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Kip McGrath Education Centres Ltd

AGM Presentation

25th November 2025



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Our Strategic Pathway

Steadfast in our mission with a strategy to deliver our vision

Our mission

"We truly believe every child can learn; they just need to be taught properly. By setting meaningful goals and delivering engaging, high-quality lessons tailored to a student's individual needs, we create confident, independent learners who go on to achieve their highest potential."

Our vision

"To deliver measurable improvement and change the lives of as many students as possible around the world."

Our values



Ensure quality

We are the experts. Our qualifications, experience and commitment to quality lessons and improvement means we hit goals.



Show passion

We're changing the world one child at a time. It's something we're all passionate about – and we have fun along the way!



Be curious

We ask questions and love to learn and improve. By always asking 'why', we can see things more clearly and find a better way.



Work as one

We all have a role to play, but together we make a whole. By working as a team every day, the outcomes are magic.



Nurture needs

Our customers are at the core of everything we do. By valuing their feedback, we can all have a better journey.



Unlock potential

We want everyone in the business to be their best. We empower them with respect, tools and information to make this a reality.

Annual General Meeting

AGENDA

25th November 2025

1

Chairman's Address

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CEO's presentation

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Formal Business of the Meeting

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Chairman's Address

In FY25, the company re-set in several areas. We ceased our investments in the USA and closed those operations by June 30th. These changes and refocus necessitated a significant non-recurring restructuring cost reflected in our statutory earnings. On an underlying basis, our momentum improved, and was reflected in our improved underlying profitability, particularly during the latter half of the year. These decisions were necessary to ensure that our capital, and attention, remain focused on markets and models that deliver consistent returns. Our improving results and outlook reinforce the underlying quality of our network, and the critical role our franchisees play in supporting students and families within their communities.

Kip McGrath is a service business with two clear customers. Firstly, our students and parents, and secondly our franchise business partners. The company had become somewhat distracted by the diversification opportunities it saw (including the USA), and had not focused sufficiently on our core, particularly over the past 2-3 years. The Board sees significant upside in concentrating on our core customers to ensure that we are delivering the best products and services we can. We have skilled teachers and tutors – they are a significant point of difference in our business model – and supporting them has been re-prioritised.

To that end, the Board has established a priority set of activities focused on lifting our service and our product offering to our business partners. Several initiatives have been established during 1QFY26 to improve service. Demand for our services remains strong, driven by parents and educators recognising the value of high-quality, small-group tutoring. Despite economic challenges, parents continue to prioritise tutoring, within their household budgets.

In FY26 and FY27, you will see continued investment in our product and technology development. This will remain focused into our core markets, Australia/NZ and the UK, with flow on benefits to other markets including South Africa.

Chairman's Address (continued)

The company remains guided by four strategic levers: increasing students per centre, expanding centre numbers in existing territories (infill), broadening our footprint into new territories (greenfield), and increasing lifetime value through improved curriculum and reporting of student progress. Of note, the global rollout of our KipLearn platform, and continued uptake of new lesson packages, are indicative of these steps being taken.

Our strategy remains consistent. We will pursue measured growth in student numbers, classes and centres, supported by disciplined expense management. We will direct investment only towards opportunities that meet our return on capital expectations. We continue to see significant potential across APAC and the UK, and we remain cautiously optimistic about expanding our presence in underpenetrated regions over time. Melinda Smith, our new CEO, commenced earlier this month and has already started to make an impact – we welcome her to our company.

For almost 50 years, Kip McGrath has built a reputation on personalised, in-centre learning, delivered by skilled educators. As artificial intelligence rapidly reshapes the education landscape, we remain confident that human connection and professional judgment continues to underpin effective learning—particularly for students aged 6 to 15. Our approach to AI is therefore purposeful and tactical: empowering our teachers, enhancing our curriculum and systems, and improving responsiveness, while preserving the teaching expertise that defines our brand.

On behalf of the company, we finally want to thank Ian Campbell for his leadership as both a Non-Executive Director and former long serving Chairman for his dedication and hard work over the past sixteen years. We wish him all the best in his next chapter and thank him sincerely for his contribution. We also recognise the contribution of Storm McGrath as Chief Executive and Managing Director over a long period of service completed in May 2025.

2026 will be the company's 50th Year in operation – a time for both celebration and reflection. Your Board looks forward to reporting the company's progress to you over the next 12 months.

