**\$310M**

- Leading provider of science-based solutions to raise students' literacy serving three core customer segments – schools & districts, teachers, and families & communities – backed by the education brand most trusted by parents and educators
- Solutions strongly align with science of reading / learning and emerging instructional trends, including focus on reading comprehension, whole books and texts, and distraction-free print
- Balanced segment portfolio taps diversified funding sources addressing declining reading test scores: local budgets, federal grants, earmarked state partnerships, philanthropies, community-based organizations, teachers and families
- Repositioned in fiscal 2026 under new leadership with a restructured organization, product portfolio and go-to-market strategy, positioning the business to return to growth
- Disciplined operating model and lower cost structure, with significant operating leverage potential



# International

FY25 Revenue\*

**\$280M**

- Global operations delivering children's books and educational materials through publishing and distribution businesses
- Established presence in major English-speaking markets – including the UK, Canada, Australia, New Zealand & India – with operations across other international regions to magnify Scholastic's franchises globally
- International publishing operations in major markets create locally developed content, best-selling titles and franchises, and discover authors
- Export and operations business serving over 135 countries, extending reach into global markets
- Opportunity to expand English-language learning and literacy globally, supported by growing demand in developing and non-native English markets



# Scholastic's Integrated Content & Distribution Strategy

**1** – Develop, acquire and publish children's content and IP across books, media and licensing



**2** - Provide children access to quality books through Scholastic's differentiated distribution channels

**4** – Build global franchises through licensing and distribution to drive long-term monetization and extend reach

**3** – Extend beloved Scholastic-controlled IP to big and small screens through award-winning production studios

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# Scholastic's Near-Term Focus Areas

1

**Leveraging newly integrated Children's Book Group** to improve coordination, efficiency and cross-channel demand across Trade and School Reading Events

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2

**Driving Book Fairs growth** through new fair formats, expanded school and non-school events and increased fair count

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3

**Repositioning Education business** with a focused product portfolio, updated go-to-market strategy and improved cost structure, in advance of anticipated market recovery

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4

**Growing Entertainment pipeline,** leveraging 9 Story capabilities and expanding digital reach to drive IP discovery and monetization, as industry returns to production

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5

**Continued, disciplined capital allocation and cost management** to enhance shareholder returns and expand long-term margins

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# Significant Balance Sheet Actions Taken in Fiscal 2026

- Completed sale-leaseback transactions of real estate assets in New York City and Jefferson City, MO, unlocking more than \$400 million in net proceeds (Dec 2025)
- Paid down \$275M million on unsecured revolving credit facility
- Repurchased more than 4.4 million shares for approximately \$147 million in the open market (Dec 2025 – Mar 2026)
- Introduced long-term net leverage targets of 2.0 – 2.5x Adjusted EBITDA (Mar 2026)
- Completed modified Dutch auction to repurchase approximately 2.8 million shares at \$40/share (~\$113 million), funded with cash and credit facility borrowings (Apr 2026)

**Over \$760M returned to shareholders since 2022, through intentional balance sheet optimization, capital allocation and growth investment**

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# Third Quarter Fiscal 2026 Operating Highlights

- Continued execution on long-term growth and margin expansion initiatives, while advancing capital allocation actions
  - Results in line with expectations in our seasonally small third quarter
- Children's Book Publishing & Distribution combined powerful publishing with unique school-based channels
  - Continued strength in Book Fairs driven by higher revenue per fair; launched new STEAM-focused fair format
  - Trade Publishing supported by key franchises including Dog Man<sup>®</sup>, The Hunger Games<sup>®</sup>, and Wings of Fire<sup>™</sup>, though down on prior-year Trade comparisons
- Entertainment expanded reach of Scholastic IP across digital platforms and new audiences
  - Advanced media development and production pipeline
  - Strong viewership growth across YouTube channels and ScholasticTV<sup>™</sup>
- Education advanced transformation to position the business for growth
  - Revenue decline significantly moderated vs. prior quarters in fiscal 2026; profitability improved year-over-year
  - Benefitting from lower cost structure and refined go-to-market and product strategy
- International supported by publishing franchise strength, despite tougher prior-year publishing comps

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# Fiscal 2026 & Long-Term Outlook

- Reaffirmed adjusted EBITDA and free cash flow guidance
  - Adjusted EBITDA of \$146 to \$156 million\*, including the approximately \$14 million partial-year impact from sale-leasebacks
  - Free cash flow expected to exceed \$430 million, reflecting sale-leaseback net proceeds
- Revenue expected to be approximately flat with the prior year, reflecting year-to-date softness in Education and strong prior year Trade comps
- Positioned for long-term revenue growth, supported by Scholastic's unique combination of trusted brand, global IP, and proprietary school-based distribution channels
  - Targeting earnings growth and margin expansion over time, driven by operating leverage, operating discipline, and greater integration across publishing, distribution and media businesses

