

Fiscal Q1 2026 Investor Presentation

August 14, 2025

McGraw Hill

Disclaimer

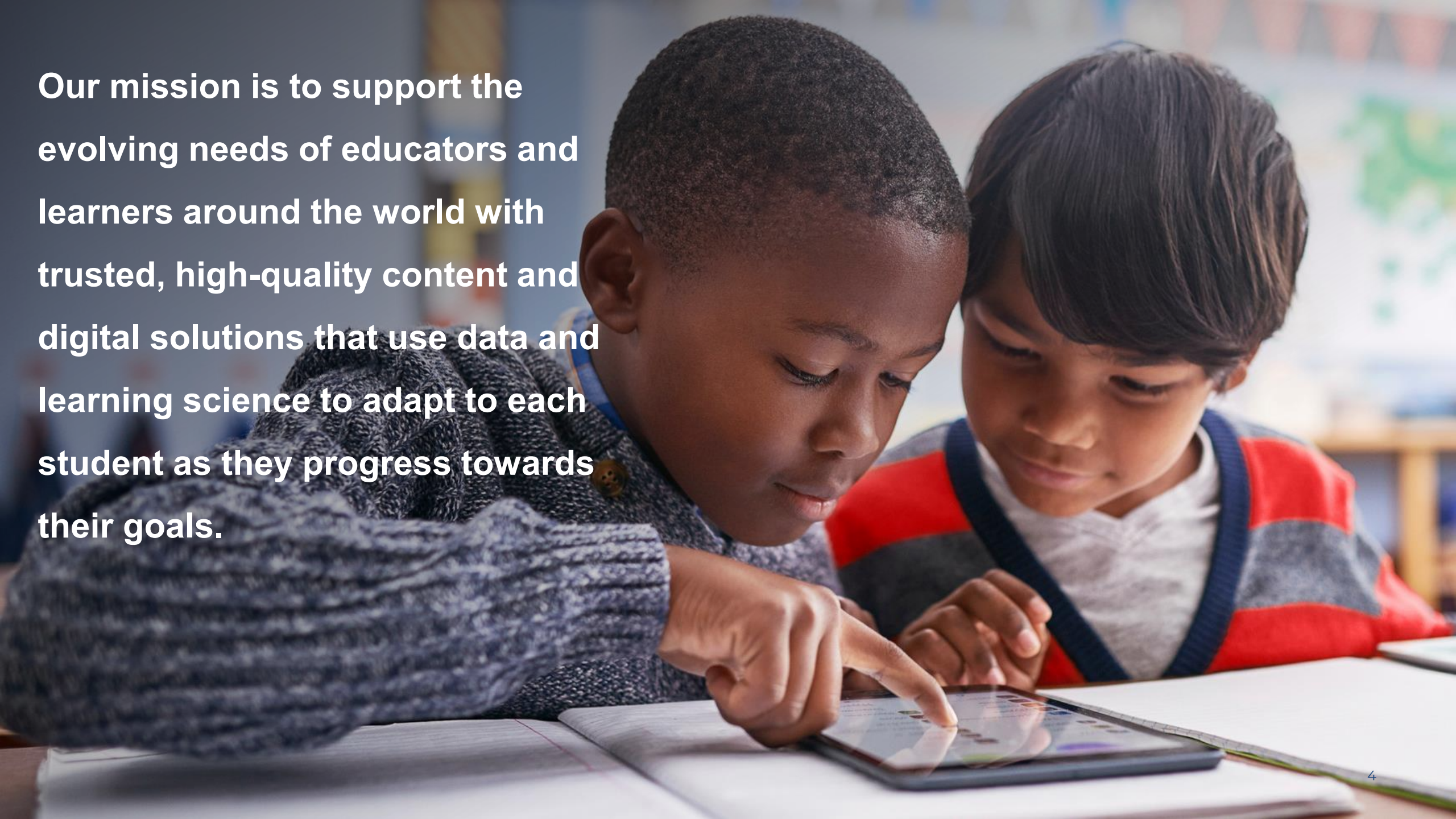
This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified 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 press release. 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 press release, including those described under the headings “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” in the Company’s final prospectus filed pursuant to Rule 424(b) under the Securities Act, filed on July 24, 2025, the Company’s Quarterly Report on Form 10-Q and in other filings made with the U.S. Securities and Exchange Commission (“SEC”). 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 press release, those results or developments may not be indicative of results or developments in subsequent periods. Any forward-looking statements the Company makes in this press release 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.

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 34 and slide 36. 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 34 and slide 36.

This presentation contains forward-looking estimates of Adjusted EBITDA for fiscal year 2026. 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 2026 net income (loss) to a forward-looking estimate of fiscal year 2026 Adjusted EBITDA because certain information needed to make a reasonable forward-looking estimate of net income (loss) for fiscal year 2026 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.

1 Business Overview





Our mission is to support the evolving needs of educators and learners around the world with trusted, high-quality content and digital solutions that use data and learning science to adapt to each student as they progress towards their goals.

A Global Leader in Information Solutions for Education







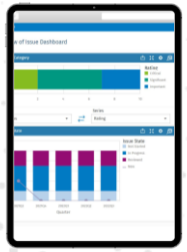


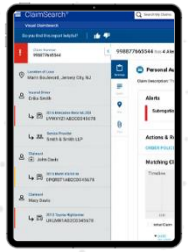


End Market

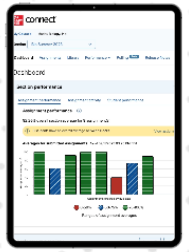
Real Estate	Healthcare	Insurance & Analytics	Financial Services	Education
Zillow	Wolters Kluwer	Verisk	S&P	Mc Graw Hill











McGraw Hill is a Vertical Information Solutions Leader

- Data Moat
- Enriched Analytics and Insights
- Re-occurring Revenue Profile
- Predictable and Visible Revenue
- Premium Margin Profile
- Strong Operating Leverage
- High Cash Flow Conversion

135+ Years of Continued Commitment to Quality and Innovation

Mc Graw Hill

Decades of Trust → **Intellectual Property / Content Moat** → **Machine Learning and Data Analytics** → **Insights and Workflow** → **Personalized Learning (AI)**

Product Innovation

- Access
- connect / connectED
- connect Reinvented
- Open Learning
- Virtual Labs
- PLUS
- sharpen. GO
- ALEKS Adventure
- AI Reader, Scribe
- Launched New GenAI Solutions
- sharpen. Enterprise
- FIRST AID Forward
- Scaling Evergreen Across Connect

Acquisitions

- Times Mirror (Higher Education Unit)
- ALEKS
- LS LEARNSMART
- REDBIRD MATHEMATICS
- kidaptive
- Achieve3000
- Boards&Beyond
- triadinteractive
- essaypop

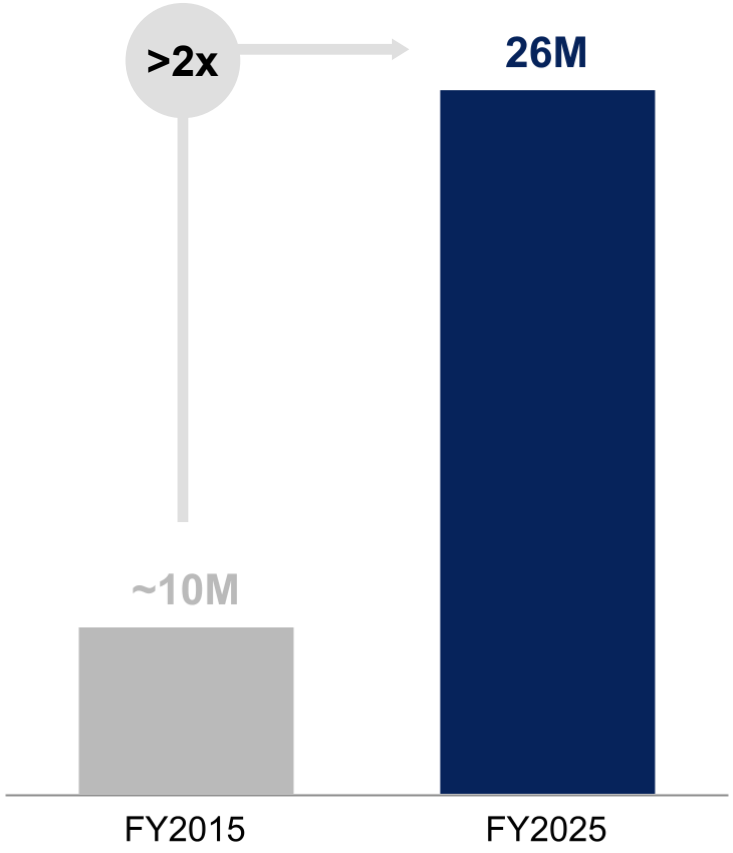
Key Milestones

- **1996**
- **2000**
- **2009**
- **2013** — Sale of McGraw Hill From S&P to APOLLO
- **2014**
- **2015** — *~1/3rd Digital Revenue Mix[2]*; *<40% Re-occurring Revenue Mix[3]*
- **2016**
- **2019** — *>50% Digital Revenue Mix[2]*
- **2020**
- **2021** — Acquired by Platinum Equity
- **2022** — *>$1B Digital Revenue*
- **2023**
- **2024**
- **2025** — *$1.4B Digital Revenue[1,2]*; *~ 69% Re-occurring Revenue Mix[1,3]*

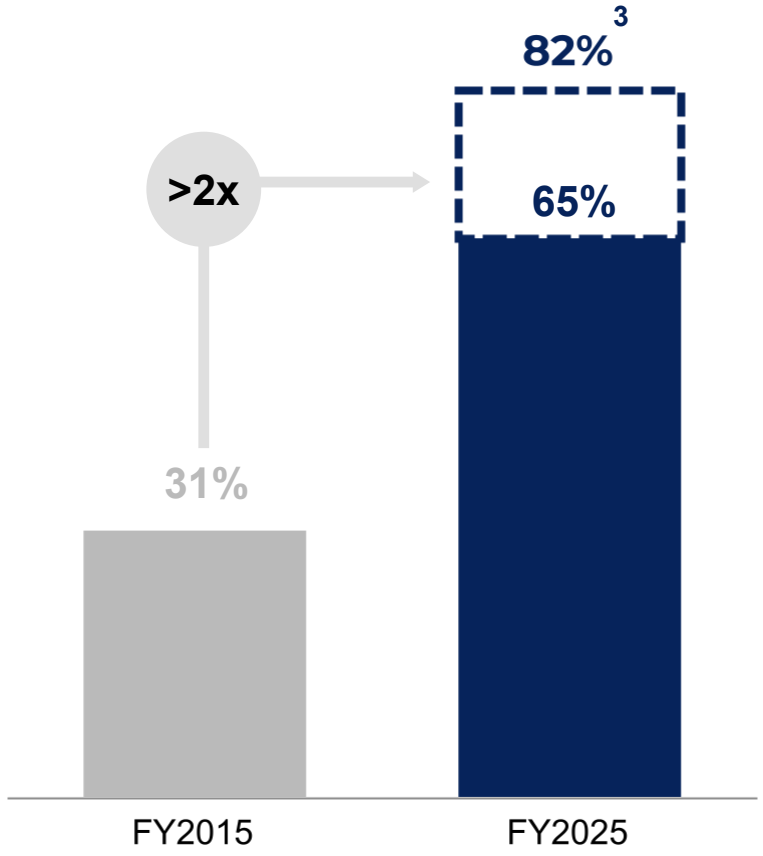
(1) For the fiscal year ending March 31, 2025. (2) Digital Revenue Mix is defined as digital revenue divided by total revenue. (3) Re-occurring Revenue includes revenue from offerings that are generally sold as digital subscriptions and multi-year print products. Revenue from digital subscriptions, which 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 multi-year contract term, 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. FY2025 total Re-occurring Revenue was $1,457M. Re-occurring Revenue Mix is defined as Re-occurring Revenue divided by total revenue.