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CEO Presentation



CEO's Introduction

Since stepping into the CEO role, I've had the chance to visit many of our centres and speak with our franchisees and teachers across the network. Every conversation has reinforced something important: **our ethos, that no child is left behind, truly lives in every part of this organisation.**

This purpose was one of the key things that attracted me to Kip McGrath. Everywhere I go, I meet people who care deeply about helping children learn and grow. Whether it's a long-standing franchisee or a teacher supporting a child who just needs that extra bit of encouragement, the commitment is unmistakable.

As I've settled in, something else has become very clear (as our Chairman said): **we have two customers.**

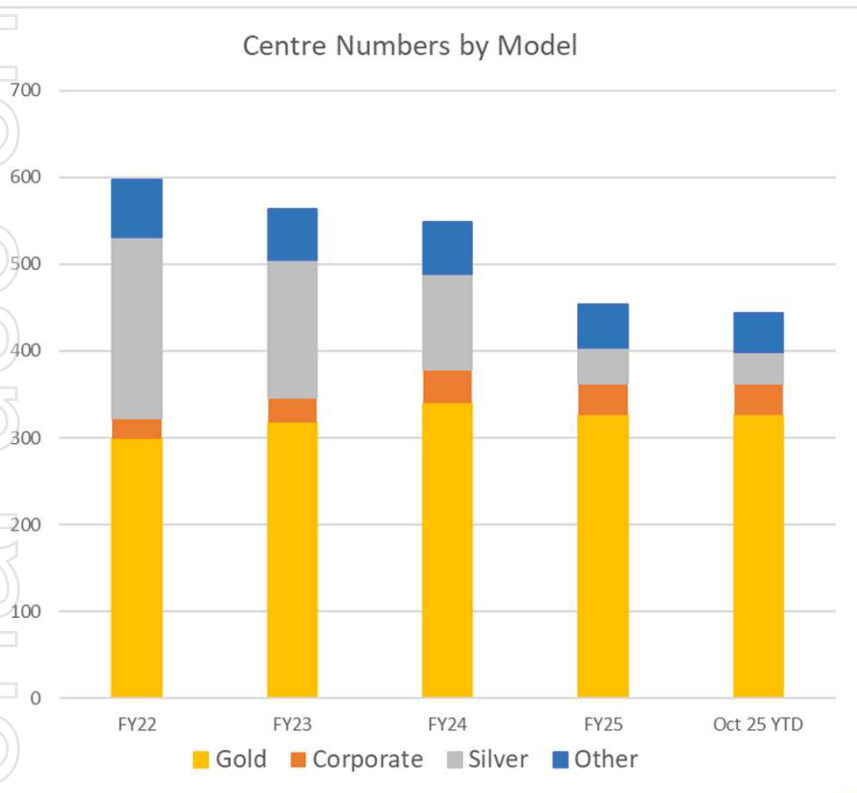
First, our franchisees — who really are our business partners. Their success is our success, and they rely on us to provide strong support, tools, and systems so they can focus on what they do best.

Secondly, the families and children who attend their Kip centre. Everything we do ultimately comes back to the impact we create for those children and the confidence we help build in them.

Looking ahead, I'm genuinely excited about the growth opportunity before us. Well supported, our business partners could extend our reach to many more children— but we can only do that by working closely with them. They are the teams on the front line. They are the ones making a real difference every day. As we move toward our 50th year, the team is energised by the chance to build on our legacy, with a refreshed focus and renewed momentum.

We are building on solid foundations — foundations which I will now walk you through. The following slides represent both our historic business performance, and trading update (unaudited) to the end of October 2025.

443 Worldwide Centres



Core Business Driver - Centre Numbers

Centre numbers reduced by 10 centres between July 2025 and October 2025, reflecting the closure of some smaller centres.

Physical centres remain essential to Kip McGrath's lesson delivery.

