Corporate Presentation to Potentially Interested Parties

11 August 2026

KipMcGrath™ ENGLISH AND MATHS TUTORING Est. 1976

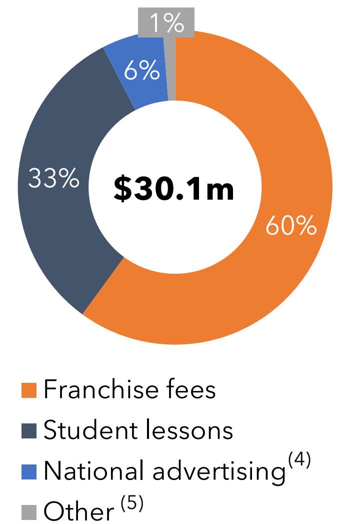
Kip McGrath ("KME") is the leading K – 12 tutoring operator in ANZ and UK

433	1.8m	$7.5m	$30.1m	50 years
Tutoring Centres(1)	Lessons delivered annually(2)	FY26 EBITDA(3)	FY26 revenue	Operating experience
37 corporate owned	Avg. lesson charge $61.70	25% margin	~9% 5-year CAGR to FY26	established Newcastle, Australia

Business highlights

- **Enduring scale and brand heritage** - 50 years of operating history and a network of 433 centres across ANZ and the UK giving KME an established position built on proprietary curriculum and brand IP
- **High-quality, recurring revenue mix** - Franchise fees now make up ~60% of continuing revenue in FY26
- **Strong financial performance** - Revenue has grown at a ~9% five-year CAGR to $30.1m in FY26, with EBITDA margin(3) expanding to 25%
- **Proven, technology-led growth** - Rolled-out KipLearn platform in 2022. Clearly evidenced growth levers give the business earnings momentum
- **A refreshed leadership team driving an operational reset** - A new management team, bringing outside operating discipline to drive the next phase of growth

FY26 revenue mix



Sources: Company reports and announcements.
Note(s): (1) As of 30 June 2026. (2) In FY26. (3) Post AASB-16. (4) National advertising revenue comprises franchisee marketing contributions recognised as advertising services. (5) Other revenue includes direct sales, sale of franchisee centres and other revenue.

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Kip McGrath curriculum model

Curriculum Authority

Qualified teacher led tutoring in core K – 12 English and Maths aligned to national and state education standards

Student journey

Education / diagnostic assessment

Personalised learning pathway

Weekly small-group session (1:4 / 1:6 student-to-teacher ratio)

Automated progress tracking

Customer lifetime value (LTV)

High retention rates

12 – 14-month average student tenure

High parental trust

Parent referrals are the top driver of new students

A structured, teacher-led curriculum is the engine behind Kip McGrath's retention, trust, and referrals

Experienced and motivated leadership team

Executive team

						
Melinda Smith CEO	**Adrian Sturrock** CFO	**Michael Baxter** Country Director ANZ	**Karen Geloven** Group Executive Network Growth	**Daniel Pludek** CIO	**Georgie Hannon** Country Director UK / SA / MENA	**Jillian Ryan** Change Management
30+ years experience	30+ years experience	25+ years experience	25+ years experience	25+ years experience	20+ years experience	10+ years experience
Started: 2025	Started: 2025	Started: 2026	Started: 2010	Started: 2020	Started: 2025	Started: 2025
Executive team	10 FTEs	13 FTEs	3 FTEs	9 FTEs	22 FTEs	1 FTE

Total corporate employees: 65[(1)]

Notes: (1) Does not include tutors.

Average Kip McGrath franchise tenure is over a decade

Franchise overview and strategy

- **Enduring franchisee relationships:** Kip McGrath maintains average franchise tenure of 10.1 years
- **Capital-light growth**: Allows rapid expansion without capital outlay for each centre
- **Recurring, fee-driven revenue**: Most group revenue is derived from franchise and lesson fees, providing a predictable income stream tied to franchisee performance
- **Local ownership, central systems**: Franchisees run centres locally, while the franchisor provides curriculum, brand, training and business systems centrally
- **Tutor-to-franchisee pathway**: Existing centre tutors provide a strong pipeline of future franchisees, progressing into centre ownership to access greater flexibility, career development and increased earning potential

