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**Kip
McGrath™**

Est. 1976

**ENGLISH AND MATHS
TUTORING**

**Investor Update
26 February 2026**

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About Kip McGrath

Kip McGrath is a global education provider and franchise network with 50 years of experience supporting student success.

Founded in Australia in 1976 by educators Kip and Dug McGrath, the business was built on the belief that every child can succeed with the right support.

Today, we deliver personalised face-to-face and teacher-led tutoring in literacy and mathematics through proven programs and technology-enabled learning.

Our longevity reflects the strength of our educational outcomes, brand trust and scalable franchise model — positioning Kip McGrath as a trusted leader in supplementary education with a strong foundation for continued growth.



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CELEBRATING
50
Years

For half a century, we've been dedicated to helping students achieve their best. This year, we're proud to mark 50 years of supporting education and inspiring a love of learning.

Thank you for being part of our journey as we look forward to the next 50 years of making a difference.

The Kip McGrath Foundations

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

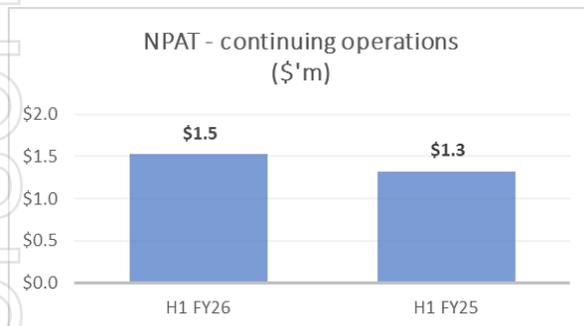
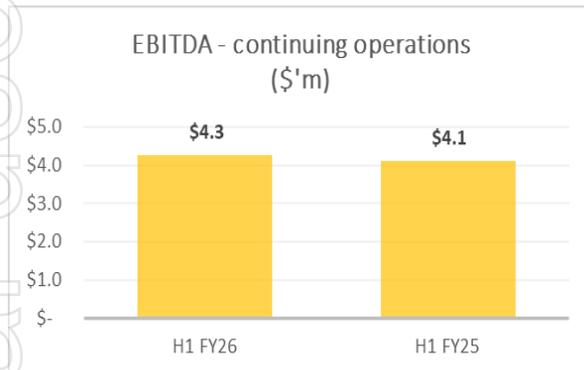
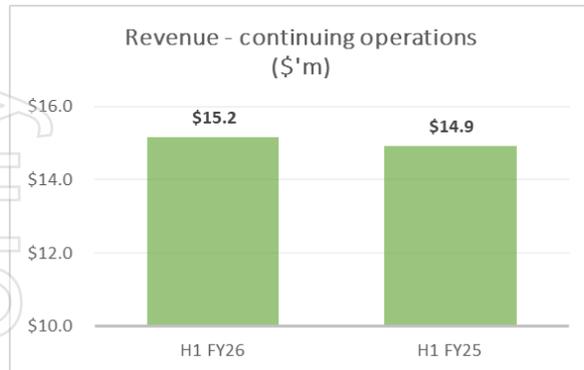
Our customers are at the core of everything we do. By valuing their feedback, we can all have a better journey.