Expanding Digital and Re-occurring Revenue

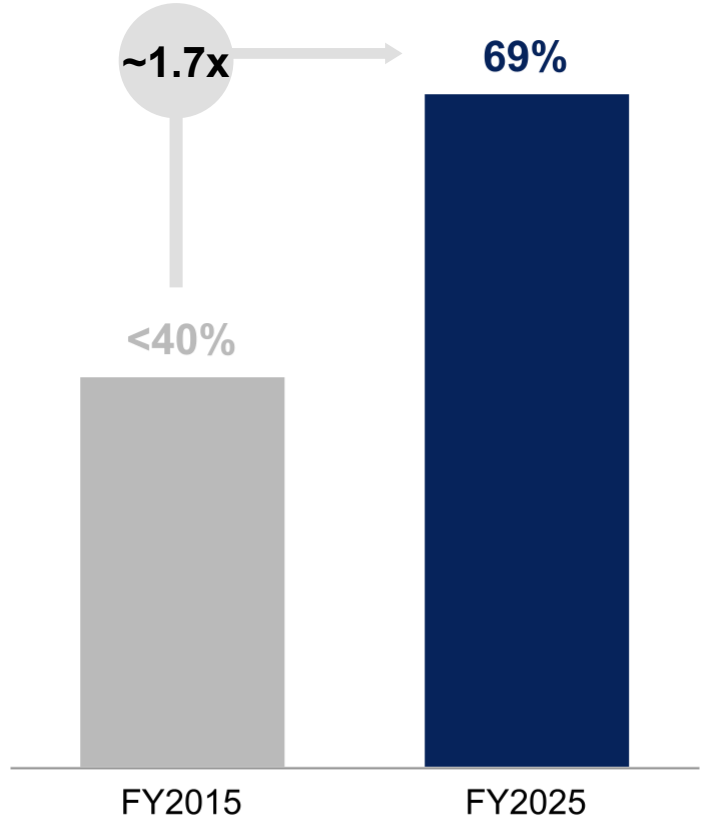
Paid Digital Users[1] Evolution



Digital Revenue Mix[2] Evolution (%)



Re-occurring Revenue Mix[4] Evolution (%)



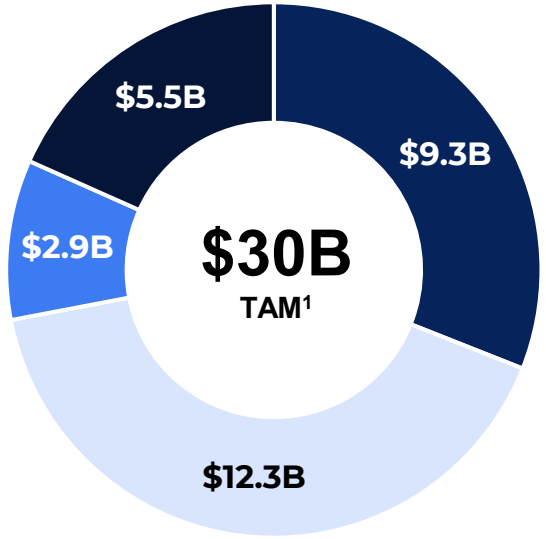
(1) Paid Digital Users represents the learners or educators who purchased a license to gain access to one of our many digital solutions during the fiscal year ending March 31, 2025. (2) Digital Revenue Mix is defined as digital revenue divided by total revenue. (3) For FY2025, excluding K-12, Digital Revenue Mix was 82%. (4) 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 multi-year contract term, 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. FY2025 total Re-occurring Revenue was $1,457M. Re-occurring Revenue Mix is defined as Re-occurring Revenue divided by total revenue.

We Serve Three Large, Connected, and Attractive Markets Globally

	K-12	Higher Education	Professional
Customers	Public School Districts; Private Schools	Undergraduate and Graduate Institutions	Medical Institutions; Institutional Libraries; Graduate Institutions
Decision Makers	District Superintendents; School Principals	Professors	Medical School Faculty, Deans and Librarians
Market Dynamics	• Institutional-focused sales • Market opportunity varies year by year based on states like CA, FL and TX which have state-wide procurement • Contract lengths 5 – 8 years & cash upfront	• Faculty-focused sales • Inclusive Access delivery mechanism ensures availability of courses to students on day-1 and enables high sell-through • Annual contract / subscriptions	• Institution-focused sales • High switching costs drive strong retention and long-term institutional relationships • Purchasing decisions driven by budgets rather than individual end-users • Annual contract / subscriptions
Key Competitors	HMH; Curriculum Associates; SAVVAS LEARNING COMPANY; Amplify.	Pearson; CENGAGE; macmillan learning	ELSEVIER; Wolters Kluwer; AMBOSS

- *Note: Elsevier is owned by RELX.*

We Serve a Large, Essential Market...



K-12[2] | Higher Education[3] | Global Professional | International

Numerous Growth Opportunities Across Every Stage of the Learning Journey

K-12[2]

- Supplemental / Intervention Solutions
- Integrated Curriculum Solutions
- CTE / AP / Assessment[4]

Higher Education[3]

- Student Study Solutions
- CTE / Dual Enrollment[4]
- Short Courses
- Employability / Workplace Preparedness

Global Professional

- Global Medical Education Solutions
- Undergraduate Medical Student Learning Solutions

International

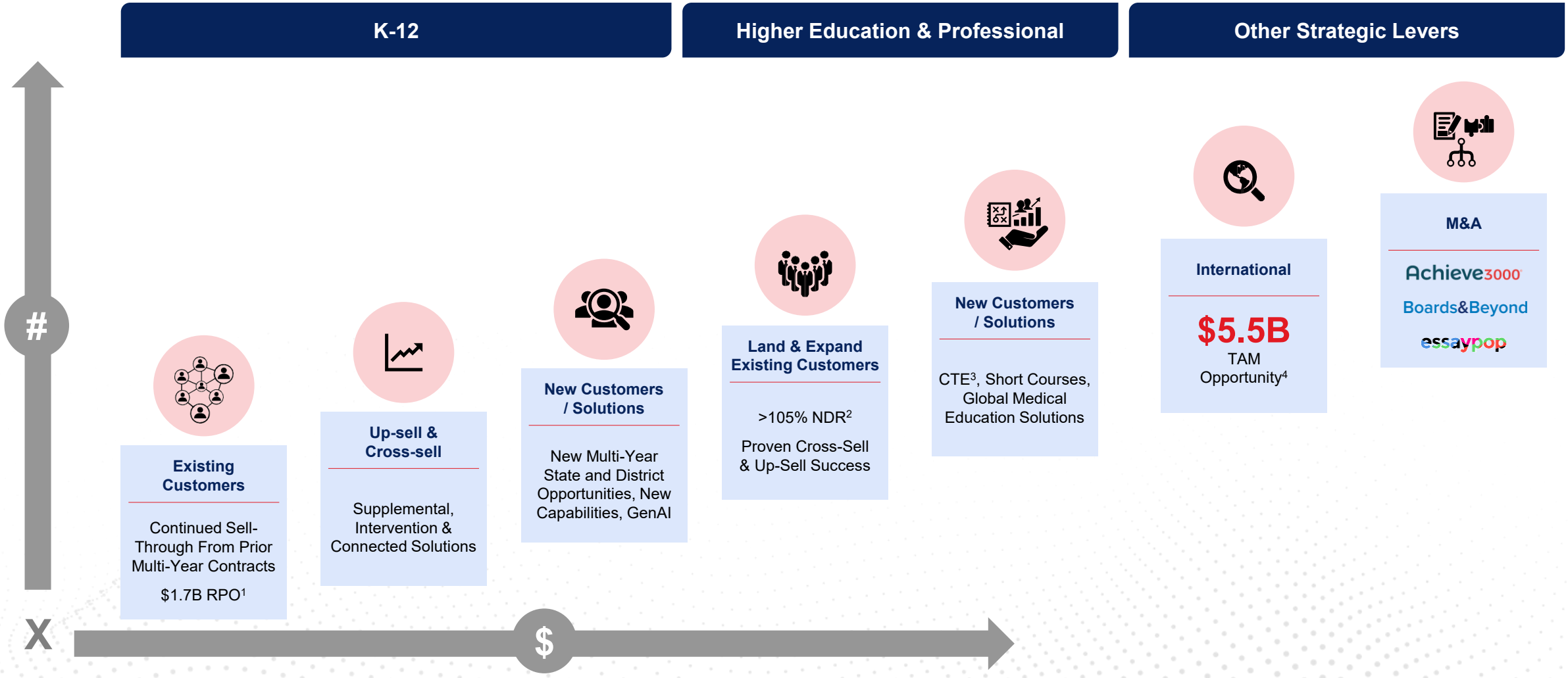
- Emerging Market Growth
- K-12 and Higher Education Solutions
- English Language Teaching

(1) Estimate based on information from a third-party study commissioned by the Company in the fiscal year ended March 31, 2025. As of the academic year ended 2025. (2) Refers to U.S. K-12. (3) Refers to U.S. Higher Education. (4) CTE refers to Career and Technical Education; AP refers to Advanced Placement; Dual Enrollment programs allow K-12 students to earn college credits while in high school.