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# Scholastic's Key Drivers of Long-Term Value Creation

## Demand

Strong fundamental macro trends support consistent, diversified long-term growth in children's books, education and entertainment markets

## Revenue

Differentiated, integrated strategy and competitive advantages (trusted brand, owned and/or controlled IP, multi-channel reach, proprietary distribution) create compelling opportunities for share and Total Addressable Market growth

## Profit

Strong variable margins (owned and controlled IP, manufacturing scale, optimized production and sourcing), favorable product mix (growing digital and licensing), and improving efficiencies enable sustained margin expansion

## Cash Flow

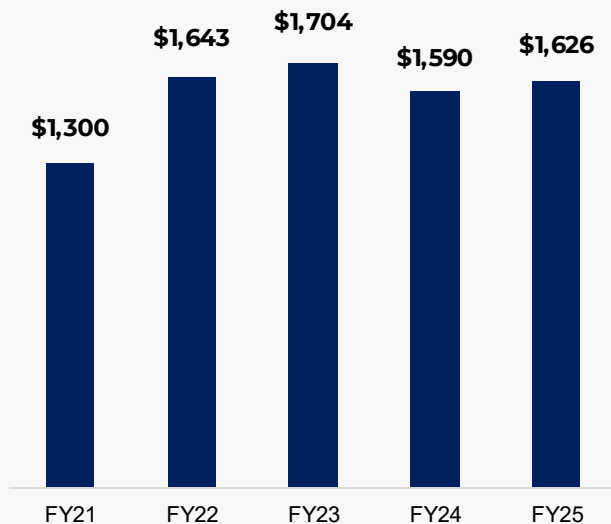
Capital efficient business models (mostly asset-light, slowly growing working capital) and moderate growth investment requirements yield robust free cash flow for reinvestment and capital returns, through dividend and share repurchases

# Appendix

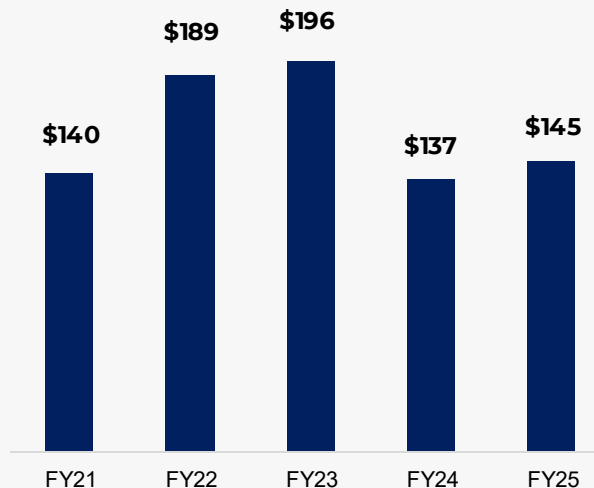
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# Historical Financials

## Revenue (\$M)



## Adjusted EBITDA (\$M)



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# Senior Leadership Team



**Peter Warwick**  
President & Chief  
Executive Officer



**Iole Lucchese**  
Chair of the Board and EVP, Chief  
Strategy Officer and President  
Scholastic Entertainment



**Haji Glover**  
EVP & Chief  
Financial Officer



**Chris Lick**  
EVP, General Counsel and  
Corporate Secretary



**Sasha Quinton**  
EVP and President,  
Children's Book Group



**Jeffrey Mathews**  
EVP, Chief Growth Officer, and  
President, Scholastic Education



**Vince Comisso**  
President & CEO,  
9 Story Media Group



**Catherine Bell**  
Group Managing Director,  
UK, EMEA and Asia-Pacific

# Refreshed, Highly Qualified Board of Directors



**Peter Warwick**  
President & Chief Executive Officer



**Iole Lucchese**  
Chair of the Board and EVP, Chief  
Strategy Officer and President  
Scholastic Entertainment



**Milena Alberti**  
Appointed 2025



**Dr. Andres Alonso**  
Appointed 2015



**James W. Barge\***  
Appointed 2007



**Robert L. Dumont**  
Appointed 2021



**Alix Guerrier**  
Appointed 2024



**Kaya Henderson**  
Appointed 2024



**Linda Li**  
Appointed 2022



**Verdell Walker**  
Appointed 2021



**Anne Clarke Wolff**  
Appointed 2025