Unlock potential

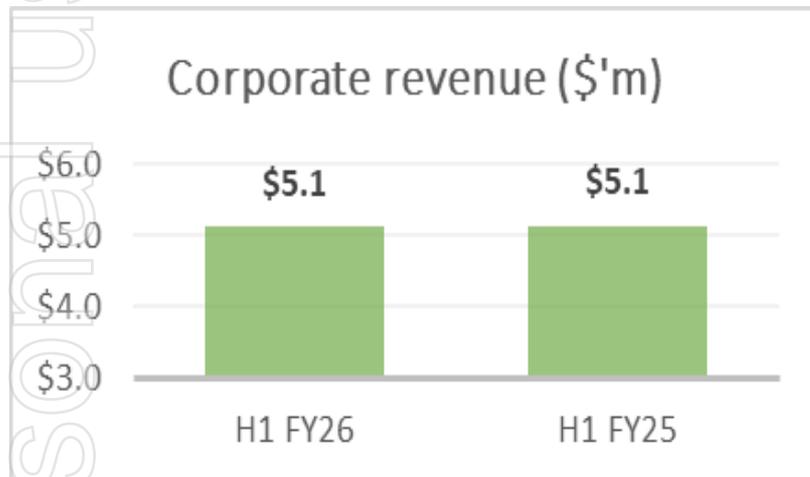
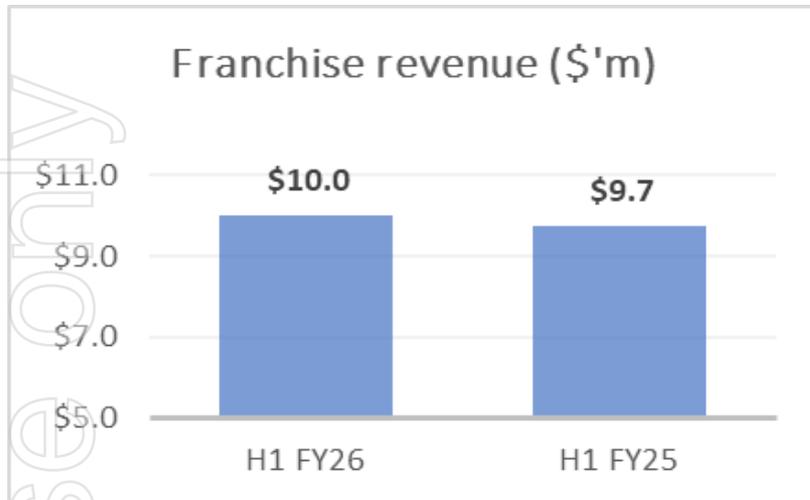
We want everyone in the business to be their best. We empower them with respect, tools and information to make this a reality.

H1 FY26 results from continuing operations



- Revenue \$15.2m, +1.6% (+1.2% in constant currency)
- Expenses \$10.9m, +0.7%
- EBITDA \$4.3m, +3.9%
- NPAT \$1.5m, +15.4%
- Basic EPS 2.71c, +16.1%
- Dividend 1.0c per share (up from 0.5c per share in H1 FY25)