...With Strong Secular Tailwinds

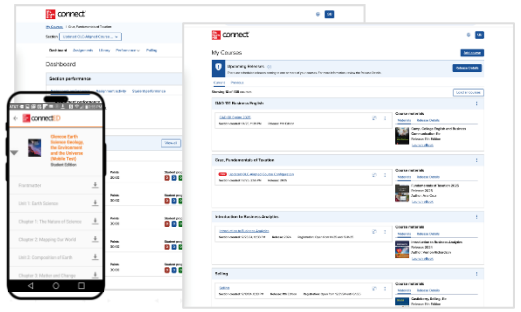
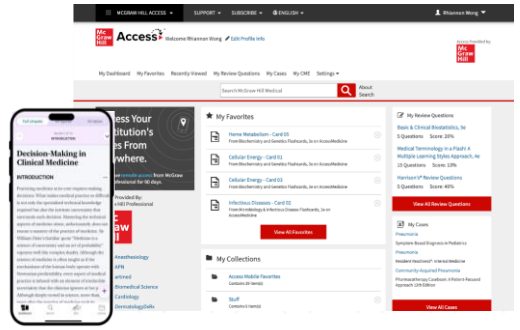
- **Highly Resilient and Growing** End Market
- Modernization of **Learning Technology**
- Demand for **Data-Driven, Personalized Learning**
- **Need for Equitable Access** to Learning
- Demand for **Technical, Skills-Based Professional Learning**

Our Predictable Growth Algorithm



(1) Please see slide 39 for RPO definition (2) For the fiscal year ended March 31, 2025. Annual Net Dollar Retention ("NDR") is a key operating metric used to evaluate digital subscription revenue growth within our existing customer base. NDR is calculated by dividing (a) the digital subscription amounts invoiced to existing customers during the year, inclusive of changes in enrollment, price changes, and attrition by (b) the digital subscription amounts invoiced to such customers for the comparable prior year. (3) CTE = Career and Technical Education. (4) Estimate based on information from a third-party study commissioned by the Company in the fiscal year ended March 31, 2025. As of the academic year ended 2025

Established Market-Leading Digital Learning Solutions

connectED	ALEKS®	connect®	Access®
>30M Lifetime Learners	>64M Lifetime Learners	>34M Lifetime Learners	In 94% of U.S. Medical Schools
			
Market leading digital solution for K-12 supporting teachers with planning and customizing lessons that are accessible by students anywhere, anytime	*Personalized learning solution supporting K-12 and Higher Education markets across thousands of institutions globally*	*Market leading digital learning solution for Higher Ed providing custom course creation capabilities and valuable insights on student performance*	*Interactive digital subscription solution for the Professional market with simulation-based interactive learning experiences*

Note: All metrics are as of the fiscal year ended March 31, 2025.

Harnessing the Power of Content and Data with Best-in-Class Product Development and Innovation to Drive Learning Outcomes

Improved Learning Outcomes through Personalized Learning

>26M
Paid Digital Users[1]

>19B
Annual Learning Interactions

>40%
CAGR McGraw Hill Proprietary Data[2]

>273k
Active Educational Titles[3]

>27k
Authors

>50
Nobel Laureates as Authors

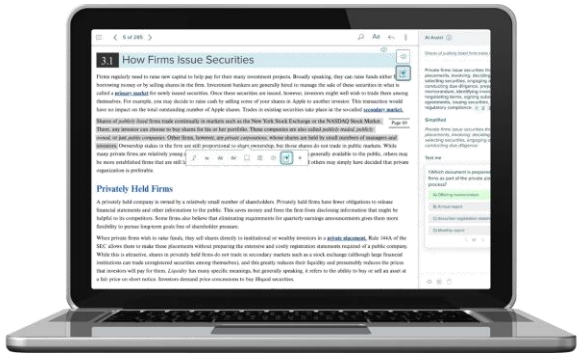


Content and Data

Note: All metrics are for the fiscal year ended March 31, 2025, unless stated otherwise.
(1) Paid Digital Users represents learners or educators who purchased a license to gain access to one of our many digital solutions during the fiscal year ending March 31, 2025. (2) Compounded annual growth rate since the fiscal year ended March 31, 2022. (3) Represents the number of active titles across all permutations. All-time number of titles across all permutations is >964k.

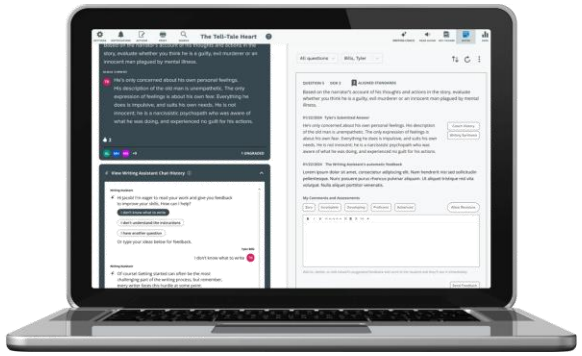
Recent GenAI Innovation: AI Reader & Scribe

AI Reader: *Simplifies concepts with instant explanations and interactive quizzes*



- Increases Time on Solution by >30%[1]
- Engages with Interactive Quizzes
- Simplifies Complex Concepts Instantly
- Offers Tailored Learning Support
- Promotes Deeper Understanding of Content

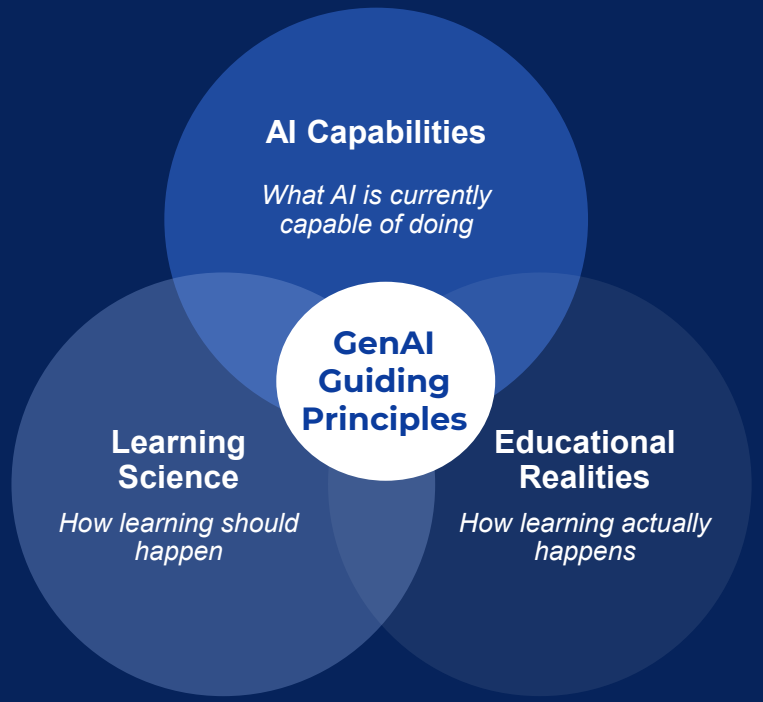
Scribe: *Content generation platform, with "human in the loop" approach*



- Applicable to Multiple Content Types
- Manual Content Tasks Automated
- Integrates Seamlessly with Authoring Tools
- Higher Quality Results from Owned Content
- Content Production Time Savings

(1) Based on our analysis of internal data.

McGraw Hill's Holistic Approach to AI



Grounded in evidence-based research and learning science, McGraw Hill harnesses AI to deliver meaningful, scalable learning experiences tailored to modern classrooms

- **Trusted, Market-Leading Global Brand with Over 135-Year History**
- **Leveraging Data Science and AI to Drive Innovation and Improve Learner Outcomes**
- **Extensive Scale and Wealth of Data Across the Entire Learning Continuum**
- **Institutional Sales Model with Long-Standing Customer Relationships Built Over Decades**
- **Highly Profitable Business Model with a Strong Cash Flow Profile**

Note: All metrics for the fiscal year ended March 31, 2025.
(1) Including K-12, Digital Revenue Mix was 65%. (2) Paid Digital Users represent learners or educators who purchased a licensed to gain access to one of our many digital solutions during the fiscal year ending March 31, 2025. (3) See slide 36 for Adj. EBITDA Margin Reconciliation. (4) See slide 38 for Gross Profit and Gross Margin Reconciliation. Gross profit is revenue less cost of sales (excluding depreciation and amortization).

Fiscal Year 2025

$2.1B
Revenue

82%
Digital Revenue (excl. K-12)[1]

26M
Paid Digital Users[2]

~60M
Learners and Educators Served Annually

35%
Adj. EBITDA Margin[3]

80%
Gross Margin[4]

2 Strategic Focus and Financial Trends



Strategic Priorities Provide a Consistent Foundation for the Future

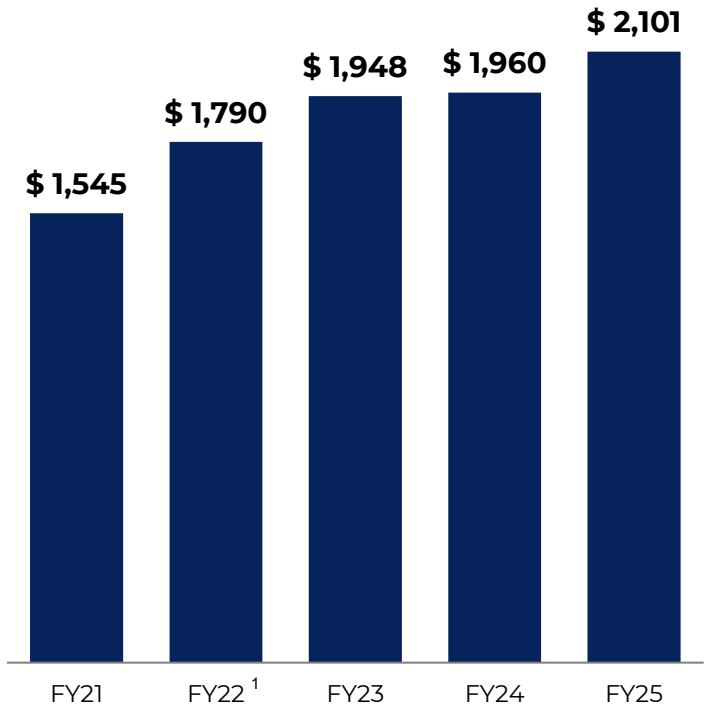
Strategic Priorities	FY 2025 Execution
Grow & strengthen existing businesses	• Increase market share and product innovation across the business
Operate efficiently	• Leverage Scribe to aid in content generation
Expand addressable market	• Develop net new and next generation learning solutions
Invest in new data-driven digital capabilities	• Deliver key innovation e.g., Evergreen, AI Reader