Improving network KPIs

- **Higher yield per centre:** Increasing average lesson prices and lessons per centre
- **Silver-to-Gold franchise partner transition:** Centres are upgrading to the premium Gold-tier, lifting the blended franchise fee rate over time
- **Franchise fee yield:** Increase in franchise fee yield from 16.6% in FY24 to 18.0% in FY26
- **Margin and cash discipline:** Cost savings and operating efficiencies lifted FY26 NPAT ahead of revenue growth; balance sheet remains debt-free

Shared purpose

The organisation's "no child left behind" ethos is consistently upheld, from centre-level operations through to board oversight

Two-way feedback loop

Franchisee survey insights are directly shaping support, marketing and systems investment

Aligned incentives

The Gold-tier upgrade path ties franchise fees to shared growth in lessons and revenue

Proprietary technology & IP – KipLearn underpins the model

KipLearn

- **Next-generation, in-house Learning Management System** providing:
  - Online lessons and homework;
  - Tutor lesson-delivery plans and support tools; and
  - Parental monitoring of progress and invoicing
- **Core strategic asset:** More than 80% of centres are now using the KipLearn platform. This rollout is continuing across the remaining centre network
- **A total investment of $4.2m** has been spent on the KipLearn platform, creating a scalable digital infrastructure that enhances service delivery and supports growth

Broader technology & IP stack

Curriculum IP	Reporting & outcomes	Operational platforms	AI enhancement
Tailored curriculum for small-group, high-dosage learning, adapted to local markets and delivered through KipLearn	Detailed student reporting and measurable learning outcomes for parents and franchisees	Cloud-based centre-management software and operational analytics	Microsoft AI automates lesson notes and accelerates curriculum development, supporting teachers

Integrated physical and digital tutoring platform

Franchise centres

396 centres[1]

60%[2]

Revenue model

- Franchise fees
- Gold Partners pay up to a 20%[4] fee (82%[1] of franchise centres)
- Silver Partners pay up to a 10%[4] fee (18%[1] of franchise centres)

Strategic role

- Capital-light network
- Recurring, volume-linked fee income

KPIs

- Franchisee economics
- Retention
- Gold-tier conversion

Corporate centres

37 centres[1]

33%[2]

Revenue model

- 100% of revenue captured from company owned centres
- Direct student lesson fees

Strategic role

- Control sites for operational learning
- Earnings diversification
- High EBITDA per site

KPIs

- Labour / lease intensity
- Centre-level utilisation

Online / Blended

Embedded across the network via proprietary KipLearn platform[3]

Revenue model

- Not a separate source of revenue
- Included as part of the franchise & corporate lesson offering

Strategic role

- Extends access
- Supports 48 / 52-week packages and blended delivery

KPIs

- Digital platform is leveraged across the Kip McGrath platform

In-house curriculum and content, built on 50 years of educational expertise

Notes: (1) As at 30-Jun-26. (2) FY26 revenue contribution. (3) Online is not a separate source of revenue. (4) Franchise fee as a percentage of franchise revenue.

AI-supported competitive advantage

Human accountability

- Free AI content has been abundant for years without eroding demand for paid tutoring
- Kip McGrath sells a qualified teacher, small-group accountability and a fixed weekly commitment, not access to answers
- Young children need a real person directing attention, motivation and pace

AI is deployed as a tool not a threat

- AI tools support, not replace, skilled teachers
- In practice, this includes automated lesson notes, the "Monty" AI learning assistant, and the February 2025 AI Microsoft partnership improving tutor retention
- These tools make centres more efficient supporting margin expansion over time

Growth plan supports AI infrastructure

- A dedicated curriculum AI-generation tool is earmarked to speed up content development
- Ongoing AI licensing supports this capability on an ongoing basis
- AI is budgeted as a productivity multiplier for the network, managed as an opportunity to enhance the teacher-led model, rather than as a pure disintermediation risk