Our Core Business Drivers

Key focus areas driving shareholder value

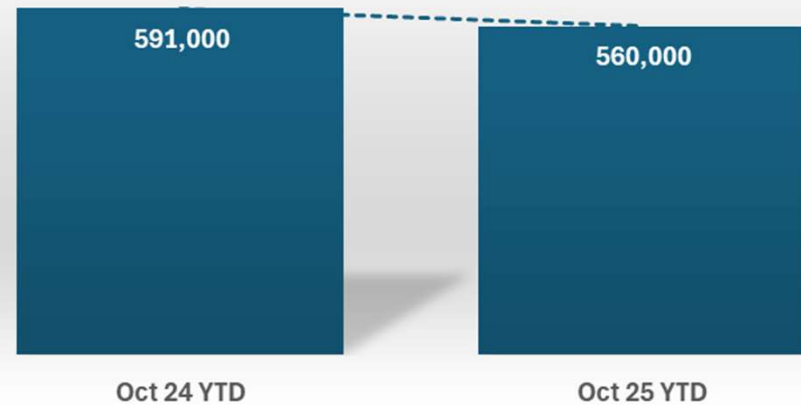
Core Business Driver - Centre Lesson Numbers

Lesson volumes year-on-year have decreased in line with lower centre numbers.

YTD Network Revenue is flat YoY.

Average lessons per centre have slightly increased YoY.

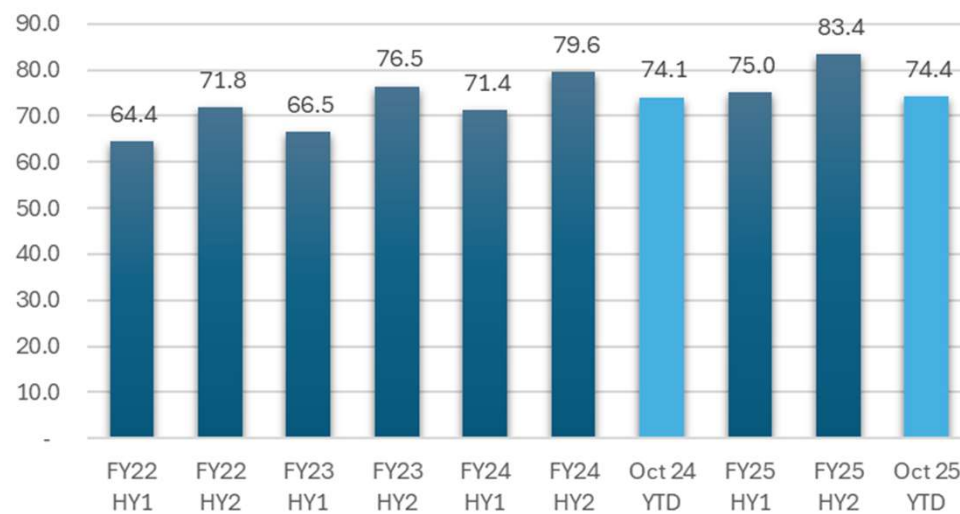
Lesson Numbers YoY excl US



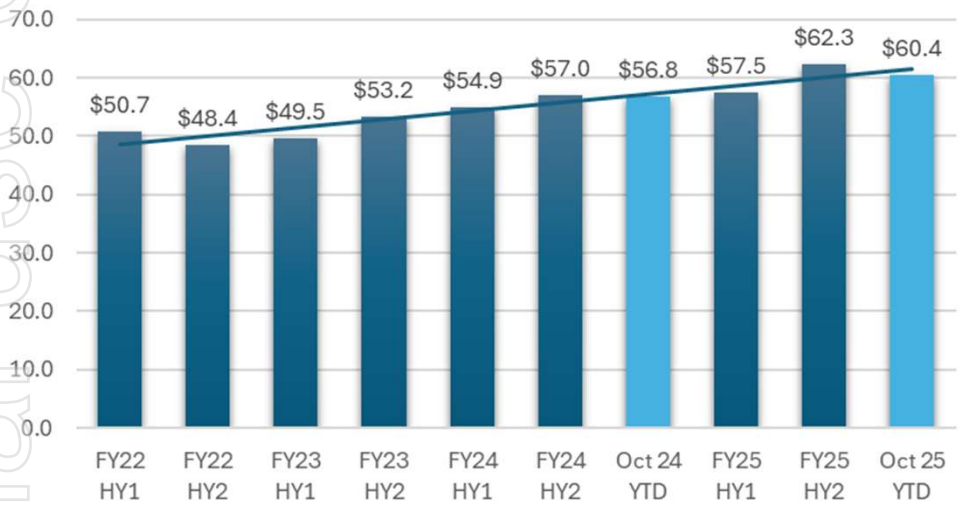
Core Business Driver -
**Average Weekly Lesson
numbers per Centre**

Weekly lessons per centre increased by 0.4% for the YTD to October 2025, vs the YTD October 2024 period.