Annual Revenue Summary

$ in millions | FYE 3/31

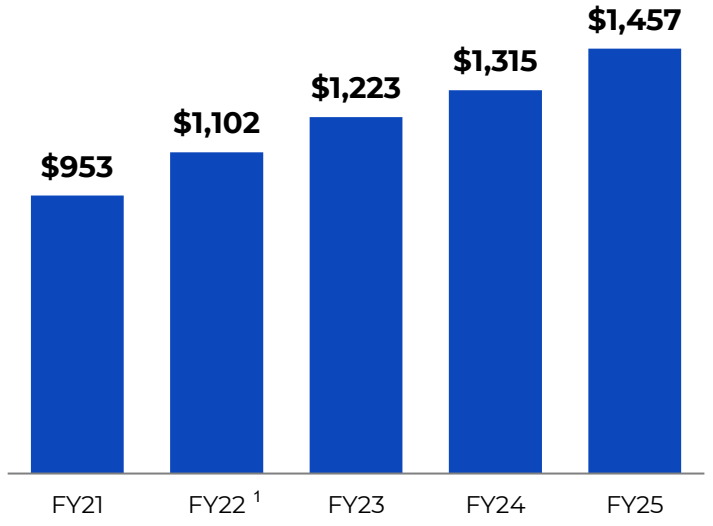
Total Revenue

~8%
FY21 – FY25 CAGR



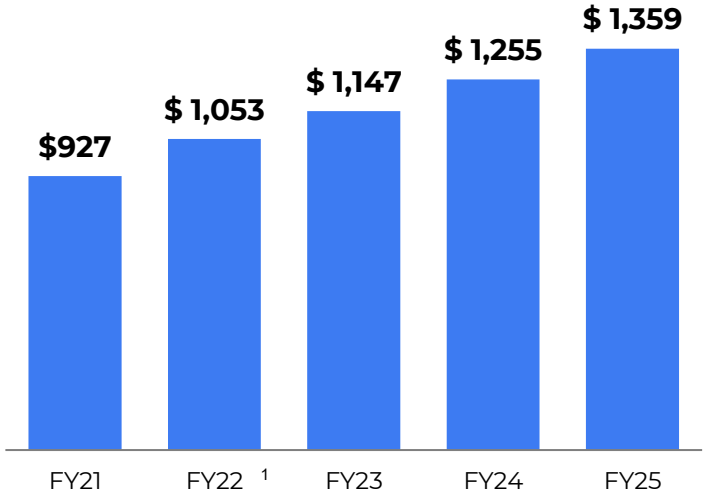
Re-occurring Revenue[2]

~11%
FY21 – FY25 CAGR



Digital Revenue

~10%
FY21 – FY25 CAGR

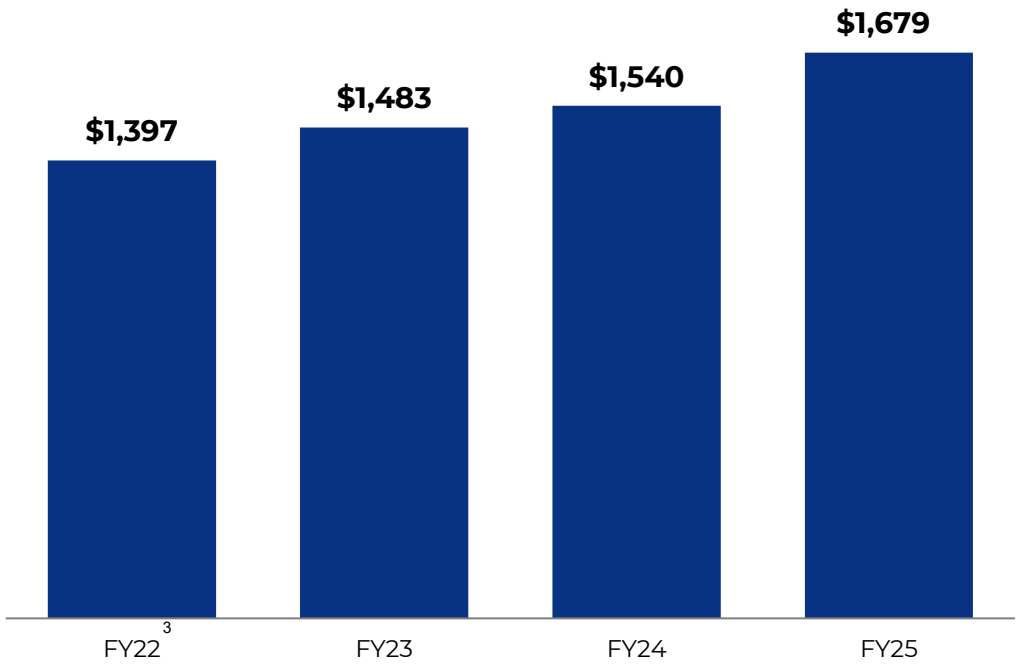


(1) Results for FY22 represent the sum of the reported results of the predecessor entity, prior to giving effect to the acquisition by Platinum, for the period from April 1, 2021 through July 31, 2021 and the successor entity for the period from August 1, 2021 through March 31, 2022, which are not considered to be prepared in accordance with GAAP and do not include pro forma adjustments that would otherwise be included in a pro forma presentation prepared in accordance with Regulation S-X. Such results also do not include any financial results of Achieve3000 prior to the date of its acquisition on November 1, 2021 (2) Definition of Re-occurring revenue on slide-39

Annual Margin Summary

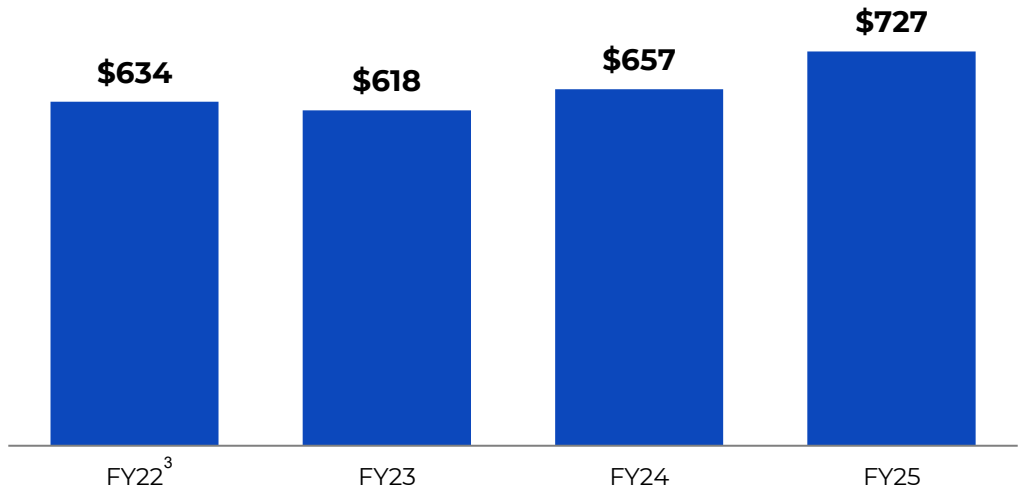
$ in millions | FYE 3/31

Gross Profit[1]



	FY22[3]	FY23	FY24	FY25
% Gross Profit Margin[1]	*78%*	*76%*	*79%*	*80%*

Adj. EBITDA[2]



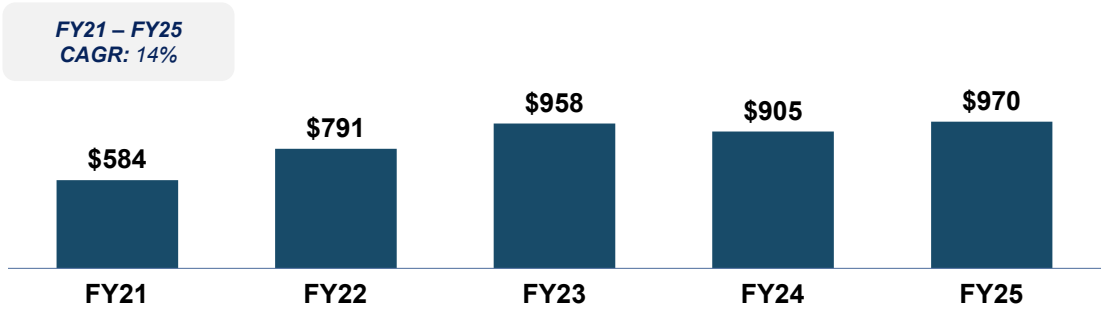
	FY22[3]	FY23	FY24	FY25
% Adj EBITDA Margin[2]	*35%*	*32%*	*33%*	*35%*

(1) See slide 38 for Gross Profit and Gross Margin Reconciliation. Gross profit is revenue less cost of sales (excluding depreciation and amortization). (2) See slide 36 for Adj. EBITDA Margin Reconciliation. (3) Results for FY2022 represent the sum of the reported results of the predecessor entity, prior to giving effect to the acquisition by Platinum, for the period from April 1, 2021 through July 31, 2021 and the successor entity for the period from August 1, 2021 through March 31, 2022, which are not considered to be prepared in accordance with GAAP and do not include pro forma adjustments that would otherwise be included in a pro forma presentation prepared in accordance with Regulation S-X. Such results also do not include any financial results of Achieve3000 prior to the date of its acquisition on November 1, 2021.

Annual Revenue by Segment

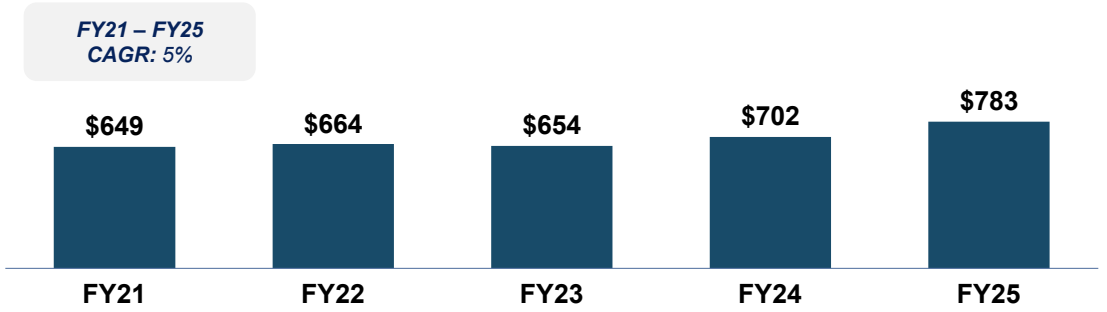
$ in millions | FYE 3/31

K-12



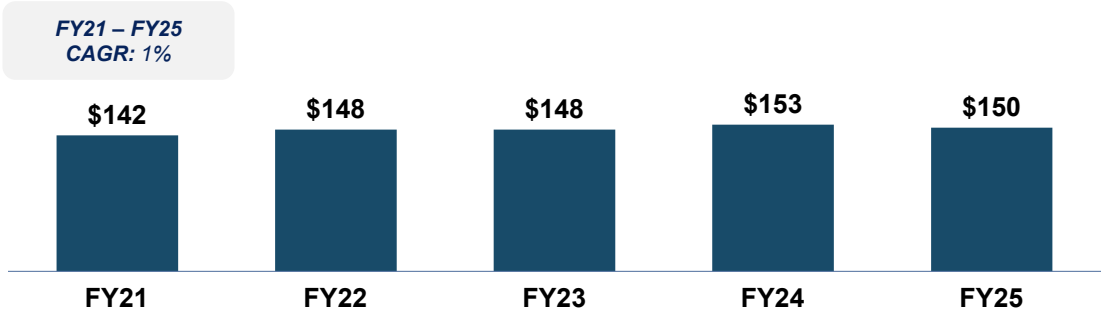
	FY21	FY22	FY23	FY24	FY25
Re-occurring %	57%	55%	57%	61%	62%
Digital %	43%	42%	43%	47%	44%