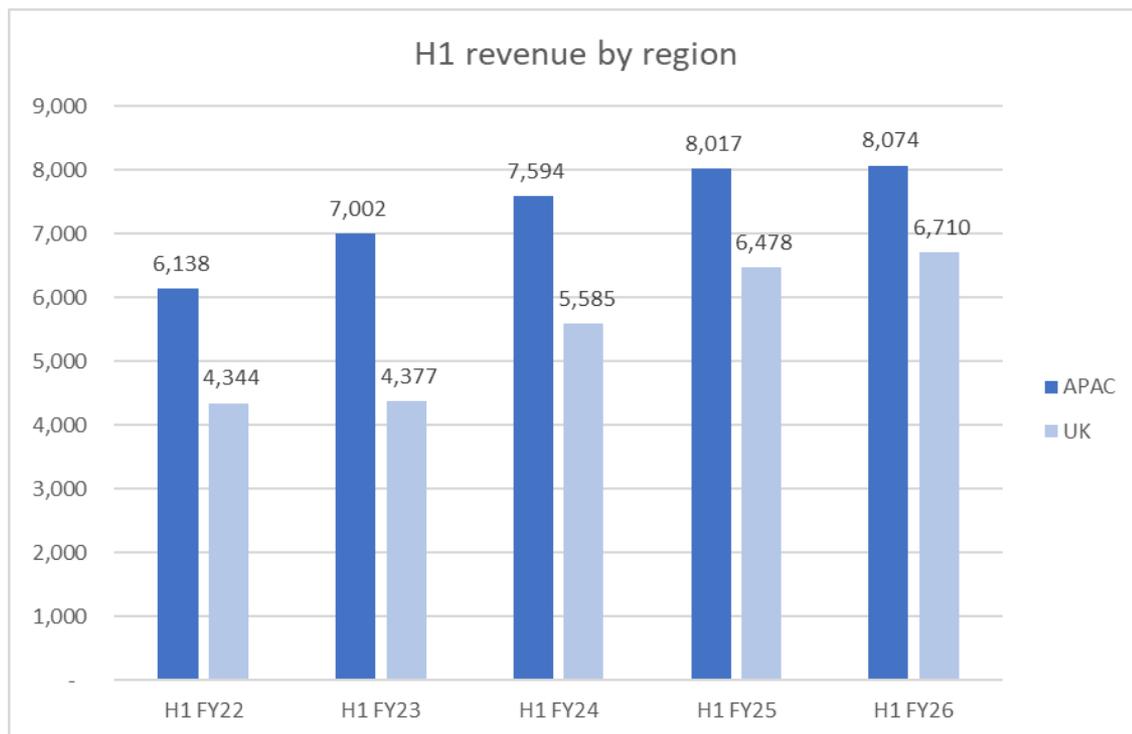
Revenue – franchise and corporate



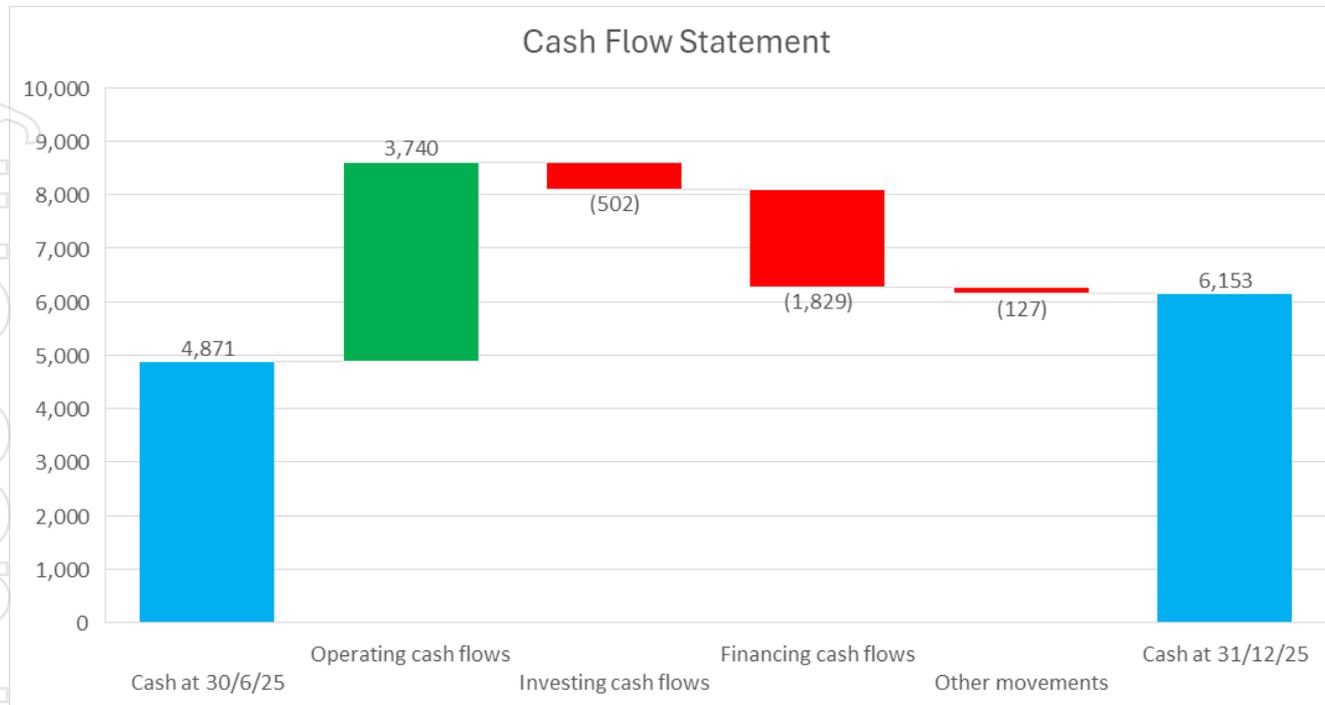
- Franchise revenue grew at 2.9% with prices and franchise fee mix being partially offset by a reduction in lesson numbers
- Corporate revenue flat to last year, with centre numbers, lesson numbers and prices all flat to the prior period