Proprietary data set

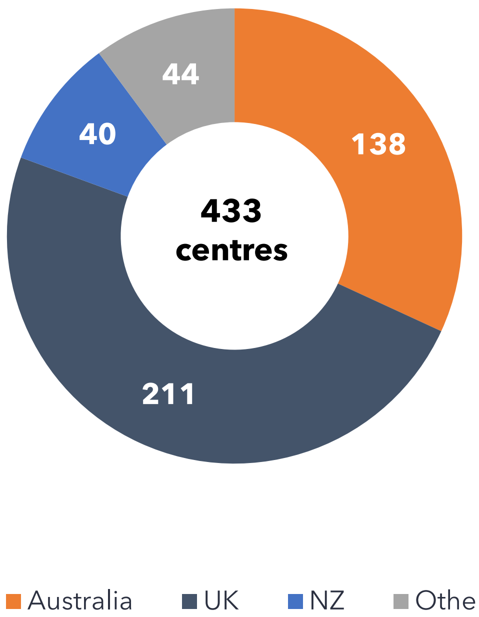
- 50+ years of proprietary curriculum data and diagnostic assessment history across millions of lessons
- Kip McGrath's proprietary curriculum, student data and diagnostic history are difficult for generic AI tools to replicate at network scale
- Creates a durable competitive advantage

AI is expected to strengthen Kip McGrath's unit economics while preserving the core teacher-led tutoring model

Strong international presence across key English-speaking markets

Number of centres by region

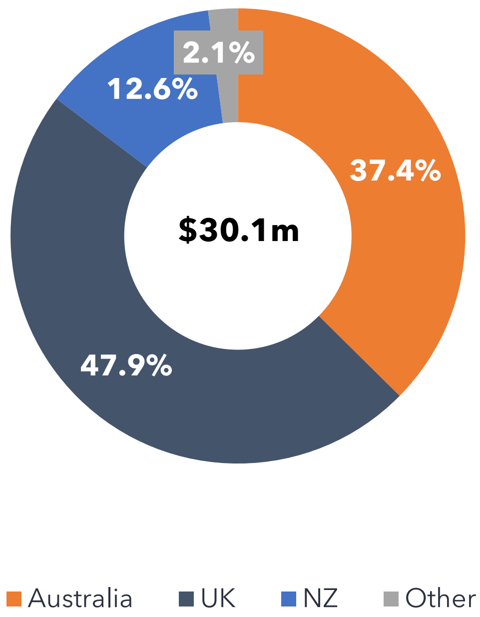
A total of 433 centres at the end of FY26



- Of the 433 centres, 37 are corporate centres, comprising 23 in Australia, 8 in the UK and 6 in NZ

Revenue contribution by region

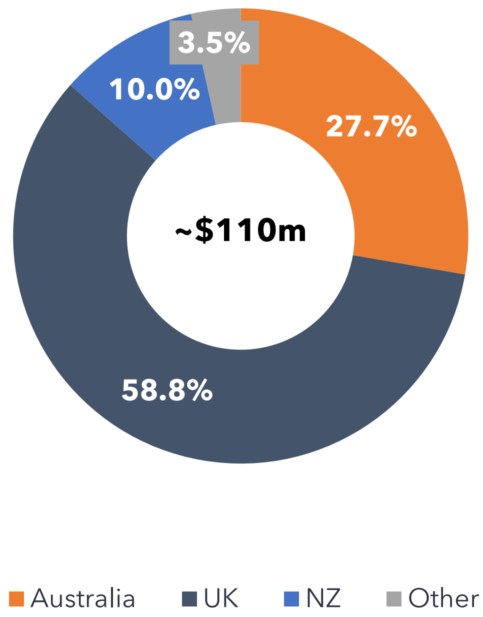
Kip McGrath generated total revenue of ~$30.1m in FY26



- Approximately half of revenue is generated in ANZ and half in the UK

Network billings by region

The total centre billings of ~$110m in FY26



- Total centre billings represent gross revenue generated across the network, including franchisee revenue, rather than franchise fee income only