Higher Education



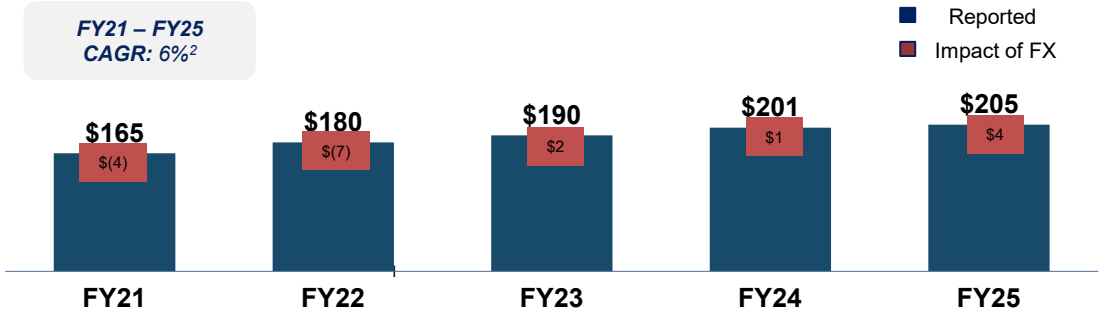
	FY21	FY22	FY23	FY24	FY25
Re-occurring %	78%	79%	81%	83%	85%
Digital %	81%	83%	86%	90%	92%

Global Professional



	FY21	FY22	FY23	FY24	FY25
Re-occurring %	45%	47%	51%	57%	64%
Digital %	56%	56%	58%	63%	69%

International



	FY21	FY22	FY23	FY24	FY25
Re-occurring %	31%[2]	39%[2]	39%[2]	44%[2]	46%[2]
Digital %	40%[2]	45%[2]	43%[2]	49%[2]	51%[2]

Note: International revenue shown on a constant currency basis.
(1) Results for FY2022 represent the sum of the reported results of the predecessor entity, prior to giving effect to the acquisition by Platinum, for the period from April 1, 2021 through July 31, 2021 and the successor entity for the period from August 1, 2021 through March 31, 2022, which are not considered to be prepared in accordance with GAAP and do not include pro forma adjustments that would otherwise be included in a pro forma presentation prepared in accordance with Regulation S-X. Such results also do not include any financial results of Achieve3000 prior to the date of its acquisition on November 1, 2021. (2) Reflects constant currency basis.

Medium-Long Range Framework

	FY2023A	FY2024A	FY2025A	Medium-Long Term Targets
Revenue Growth	8.8%	0.7%	7.2%	5%+
Re-occurring Revenue (% of Total Revenue)	62.8%	67.1%	69.3%	75%+
Digital Revenue (% of Total Revenue)	58.9%	64.0%	64.7%	75%+
Gross Margin[1]	76.1%	78.6%	79.9%	82%+
Adjusted EBITDA Margin[2]	31.7%	33.5%	34.6%	37%+
Net Debt / Adjusted EBITDA[3]	5.5x	5.1x	4.0x	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 S-1. (1) See slide 34 for Gross Margin Reconciliation. Gross profit is revenue less cost of sales (excluding Depreciation and Amortization). (2) See slide 34 for Adj. EBITDA Margin Reconciliation. (3) Net debt is defined as Cash and cash equivalents subtracted from Total Debt. Total Debt figures exclude leases, unamortized debt discount, and unamortized deferred financing costs.

Investment Highlights

01 Trusted, Market-Leading Global Brand with Deep Expertise in Learning Science

02 Leading Suite of Digital Solutions Across the Entire Learning Continuum

03 Agile Content Model Supported by High-Quality, Proprietary Digital Content

04 Leveraging Data Science, Machine Learning, and GenAI to Drive Innovation and Improve Outcomes

05 Extensive Global Go-to-Market Reach

06 Institutional Sales Model with Long-Standing Customer Relationships Built Over Decades

07 Highly Profitable Business Model with a Strong Cash Flow Profile

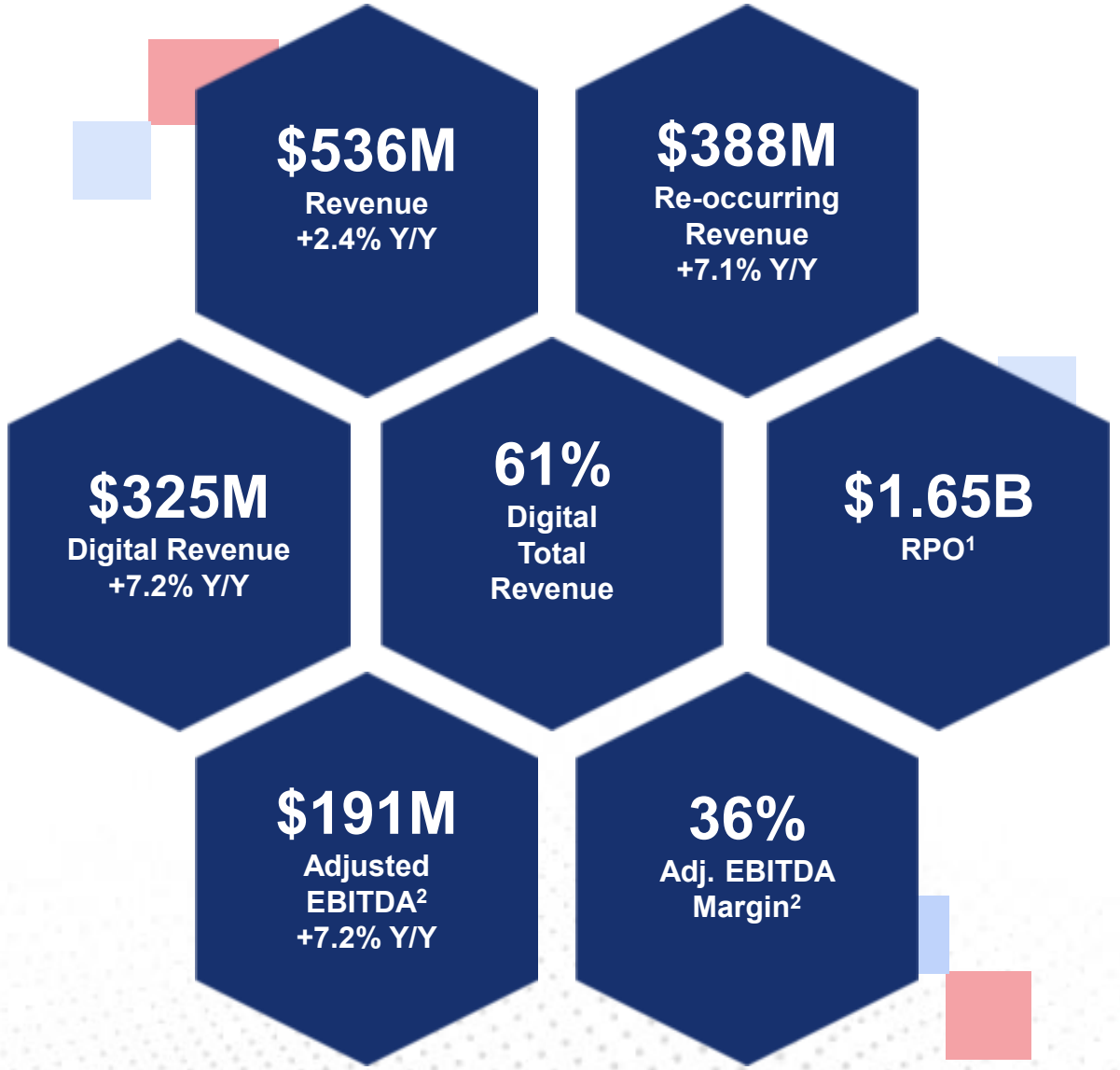
08 Mission-Driven Culture and Leadership Team with Track Record of Success

3 Fiscal Q1 Results



Fiscal Q1 2026 Highlights

- Sustained momentum and market share gains amid the predictably smaller fiscal year 2026 market
- Market leadership driven by high-quality re-occurring and digital revenue growth
- Expanded profitability while continuing to invest in the business
- Favorable leading indicators to date
- Well positioned ahead of robust K-12 market opportunities in FY 2027 and 2028

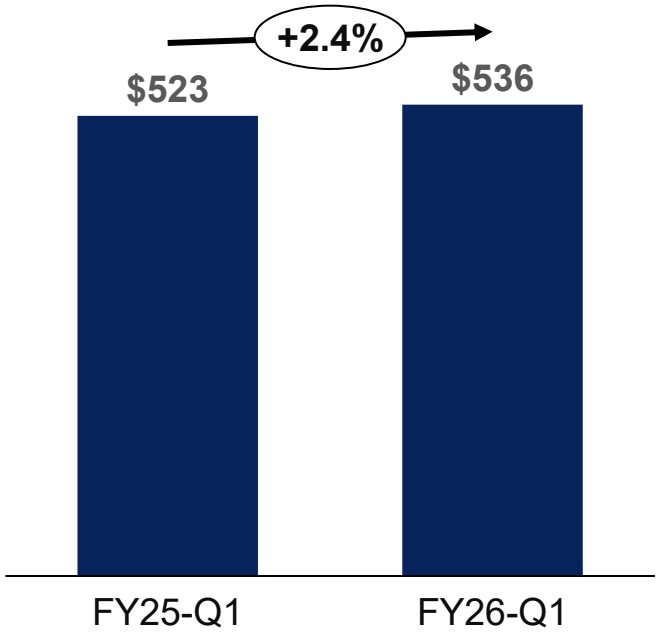


Note: All metrics are for the fiscal quarter ended June 30, 2025. Company fiscal year end is March 31st.
(1) *See slide 39 for RPO definition.* (2) *See slide 34/36 for Adj. EBITDA and Adj. EBITDA Margin Reconciliations.*