Revenue by region

- Group revenue \$15.2m, +1.6% (+1.2% constant currency)
- APAC revenue \$8.1m, +0.7%
- UK revenue \$6.7m, +3.6%
 - Constant currency +2.6%
- UK revenue has grown with price growth offsetting lower lesson numbers



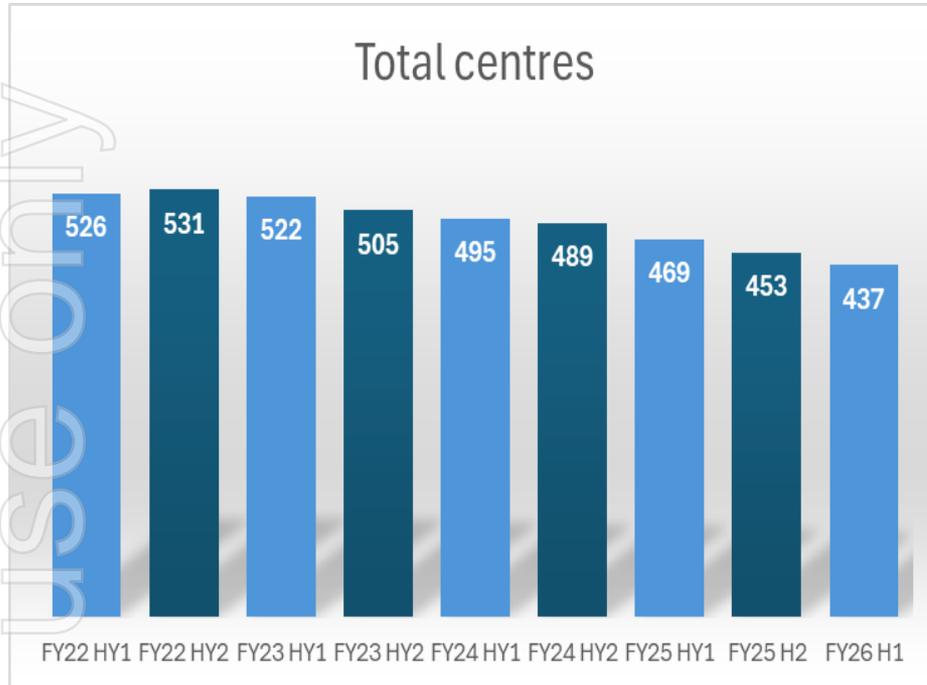
Cash flow



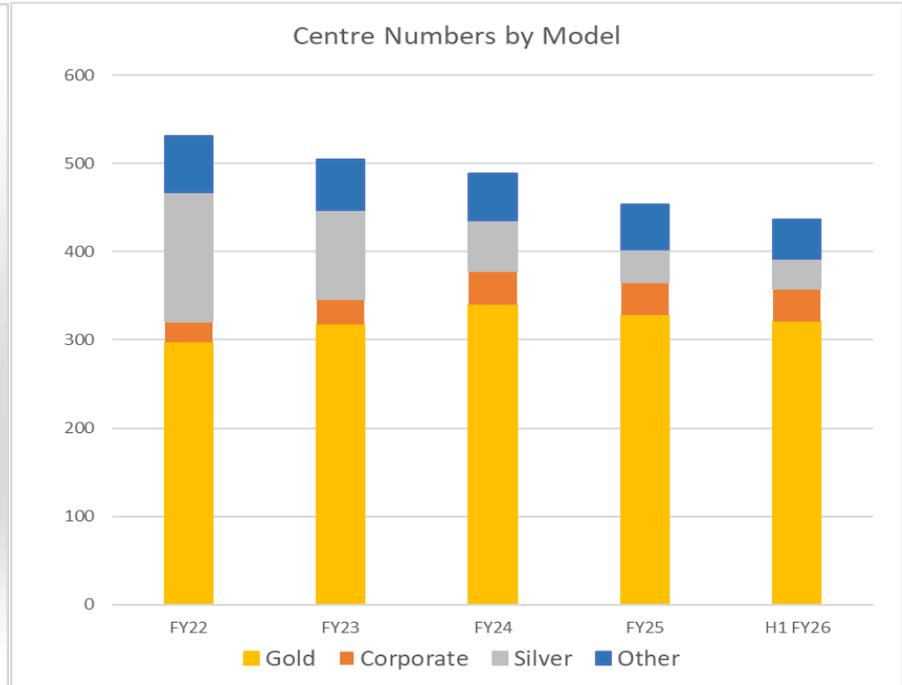
- Strong operating cash flow driven by solid EBITDA performance
- Investing outflow mainly due to technology capex
- Financing outflow consists of share buyback (\$861k), lease payments (\$683k) and FY25 final dividend (\$285k)
- Cash balances exclude restricted cash of \$2.0m (June and December 2025)
- The company has no debt and has an undrawn bank facility available