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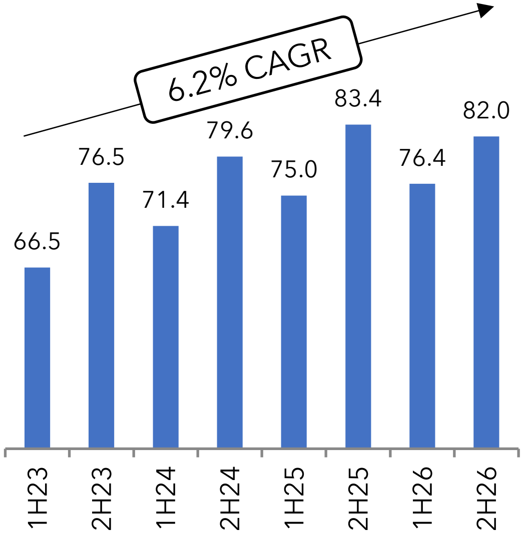
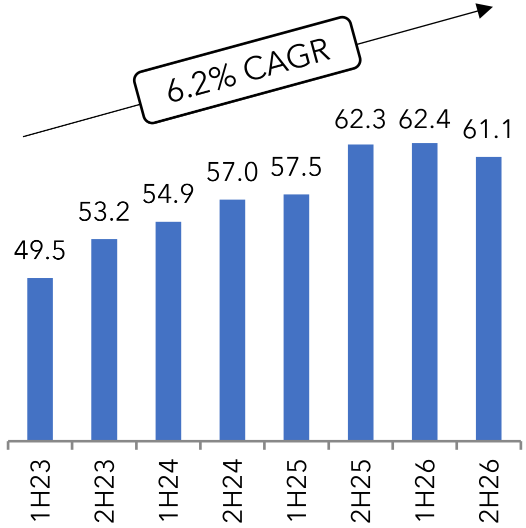
Improving unit economics across the network

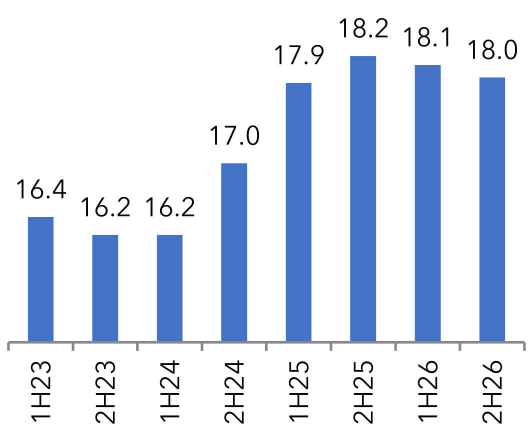
Average weekly lessons per centre



Average lesson charge ($)



Franchise fee yield (%)



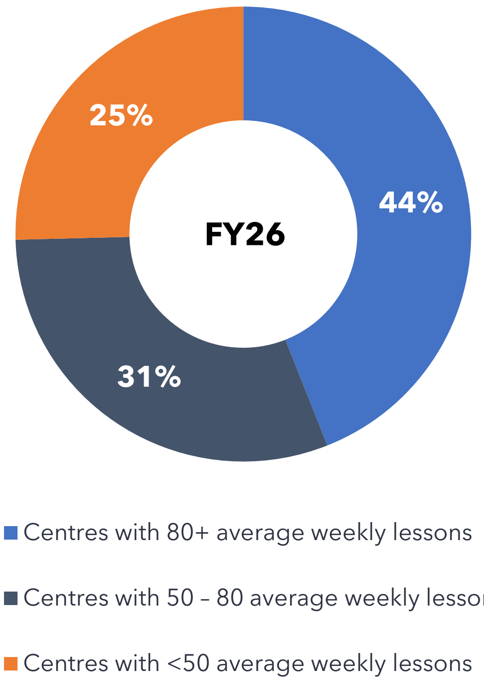
- Growth has been supported by selling online learning lesson bundles, maintaining student engagement and reducing lesson slippage

- Parents continue to value the core offering of teacher-led, small-group tutoring, supporting sustained growth in average lesson charges
- FY26 impacted by FX movements, and the value uplift in AUD

- The transition from Silver to Gold franchise contracts has driven increases in franchise fee yield since FY24, with volume-based incentives contributing to moderation in growth

Driving network growth through performance segmentation

Centre performance breakdown[1]



Centres with 80+ average weekly lessons

- **Leaders in learning**: Leverage top-performing franchisees to provide mentoring, thought leadership, and input into UX and curriculum development across the network
- **Growth opportunities**: Support proven operators to replicate successful practices, expand through resales, and enter new territories

Centres with 50 – 80 average weekly lessons

- **Capability building:** Drive growth through targeted development sessions, specialist-led marketing support, and peer forums that strengthen commercial capability and share best practices
- **Conversion focus:** Improve assessment-to-enrolment conversion through targeted training, stronger conversion fundamentals, and practical support to increase enrolments