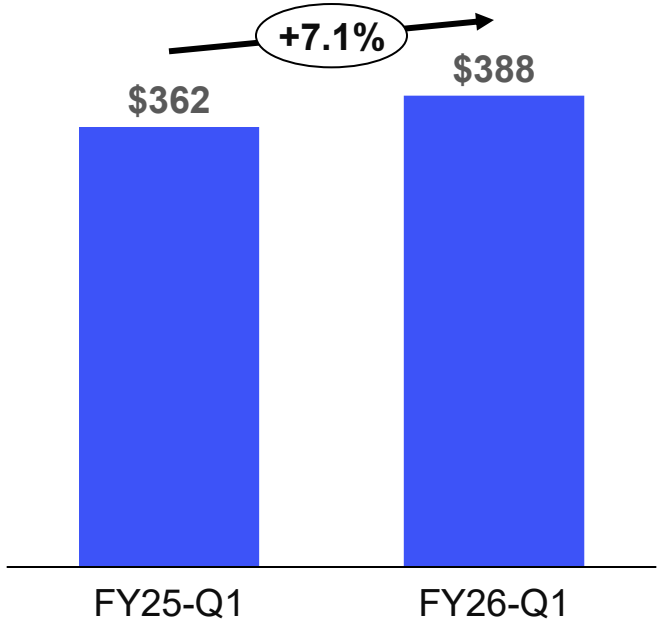
Total Company FY26-Q1 Revenue

$ in millions

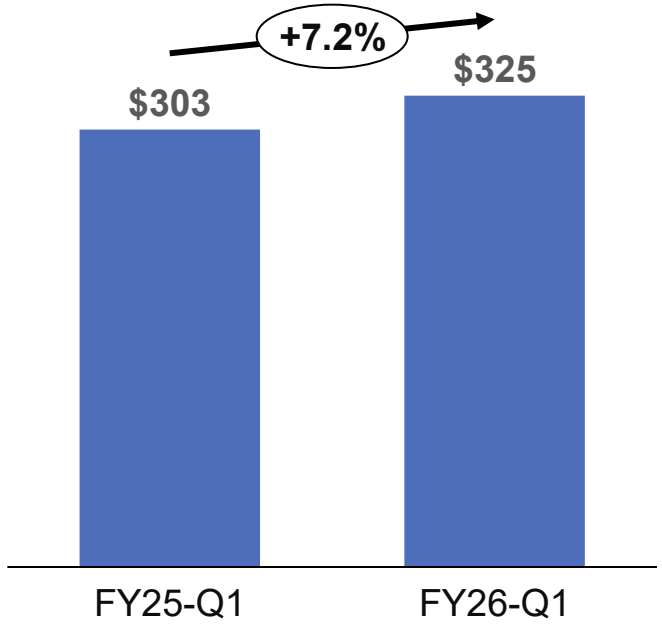
Total Revenue



Re-occurring Revenue[1]



Digital Revenue



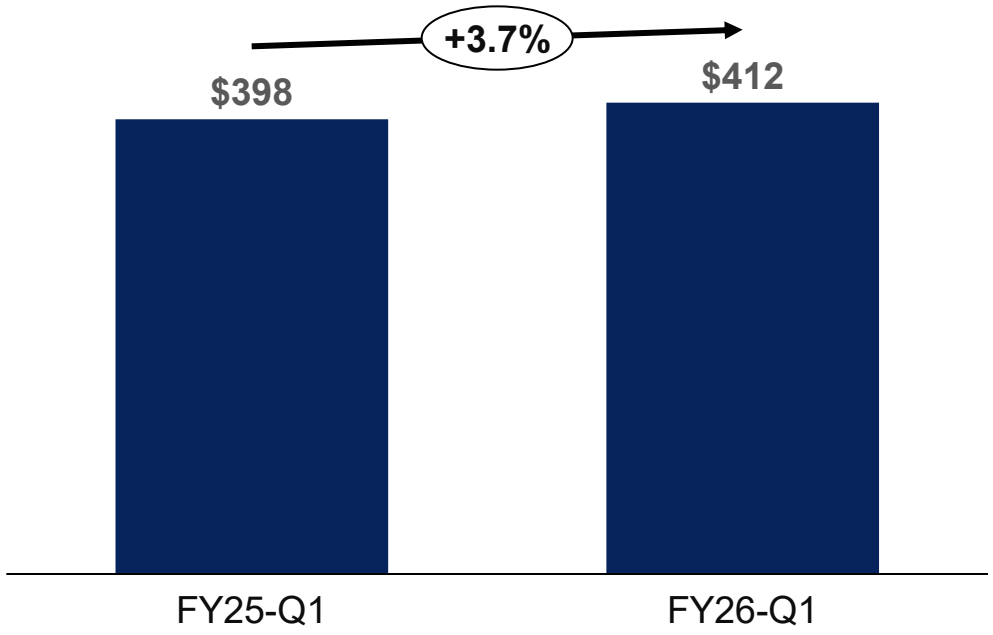
% Re-occurring	69%	72%
% Digital	58%	61%

Note: Amounts may not sum due to rounding. GAAP Basis. Company fiscal year end is March 31st (1) Definition of Re-occurring revenue on slide-39.

Total Company FY26-Q1 Margin Profile

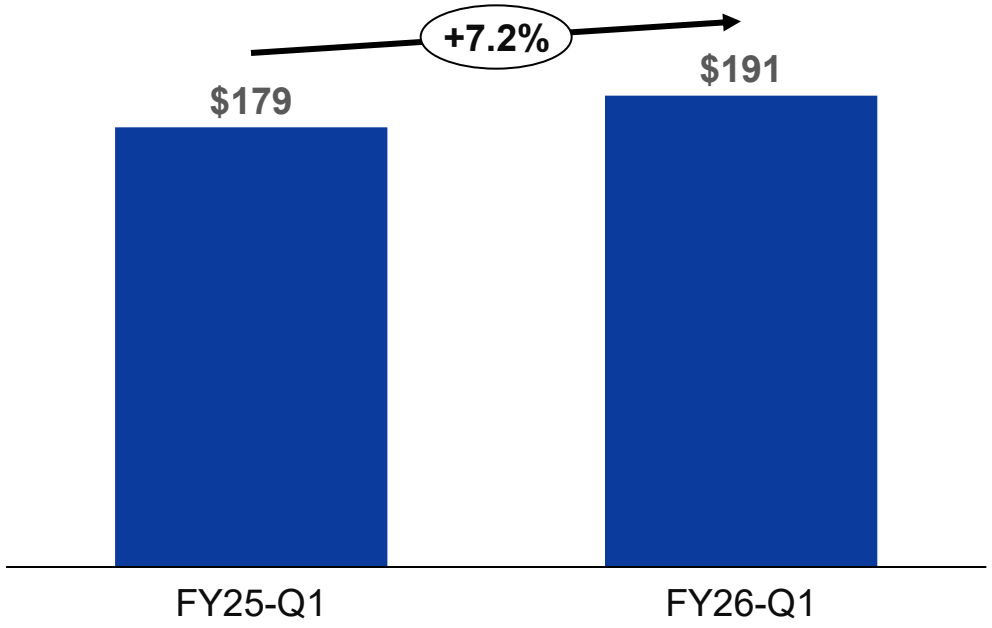
$ in millions

Gross Profit[1]



	FY25-Q1	FY26-Q1
% Gross Profit Margin	76%	77%

Adj. EBITDA[2]



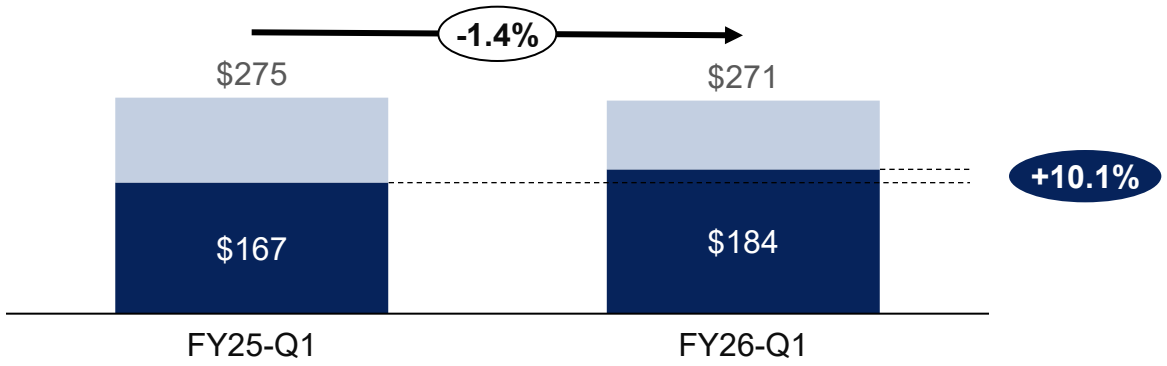
	FY25-Q1	FY26-Q1
% Adj. EBITDA Margin	34%	36%

(1) See slide 38 for Gross Profit and Gross Margin Reconciliation. Gross profit is revenue less cost of sales (excluding depreciation and amortization). (2) See slide 34 for Adj. EBITDA and Adj. EBITDA Margin Reconciliations.