Centre numbers

Total centres



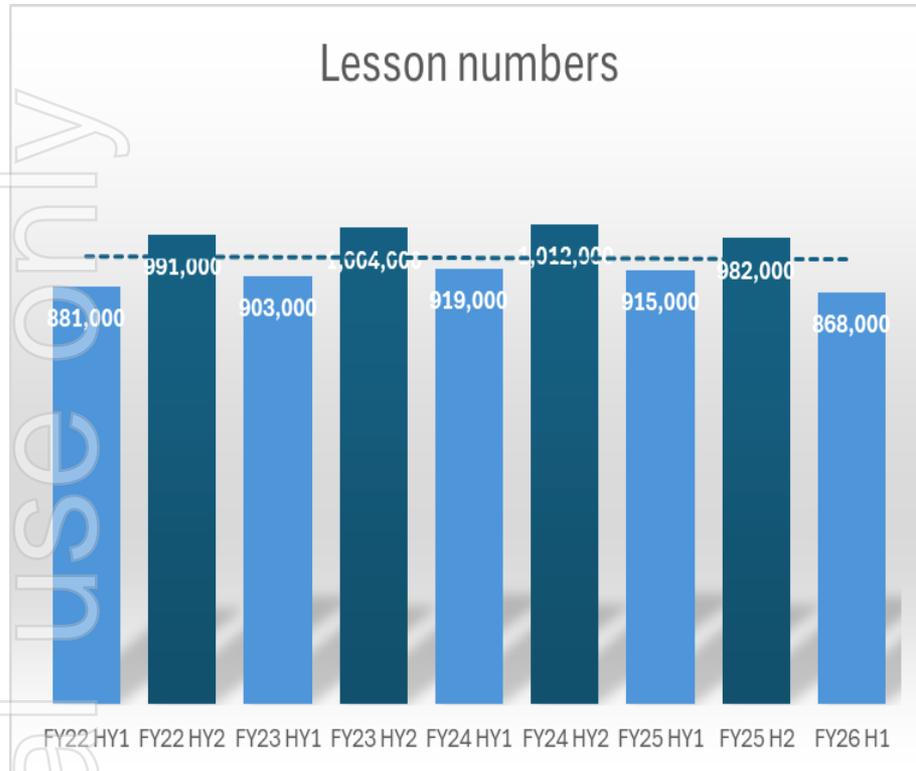
Centre Numbers by Model



- Centre numbers decreased from 469 at December 2024 and 453 at June 2025 to 437 at December 2025.
- Gold centres consolidated from 328 to 321 in H1 FY26.
- Silver & Other centres fell from 88 to 79 during the half.
- Corporate centres remained steady at 37.