Average Weekly Lessons per Centre



Average Lesson Charge (A\$)

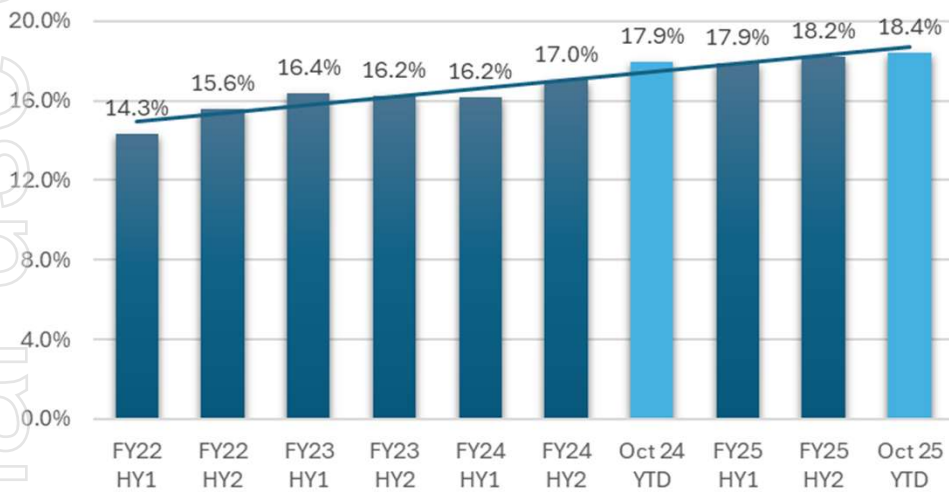


**Core Business Driver -
Average Lesson Charge
(A\$)**

Average price per lesson rose by 6.3% Oct 25 YTD versus Oct 24 YTD, reflecting the value that families continue to see in our lessons.

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Franchise fee %



Core Business Driver - Franchise Fees Percentage

The mix toward more Gold Partner contracts (typically 20% franchise fee vs. 10% for Silver) has further driven franchise fee %age.

We expect these to flatten at this level from now on at around 18.5% to 19.2%.

Update on progress with AI

Focus 1

Automated lesson notes - in production for the past year & working well

Focus 2

AI generated curriculum enhancing content creation and accelerating speed to market

Focus 3

Launching "AI tutor" with 74% student engagement (from initial trials) adding value to our franchisees and students complimenting tutor engagement with students

Trading Update - 4 months to 31 October 2025 unaudited financials



Revenue of \$9.6m

2% down YoY*



Franchise Fees \$5.6m

4% Up YoY



Network Billings \$33.8m

Flat YoY



Corporate Centres \$3.4m

2% down YoY*



560,000

Lessons



\$5.6m

Cash (vs. \$4.6m)



406

Franchise Centres



37

Corporate Centres

* Excluding the US

FY26 Outlook

- **Revenue** expected to achieve mid-single digit growth through price uplift.
- **Costs** to grow at less than revenue with savings on D&A of circa A\$0.5m.
- **NPAT** expected to be early double-digit increase.
- **CAPEX** expected at circa A\$1.7m driven by technology (circa A\$1m) and centre acquisitions (circa A\$0.2m-A\$0.4m).



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Business of Meeting



Business of Meeting

Resolution 1 - Proposed Adoption of Remuneration

For	Against	Abstain	Discretion	Excluded	Total
22,259,494	147,976	1,934,850	71,681	-	24,414,001

Resolution 2 - Election of Director

For	Against	Abstain	Discretion	Excluded	Total
24,132,688	60,207	145,425	75,681	-	24,414,001

Resolution 3 - Authorisation to buy back up to 10% of issued shares above the 10%/12-month limit

For	Against	Abstain	Discretion	Excluded	Total
24,195,288	10,032	137,000	71,681	-	24,414,001

Business of Meeting (cont.)

Resolution 4 - Approval of Additional 10% Share Placement Capacity

For	Against	Abstain	Discretion	Excluded	Total
23,864,655	330,195	147,470	71,681	-	24,414,001

Resolution 5 - Issue of Performance Rights to Ms. Melinda Smith

For	Against	Abstain	Discretion	Excluded	Total
23,953,323	256,997	132,000	71,681	-	24,414,001

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Thank you and Questions



**Kip
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Leaders In Learning