McGraw Hill FY26-Q1 Revenue by Segment

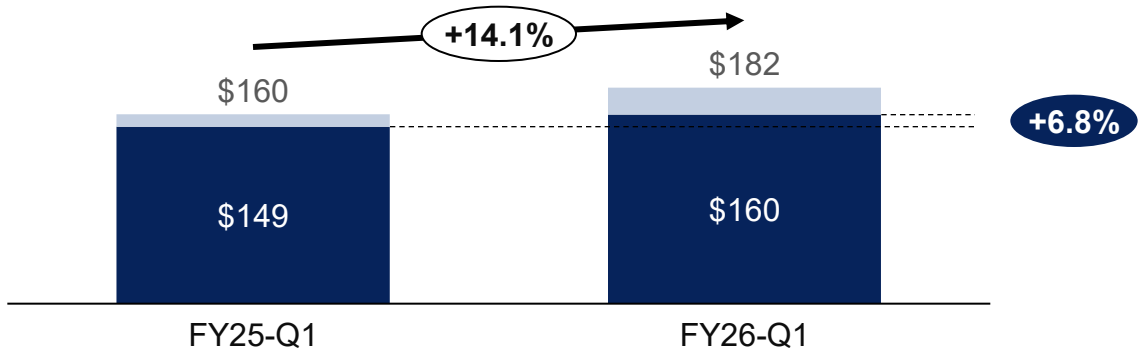
$ in millions

K-12



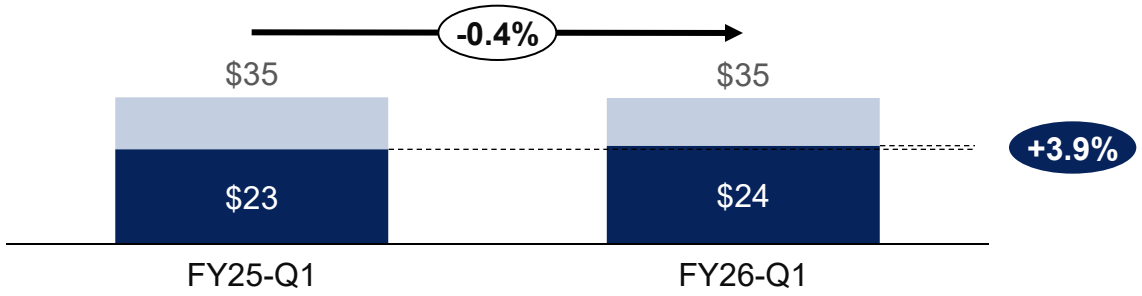
	FY25-Q1	FY26-Q1
% Re-occurring	61%	68%
% Digital	36%	40%

Higher Education



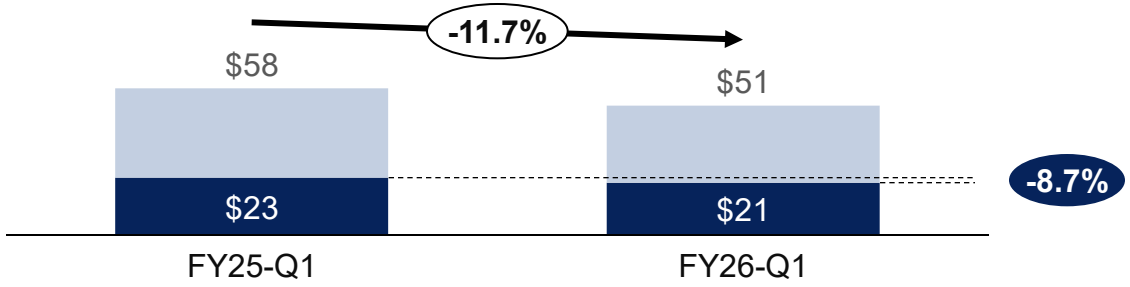
	FY25-Q1	FY26-Q1
% Re-occurring	93%	87%
% Digital	96%	93%

Global Professional



	FY25-Q1	FY26-Q1
% Re-occurring	65%	67%
% Digital	71%	72%

International*



	FY25-Q1	FY26-Q1
% Re-occurring	39%	40%
% Digital	42%	43%

Transactional Revenue Re-occurring Revenue

*Note: Amounts may not sum due to rounding. GAAP Basis. *Total International revenue decline of 11% year-over-year on a constant currency basis.*

Consolidated FY26-Q1 Cash Flow Summary

$ in millions

	Three Months Ended June 30			
	FY26-Q1	FY25-Q1	Variance	TTM
Net Income (Loss)	**1**	**(9)**	**10**	**(76)**
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
D&A, Provisions, Impairments, and Other	137	142	(5)	523
Change in Working Capital	(234)	(135)	(99)	105
Cash provided by (used for) operating activities	**(97)**	**(3)**	**(94)**	**553**
Product Development Investments	(23)	(19)	(4)	(94)
Capital Expenditures	(16)	(16)	(0)	(71)
Cash Provided by (Used For) Investing Activities	**(39)**	**(35)**	**(4)**	**(165)**
Cash Paid for Interest Expense	22	54	(31)	243

Note: Trailing Twelve Months is calculated by adding the results for the three months ended June 30, 2025, to the results of the fiscal year ended March 31, 2025, and subtracting the three months ended June 30, 2024.

Balance Sheet and Liquidity

- Cash on hand of $247M; Total committed liquidity of $697M (cash, revolver & ABL)
- Revolving credit facilities remain undrawn
- Reduced Term Loan by $386M with net IPO proceeds in July
- Net debt / Adjusted EBITDA ratio of 4.1x at June 30th
- Net debt / Adjusted EBITDA of 3.6x proforma[3] for net IPO proceeds at June 30th

Debt Profile: 6/30/25

($ in Millions)	
Senior Secured Term Loan due 2031	**$1,157**
Revolving Credit Facility due 2029 ($450M)[1]	**-**
Senior Secured Notes due 2028	**828**
Senior Secured Notes due 2031	**650**
Total First Lien Indebtedness	**$2,636**
Less: Cash and Cash Equivalents	(247)
Net First Lien Indebtedness	**$2,388**
Senior Unsecured Notes Due 2029	639
Gross Debt	**$3,275**
Total Net Indebtedness – MHE Inc.	**$3,027**
Adjusted EBITDA (trailing twelve months)	$740
Total Net Indebtedness / Adjusted EBITDA	**4.1x**
Consolidated Adjusted EBITDA (trailing twelve months as defined in our credit agreements and indentures)	$834
Net First Lien Leverage[2]	**2.9x**
Total Net Indebtedness / Consolidated Adjusted EBITDA	**3.6x**

Note: Trailing Twelve Months is calculated by adding the results for the three months ended June 30, 2025, to the results of the fiscal year ended March 31, 2025, and subtracting the three months ended June 30, 2024.

(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 covenant for revolving credit facility is tested if 40% of revolving credit facility is drawn at quarter-end. Net First Lien Leverage covenant levels, if required to be tested, would be 6.95x for the relevant quarter. EBITDA used to calculate Net First Lien Leverage covenant ratio would be Consolidated Adjusted EBITDA plus pro-forma adjustments that are permitted under the credit agreements and indentures as of June 30, 2025

(3) Net debt used to calculate Net debt / Adjusted EBITDA of 3.6x proforma is calculated as the Total Indebtedness – MHE Inc. of $3,027 as of June 30, 2025 less $386 million of net IPO proceeds.

FY26 – Guidance

$ in millions

	FY26 Guidance[1]	
	Low	**High**
Revenue	$1,986	$2,046
Re-occurring Revenue	$1,477	$1,517
Adjusted EBITDA[2]	$663	$703

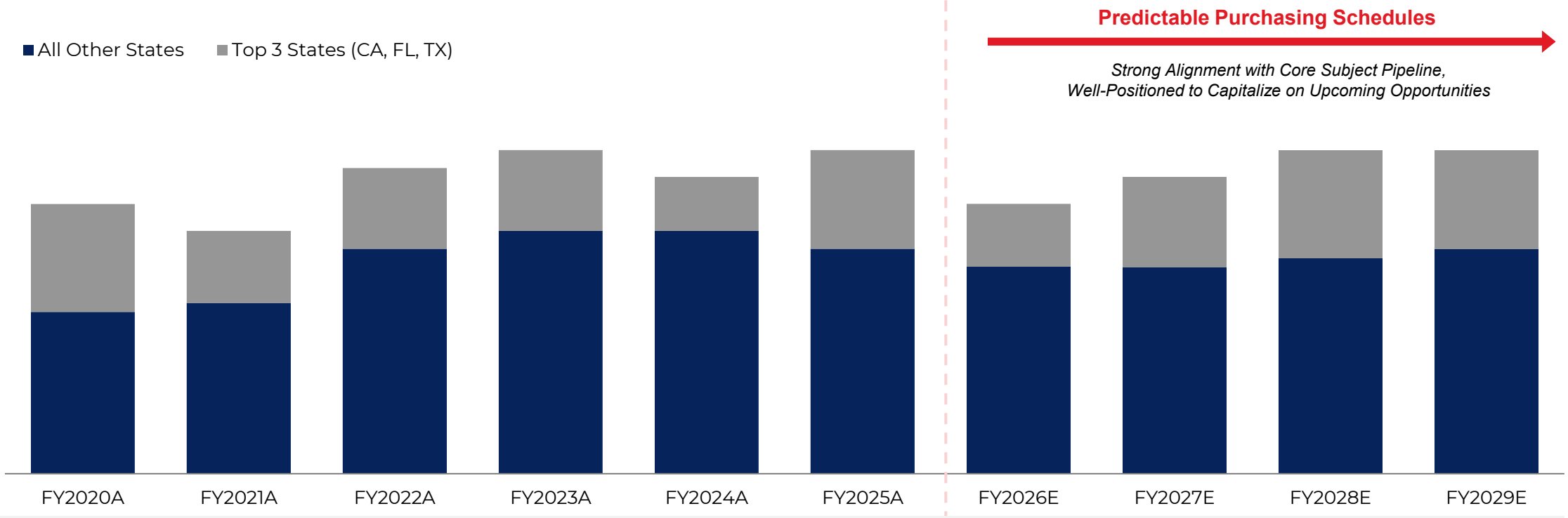
(1) Guidance as of August 14, 2025 (2) See slide 39 for a definition of Adj. EBITDA.

A Appendix / Reconciliations



K-12 Core Purchasing Schedules Drive Strong Predictability

K-12 Core Market Size



Key Subject and Grade									
• 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 Social Studies (yr2)	• FL Science (yr2) • FL ELA (yr0) • CA Math (yr0)	• TX Math (yr1) • FL ELA (yr1) • CA Math (yr1)	• TX Math (yr2) • FL Math • CA Math (yr2) • CA ELA (yr1)	• TX Math (yr3) • 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.
Note: This exhibit was updated subsequent to the Company's Q1 FY2026 earnings report on August 14, 2025. It is consistent with prior SEC materials.

GAAP Revenue Detail

$ in millions

Total Revenue

	Fiscal Year Ended March 31, 2024	Fiscal Year 2025 Q1	Fiscal Year 2025 Q2	Fiscal Year 2025 Q3	Fiscal Year 2025 Q4	Fiscal Year Ended March 31, 2025	Fiscal Year 2026 Q1
K-12	$ 905	$ 275	$ 405	$ 150	$ 141	$ 970	$ 271
Higher Education	702	160	187	182	254	783	182
Global Professional	153	35	40	36	38	150	35
International	200	58	55	45	43	201	51
Other	(0)	(5)	1	4	(3)	(3)	(4)
Total Revenue	**$ 1,960**	**$ 523**	**$ 689**	**$ 416**	**$ 473**	**$ 2,101**	**$ 536**

Digital Revenue

	Fiscal Year Ended March 31, 2024	Fiscal Year 2025 Q1	Fiscal Year 2025 Q2	Fiscal Year 2025 Q3	Fiscal Year 2025 Q4	Fiscal Year Ended March 31, 2025	Fiscal Year 2026 Q1
K-12	$ 426	$ 100	$ 121	$ 108	$ 102	$ 431	$ 109
Higher Education	634	154	157	163	249	723	169
Global Professional	97	25	25	26	26	103	25
International	99	25	24	31	24	103	22
Other	-	-	-	-	-	-	-
Total Digital Revenue	**$ 1,255**	**$ 303**	**$ 327**	**$ 328**	**$ 401**	**$ 1,359**	**$ 325**

Re-occurring Revenue

	Fiscal Year Ended March 31, 2024	Fiscal Year 2025 Q1	Fiscal Year 2025 Q2	Fiscal Year 2025 Q3	Fiscal Year 2025 Q4	Fiscal Year Ended March 31, 2025	Fiscal Year 2026 Q1
K-12	$ 554	$ 167	$ 210	$ 113	$ 112	$ 602	$ 184
Higher Education	585	149	142	147	228	667	160
Global Professional	88	23	23	24	24	95	24
International	88	23	21	28	22	93	21
Other	-	-	-	-	-	-	-
Re-occurring Revenue	**$ 1,315**	**$ 362**	**$ 397**	**$ 311**	**$ 387**	**$ 1,457**	**$ 388**

Note: Amounts may not sum due to rounding.