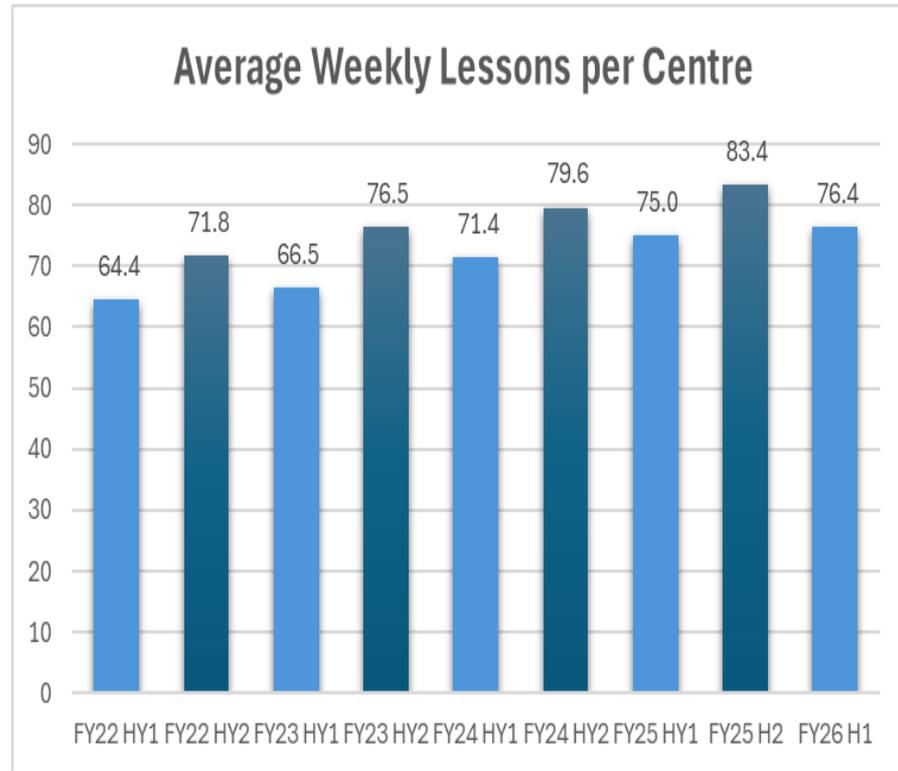
Lesson numbers

Lesson numbers



- Lesson numbers have declined 5% to 868k, driven by UK:
 - APAC: (0.1)%
 - UK: (8.6)%