Centres with <50 average weekly lessons

- **Performance management:** Maintain network performance through minimum performance criteria that identify underperformance, set clear expectations, and drive improvement
- **Network renewal:** Support franchisee transitions through "prepare for sale" assistance, retirement planning, and the introduction of new growth-focused operators

New leadership supported renewed network expansion, with six centres opened in 2H26 and eight opened in FY26, compared with 15 openings across FY21-FY25

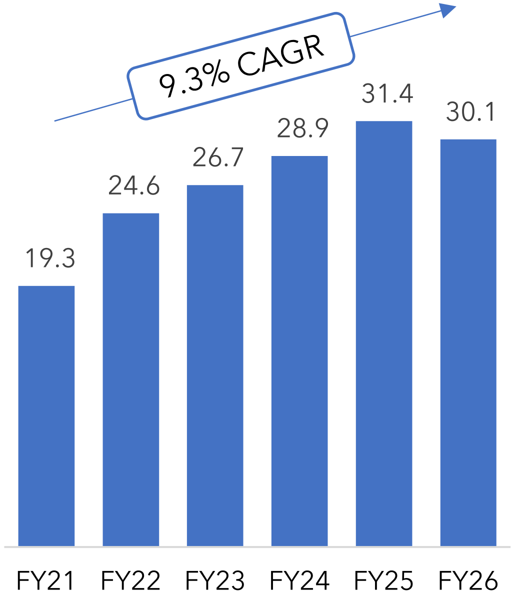
Notes: (1) This segmentation is an internal performance-management tool based on average weekly lessons only, and is not a complete measure of centre quality, profitability, franchisee satisfaction or local market potential.

Key initiatives underpinning growth plan

Initiative	Requirement	Outcome
Build a scalable franchise growth engine	• Accelerate centre openings through dedicated franchise sales managers, franchisee referrals and stronger site selection, approval and launch support	• **Grow the Franchise Network**
Strengthen lead conversion and local centre operations	• Improve the digital enquiry journey, targeted local marketing, faster follow-up and centre-level performance management	• **Grow Lessons per Franchise**
Increase recorded lessons and customer lifetime value	• Close curriculum gaps, strengthen lesson-recording controls, and enhance the Parent Portal to reduce student churn	• **Grow Lessons per Franchise**
Improve corporate centre economics	• Introduce accountable centre leadership, franchisee-style performance management and tighter control of staffing, utilisation, overhead and rent	• **Improve Corporate Centres**
Pilot next-horizon growth opportunities	• Trial selected new products, channels and partnerships, introducing a third subject, exam preparation, and additional study skills and confidence-building programs	• **Expand Products and Channels**
Assess M&A opportunities	• Identify smaller teacher-led tutoring networks in ANZ and the UK that could add scale, franchisees or capability	• **Expand Products and Channels**

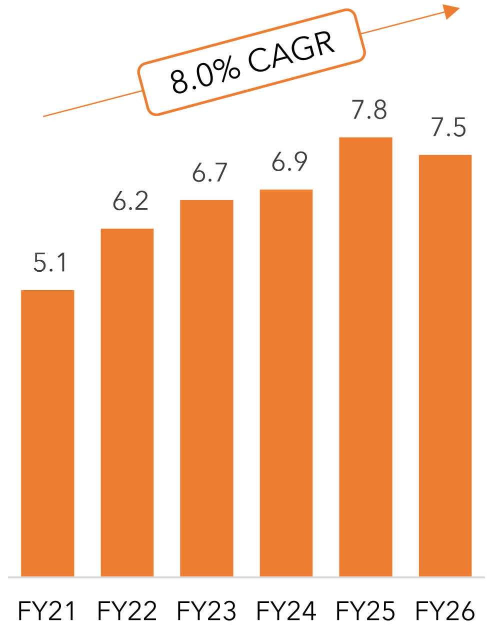
Financial performance at-a-glance

Operating revenue[1] ($m)



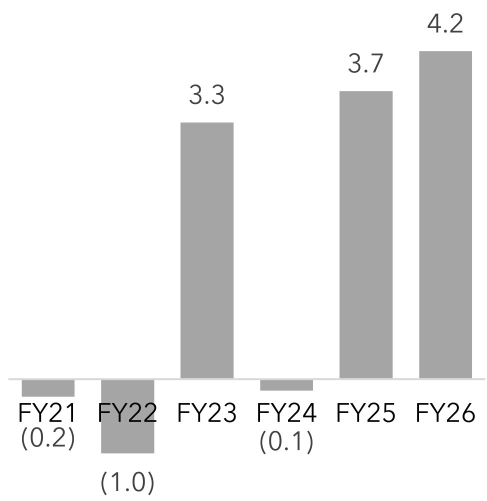
- Revenue growth driven by favourable fee mix and annual price increases