Total McGraw Hill: Remaining Performance Obligations (RPO)

$ in millions

	June 30, 2025			March 31, 2025		
	Current	Non-Current	Total	Current	Non-Current	Total
RPO by Segment:						
K-12	$ 472	$ 855	$ 1,327	$ 457	$ 822	$ 1,280
Higher Education	174	48	222	248	50	297
Global Professional	57	7	64	55	7	62
International	26	3	29	31	3	33
Other	8	-	8	4	-	4
Total RPO	**$ 738**	**$ 913**	**$ 1,650**	**$ 794**	**$ 882**	**$ 1,676**

Note: Amounts may not sum due to rounding.

Adjusted EBITDA Reconciliation – Three Months Ended June 30

$ in millions

	FY25 - Q1	FY26 - Q1
Net income (loss)	$ (9)	$ 1
Interest expense (income), net	81	59
Income tax provision (benefit)	4	37
Depreciation, amortization and product development amortization	89	88
EBITDA	**$ 165**	**$ 184**
Restructuring and cost savings implementation charges (a)	7	3
Advisory fees (b)	3	3
Transaction and integration costs (c)	1	0
Other (d)	4	2
Adjusted EBITDA	**$ 179**	**$ 191**
Total Revenue	$ 523	$ 536
Net income (loss) margin	(1.8)%	0.1 %
Adjusted EBITDA Margin	34.2 %	35.7 %

Note: Amounts may not sum due to rounding.

Adjusted EBITDA Footnotes – Three Months Ended June 30

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 months ended June 30, 2025 and 2024, represents $2.5 million of advisory fees paid to Platinum Advisors pursuant to the Advisory Agreement (which was terminated upon consummation of our IPO).

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

d. For the three months ended June 30, 2025, the amount represents (i) foreign currency exchange transaction impact of $(1.9) million, (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 $0.8 million, (iii) reimbursements of expenses paid to Platinum Advisors incurred in connection with its services under the Advisory Agreement (which was terminated upon consummation of our IPO) of $0.1 million, (iv) non-recurring transaction-related costs associated with the IPO that were expensed as incurred of $1.9 million, and (v) the impact of additional insignificant earnings or charges resulting from matters that we do not consider indicative of our ongoing operations of $0.7 million, that are primarily related to individually insignificant miscellaneous items, including asset disposals and certain additional payments related to incremental insurance premiums and policies as a result of the Platinum acquisition that will not renew after the consummation of the IPO.

   For the three months ended June 30, 2024, the amount represents (i) foreign currency exchange transaction impact of $0.5 million, (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 $1.4 million, (iii) reimbursements of expenses paid to Platinum Advisors incurred in connection with its services under the Advisory Agreement (which was terminated upon consummation of our IPO) of $0.3 million, (iv) post-acquisition compensation expense of $0.2 million, associated with the acquisition of Boards & Beyond, and (v) the impact of additional insignificant earnings or charges resulting from matters that we do not consider indicative of our ongoing operations of $1.4 million, primarily related to individually insignificant miscellaneous items, including 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 will not renew after the consummation of the IPO.

Adjusted EBITDA Reconciliation – Fiscal Years Ended March 31

$ in millions | FYE 3/31

	FY22 (1)	FY23	FY24	FY25
Net income (loss)	$ (619)	$ (404)	$ (193)	$ (86)
Interest expense (income), net	217	278	326	293
Income tax provision (benefit)	(20)	(50)	25	96
Depreciation, amortization and product development amortization	303	372	366	362
EBITDA	**$ (120)**	**$ 196**	**$ 525**	**$ 666**
Restructuring and cost savings implementation charges (a)	12	21	33	25
Purchase accounting (b)	25	47	18	-
Advisory fees (c)	8	10	10	10
Impairment charge (d)	405	312	50	-
Transaction and integration costs (e)	89	7	8	3
(Gain) loss on extinguishment of debt (f)	76	(5)	(3)	3
Other (g)	141	31	17	20
Adjusted EBITDA	**$ 634**	**$ 618**	**$ 657**	**$ 727**
Total Revenue	$ 1,790	1,948	1,960	2,101
Net income (loss) margin	(34.6)%	(20.7)%	(9.8)%	(4.1)%
Adjusted EBITDA Margin	35.4 %	31.7 %	33.5 %	34.6 %

Note: Amounts may not sum due to rounding. (1) Results for FY2022 represent the sum of the reported results of the predecessor entity, prior to giving effect to the acquisition by Platinum, for the period from April 1, 2021 through July 31, 2021 and the successor entity for the period from August 1, 2021 through March 31, 2022, which are not considered to be prepared in accordance with GAAP and do not include pro forma adjustments that would otherwise be included in a pro forma presentation prepared in accordance with Regulation S-X. Such results also do not include any financial results of Achieve3000 prior to the date of its acquisition on November 1, 2021.

Adjusted EBITDA Footnotes – Fiscal Years Ended March 31

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

b. Represents the effects of the application of purchase accounting associated with the Platinum acquisition, driven by the step-up of acquired inventory.

c. For the fiscal years ended March 31, 2025, 2024 and 2023 represents $10.0 million of annual advisory fees paid to Platinum Advisors pursuant to the Advisory Agreement (which will be terminated upon the consummation of this offering).

d. For the fiscal year ended March 31, 2024, we recorded a non-cash impairment charge of $49.5 million, reducing goodwill and an indefinite-lived intangible trademark by $40.5 million and $9.0 million, respectively. For the fiscal year ended March 31, 2023, we recorded a non-cash impairment charge of $312.0 million, reducing goodwill and indefinite-lived intangible trademarks by $258.0 million and $54.0 million, respectively. For the fiscal year ended March 31, 2022, we recorded a non-cash impairment charge of $405.0 million reducing the Higher Education goodwill and indefinite-lived intangible trademark by $385.0 million and $20.0 million, respectively.

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

f. For the fiscal year ended March 31, 2025, the amount represents the write-off of unamortized deferred financing fees and debt discount associated with the 2024 Refinancing Transactions. For the fiscal year ended March 31, 2024, the amount represents the redemption discount, the write-off of unamortized deferred financing fees, debt discount and other fees and expenses associated with the extinguishment of $50.0 million face value of the 2022 Unsecured Notes. For the fiscal year ended March 31, 2023, the amount represents the redemption discount, the write-off of unamortized deferred financing fees, debt discount and other fees and expenses associated with the extinguishment of $71.5 million face value of the 2022 Secured Notes and $28.5 million face value of the 2022 Unsecured Notes. For the fiscal year ended March 31, 2022, represents the write-off of unamortized deferred financing fees, debt discount and other fees and expenses associated with the extinguishment of predecessor debt due to the Platinum acquisition.

g. For the fiscal years ended March 31, 2025, 2024, 2023 and 2022, the amount represents (i) acquisition related stock-based incentive compensation expense of $0.0 million, $0.0 million, $15.6 million and $135.0 million, respectively, (ii) gain from a real estate sale of $0.0 million, $2.0 million, $0.0 million and $0.0 million, respectively, (iii) foreign currency exchange transaction impact of $1.3 million, $3.1 million, $4.1 million and $0.8 million, respectively, (iv) 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 $4.3 million, $5.4 million, $3.7 million and $0.0 million, respectively, (v) reimbursements of expenses paid to Platinum Advisors incurred in connection with its services under the Advisory Agreement of $0.6 million, $0.6 million, $0.2 million and $2.8 million, respectively, (vi) non-recurring transaction-related costs associated with the IPO that were expensed as incurred of $4.9 million, $0.0 million, $0.0 million and $0.0 million respectively, (vii) lease termination costs of $3.3 million, $0.0 million, $1.2 million and $0.0 million, respectively, associated with the early exit of two leased properties in connection with the strategic rationalization of our real estate properties to optimize cost efficiency, (viii) post-acquisition compensation expense of $0.6 million, $2.7 million, $1.2 million and $0.0 million, respectively, associated with the acquisition of Boards & Beyond, and (ix) the impact of additional insignificant earnings or charges resulting from matters that we do not consider indicative of our ongoing operations of $5.0 million, $6.8 million, $4.6 million and $2.4 million, respectively, primarily related to individually insignificant miscellaneous items, including asset disposals and 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 which will not renew after the consummation of the IPO.

Gross Profit and Gross Margin Reconciliation[1]

$ in millions

Three Months Ended June 30

	FY25 - Q1	FY26 - Q1
Revenue	$ 523	$ 536
(-) Cost of sales (excluding depreciation and amortization)	(125)	(123)
Gross Profit	**$ 398**	**$ 412**
Gross Margin	**76.0%**	**77.0%**

Fiscal Years Ended March 31

	FY22 (2)	FY23	FY24	FY25
Revenue	$ 1,790	$ 1,948	$ 1,960	$ 2,101
(-) Cost of sales (excluding depreciation and amortization)	(394)	(465)	(420)	(422)
Gross Profit	**1,396**	**1,483**	**1,540**	**1,679**
Gross Margin	**78.0%**	**76.1%**	**78.6%**	**79.9%**

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 (2) Results for FY2022 represent the sum of the reported results of the predecessor entity, prior to giving effect to the acquisition by Platinum, for the period from April 1, 2021 through July 31, 2021 and the successor entity for the period from August 1, 2021 through March 31, 2022, which are not considered to be prepared in accordance with GAAP and do not include pro forma adjustments that would otherwise be included in a pro forma presentation prepared in accordance with Regulation S-X. Such results also do not include any financial results of Achieve3000 prior to the date of its acquisition on November 1, 2021.

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 upon consummation of our IPO), impairment charges, transaction and integration costs, (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 below, 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.