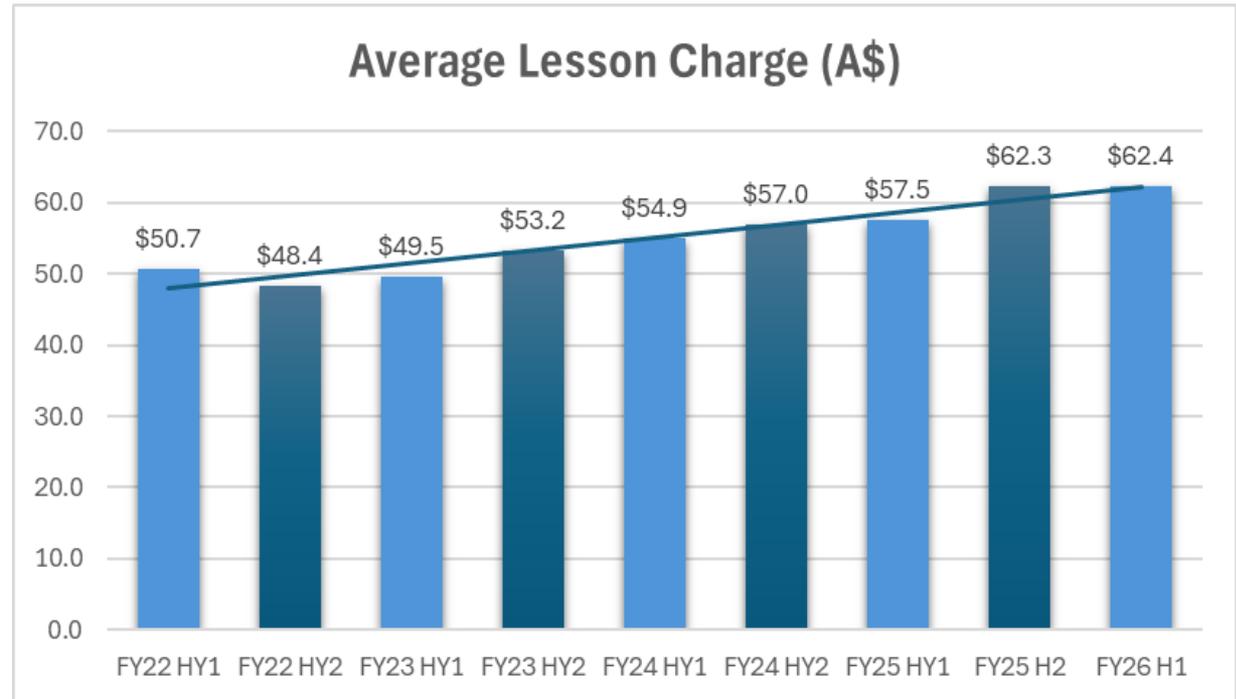
Average Weekly Lessons per Centre



- H1 average weekly lesson numbers per centre were up by 1.9% from 75.0 to 76.4, continuing strong upward trend across the business

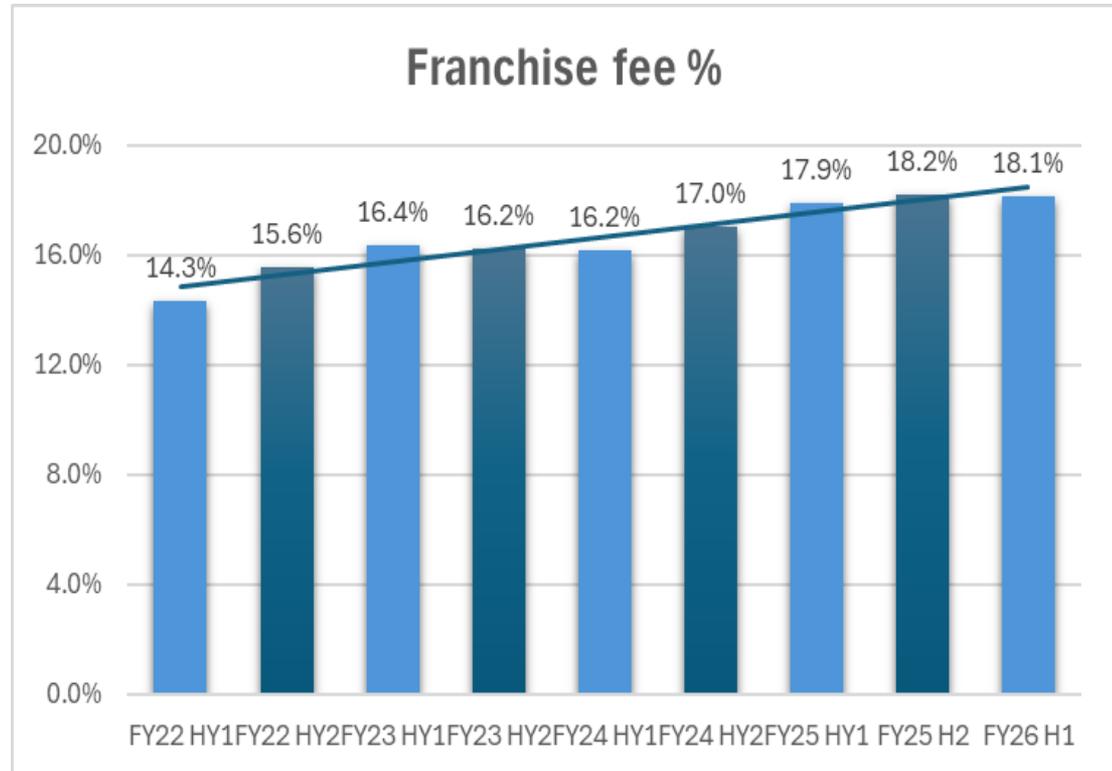
Average lesson charge

- Average lesson charge increased by 8.5% from \$57.50 to \$62.40, reflecting the value parents place in the service offering