Reported EBITDA[1] (post AASB-16) ($m)



- EBITDA growth reflects improved network productivity, pricing discipline and a strategic focus on centre quality over centre count

Free cash flow[1,2] ($m)



- FY24 free cash flow was impacted by opening of corporate centres, and previous strategy of acquiring corporate centres, resulting in cash burn

Notes: (1) Excludes U.S. operations. (2) Unlevered free cash flow.

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Latest Trading - profit growth continues into FY26

	$m unless otherwise stated[1]	FY25	FY26	Change	Commentary
Financial metrics	**Total revenue (excl. interest income)**	31.4	30.1	(4.3%)	Pricing and fee mix more than offset by lower lesson volumes
	EBITDA[2]	7.8	7.5	(4.0%)	Lower revenue was partly offset by disciplined cost management and lower operating expenses
	EBITDA margin[2]	24.9%	25.0%	+8bps	Positive operating leverage on a stable cost base
	NPAT	2.3	2.3	+2.1%	Lower D&A and disciplined cost management
Operating metrics	**Number of centres[3]**	453	433	(4.4%)	Centre churn stabilisation seen in 2H26
	New centre openings	3	8	+5	New leadership is driving renewed network expansion
	Number of lessons	~1.9m	~1.8m	(6.2%)	Lesson decline in line with centre closures
	Average weekly lessons by centre	80.5	80.1	(0.6%)	Stability in average weekly lessons
	Franchise fee yield	18.0%	18.0%	0bps	Growth moderation from Gold-tier conversion ceilings and high-performance franchise fee incentives
	Average lesson charge	$60.0	$61.7	2.9%	Average lesson charge increased in line with annual price increase

Notes: (1) From continuing operations (excludes discontinued U.S. operations). (2) Post-AASB16 basis. (3) Includes both corporate and franchise centres.

Appendix

5 years of financial history[1]

	FY21	FY22	FY23	FY24	FY25	FY26	CAGR FY21 - FY26
Total revenue (excl. interest income)	**19.3**	**24.6**	**26.7**	**28.9**	**31.4**	**30.1**	**9.3%**
Operating expenses	(14.2)	(18.4)	(20.0)	(22.0)	(23.6)	(22.6)	9.8%
EBITDA (post-AASB 16)	**5.1**	**6.2**	**6.7**	**6.9**	**7.8**	**7.5**	**8.0%**
Cash rent expense (per cashflow)	(0.5)	(0.8)	(0.8)	(1.0)	(1.1)	(1.5)	25.6%
EBITDA (pre-AASB 16)	**4.6**	**5.4**	**5.9**	**5.9**	**6.7**	**6.0**	
Plant and equipment	*(0.2)*	*(0.2)*	*(0.5)*	*(0.6)*	*(0.4)*		
Land and buildings ROU	*(0.5)*	*(0.8)*	*(0.7)*	*(1.0)*	*(1.1)*		
Total depreciation	(0.7)	(1.1)	(1.2)	(1.6)	(1.5)	(1.4)[2]	
Product and dev.costs	*(1.5)*	*(2.0)*	*(2.5)*	*(2.8)*	*(3.0)*	*(2.7)*	
Other amortisation	*(0.5)*	*(0.5)*	*(0.4)*	*(0.3)*	*(0.1)*	*(0.1)*	
Total amortisation	(2.0)	(2.4)	(2.9)	(3.1)	(3.1)	(2.8)	
Less D&A	(2.7)	(3.5)	(4.1)	(4.6)	(4.7)	(4.2)	
EBIT (post-AASB16)	**2.4**	**2.7**	**2.6**	**2.2**	**3.2**	**3.3**	**6.8%**