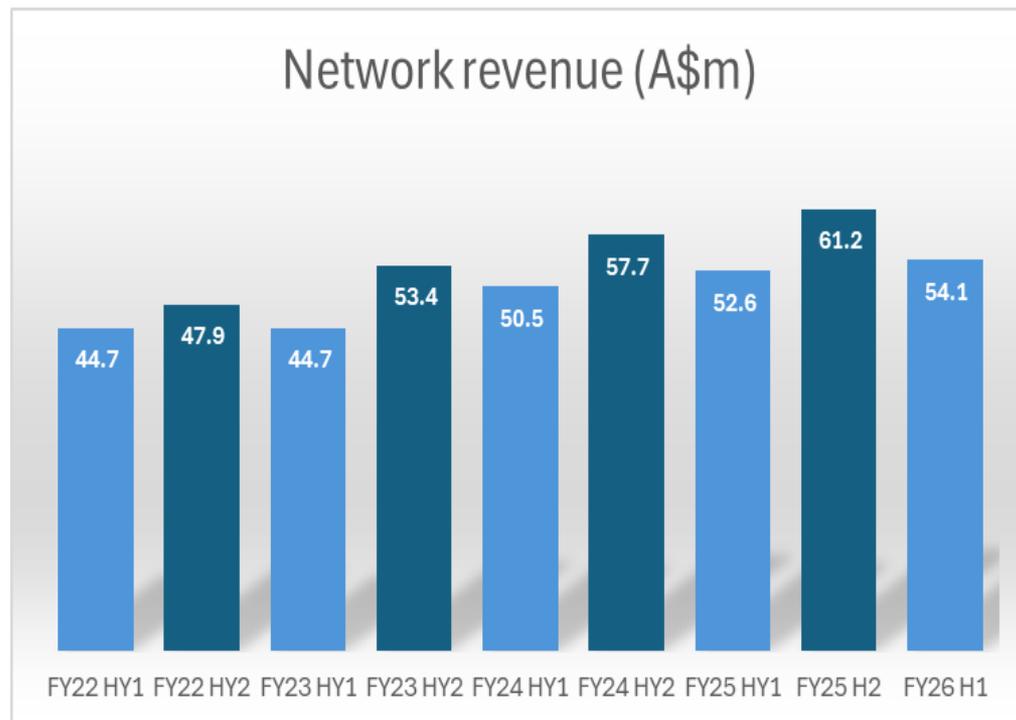
Franchise fee %

- The franchise fee % increased from 17.9% to 18.1% and is expected to plateau at 18.5% to 19.2% over the medium term



Network revenue

- Network revenue has continued to grow, up 2.9% to \$54.1m, reflecting price increases and the value seen by parents in the services provided through the Gold centres



Future focus

MPC policy review

Curriculum review and refresh

Lead generation and nurturing

Improved Customer Service

Future Focus

As a direct result of feedback from the franchisee survey, we have identified several key initiatives that we will focus on delivering throughout 2026. These initiatives are aimed at improving our strengths, improving franchisee satisfaction, increasing lesson numbers and supporting retention.

Policy change and implementation framework

Systems and resources

Franchisee Collaboration

Consistent clear communication

FY26 Full Year Outlook

- **Lesson numbers** are expected to be down by mid-single digits, driven by the impact of H1 centre closures on the full year.
- **Revenue** is expected to be flat with business mix and price changes being offset by the impact of a strengthening AUD on the translation of UK revenue and lower lesson numbers.
- **Expenses** are expected to decrease by low-single digits due to cost control and the impact of a strengthening AUD on the translation of UK expenses.
- **NPAT** expected to increase by early double digits.
- **Capex** is expected to be circa \$1.4m, consisting of technology (\$1.0m), centre acquisitions (\$0.2-\$0.3m) and other (\$0.1m).

QUESTIONS