Margins						
Revenue growth	n.a.	27.9%	8.4%	8.0%	8.9%	(4.3%)
EBITDA (post-AASB 16)	26.5%	25.2%	25.1%	23.9%	24.9%	25.0%
EBITDA (pre-AASB 16)	24.0%	21.8%	22.2%	20.5%	21.3%	19.9%
EBIT (post-AASB16)	12.5%	10.9%	9.6%	7.7%	10.1%	11.1%

Commentary

- **Sustained five-year growth:** Total revenue increased from $19.3m in FY21 to $30.1m in FY26, a 9.3% CAGR, while EBITDA (post-AASB16) delivered an 8.0% CAGR across the same period
- **Product and dev. costs:** Amortisation increased during FY22–FY24 due to elevated investment required to implement curriculum changes and investment in KipLearn and adjacent systems. This activity moderated in FY25 and FY26. FY26 capex of $1.2m included capitalized IT wages ($0.7m) and curriculum wages ($0.3m)

Sources: Company reports and announcements.
Notes: (1) Continuing operations presented. (2) Breakdown to be provided in FY26 full year annual report once released.

Disciplined capital management resulting in attractive balance sheet

Capital management highlights

Low capital intensity

An ungeared balance sheet with $5.6m of cash provides substantial funding headroom, downside protection and strategic flexibility

10% share buyback

The $2.5m buyback demonstrates disciplined capital allocation and a meaningful return of surplus capital while preserving balance-sheet capacity

Fully franked dividends

$836k fully franked dividends (paid across FY26) enhance the after-tax value of distributions and reinforce the company's commitment to sustainable shareholder returns

Zero debt

Low physical capex of $0.2m, or 2.3% of EBITDA, supports strong cash conversion and internally funded organic growth

Overall balance sheet

A robust $17.7m net asset position, declining liabilities and positive operating cash flow provide significant capacity for reinvestment and further capital returns

Sources: Company reports and announcements.

Details of the Crimson offer

$0.73 cash per KME Share	$38.3m Implied equity value	90% Shareholder minimum acceptance required	4.4x EV : Rep. EBITDA[1] implied multiple

Transaction overview

- **Structure:** Off-market takeover for all ordinary shares
- **Consideration:** $0.73 cash per share
- **Maximum funding:** $38.6 million, including potential shares issued through the vesting of performance rights
- **Core conditions:** 90% minimum acceptance, no regulatory action, no prescribed occurrence, no distribution and no material adverse change
- **Timing:** Offer date and closing date remained placeholders in the bidder's statement dated 30 July 2026
- **Performance rights:** The offer does not extend directly to performance rights but covers shares issued upon vesting during the offer period

Metrics	**Crimson Offer** 30 July 2026
$ per share	0.730
Number of shares (#000's)[2]	52,491
Equity value ($000's)	**38,318**
Total cash[3]	6,899
Less restricted cash[3]	(1,337)
Total available cash	5,562
Final net (debt) / cash ($000's)[4]	**5,562**
Enterprise value ($000's)[4]	**32,756**
Multiples	
EV : Rep. EBITDA (Post AASB-16)	4.4x
EV : Adj. EBITDA (Pre AASB-16)[5,6]	5.3x
EV : Rep. EBIT (Post AASB-16)	9.8x
PE multiple	17.2x

Notes: (1) Post-AASB16 basis. (2) Per Notification of Cessation of securities dated 15 July 2026. (3) Per FY26 preliminary report. (4) Excludes lease liabilities of $2.2m. (5) Excludes non-cash expense items of impairment of receivables. (6) Includes lease rent repayments.

Franchise summary - Australia

Franchise detail	Summary
Investment and fees	• Total cost to establish a centre: $50,000–$100,000 which covers centre refurbishment, desks, chairs, computers/technology, signage, insurance, legal and accounting • A payment is required before signing of $2,000 (incl. GST) as a deposit on application which is fully refundable if Kip McGrath rejects the application and is applied toward the Initial Franchise Fee if accepted
Ongoing license fee and payments	• Up to 20% (excl. GST) of centre revenue for Gold-tier franchises
Marketing & Other Fees	• Includes marketing levy, network access fee, transfer cost and further term fee
Key contract terms	• Standard term: 5 or more years • Renewal option: Yes • Restraint of trade clause: Yes
Franchisor Support	• Access to a Gold-exclusive Learning Management System (LMS) • Enhanced back-end support: accounting, marketing and HR assistance

Further details are publicly available via the Australian franchise disclosure register

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