SCHOLASTIC

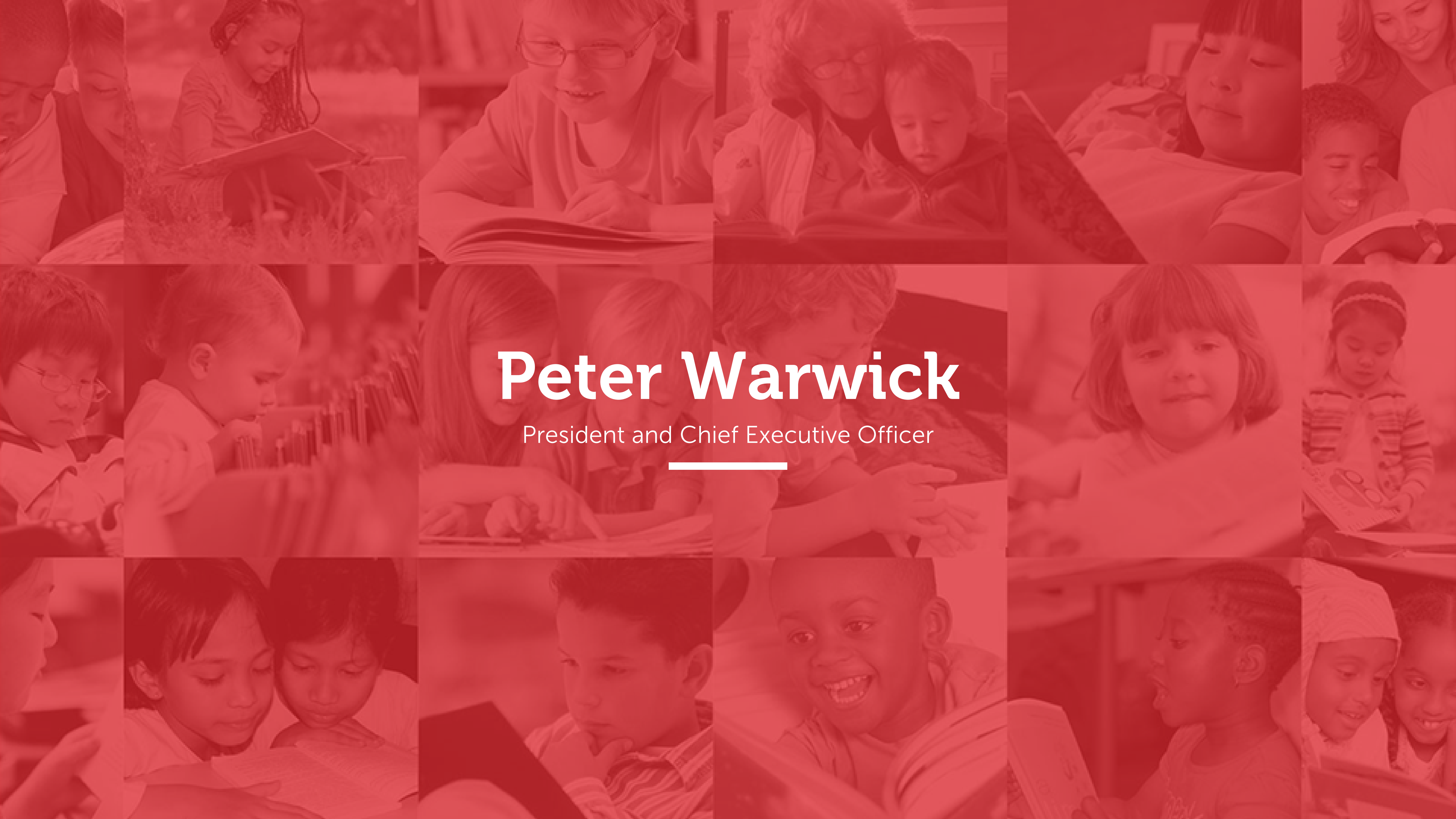
Fourth Quarter 2025 Earnings Call Presentation

Thursday, July 24, 2025

Forward-Looking Statements / Regulation G

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

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


Peter Warwick
President and Chief Executive Officer

Fourth Quarter & Fiscal 2025 Results

- Delivered strong financial and strategic results in the fourth quarter of fiscal 2025
  - Adjusted EBITDA grew robustly in line with our original guidance range
  - Revenue growth in line with expectations, driven by strong performance in Children's Book Publishing and Distribution and the addition of 9 Story Media Group
- Returned $35 million in dividends and share repurchases in the fourth quarter, for a total of over $92 million in fiscal 2025
- Advancing efforts to unlock value from our significant real estate assets
- Began executing on significant organizational changes to strengthen leadership, enhance growth, and improve efficiencies

Fourth Quarter 2025 Segment Highlights

- Children's Books revenue and profit increased last quarter, driven by Trade Publishing and Book Fairs:
  - Launched *Sunrise on the Reaping*, the newest installment in the Hunger Games® series, which topped bestseller lists globally across print, eBook and audio formats, driving significant revenue growth
  - Book Fair counts rose 4% to over 100,000 fairs for the year, offsetting modest declines in revenue per fair, still at near record levels
  - Book Clubs profit contribution rose again for quarter and full year
- Entertainment revenue increased with the addition of 9 Story Media Group
  - Improving industry outlook for greenlights
  - Continued to see strong engagement on YouTube across Scholastic channels
- Education revenue and profit declined in Q4 due to pressures of the broader supplemental curriculum market
  - Signs of strength in areas less reliant on district budgets, such as state and community literacy partnerships
- International segment revenue and profit increased in Q4, reflecting strong Trade channel performance
  - Realigned Asian business under a new structure, improving efficiency and profitability

Fiscal 2026 and Long-Term Growth Outlook

- Targeting strong Adjusted EBITDA growth of 20% at the midpoint of guidance, excluding $10M of anticipated tariff expense
- Expecting modest revenue growth, despite continued pressure on consumer and school spending
  - Exciting Trade Publishing schedule includes new Dav Pilkey releases, new *Wings of Fire*™ books, and more
  - Growth in Book Fair counts and modest revenue per fair growth, supported by multiple strategic initiatives
  - Continuing Book Clubs revitalization strategies to sustain profitable revenue gains achieved last year
  - Return to revenue growth in Entertainment as greenlighting activity picks up and 360° IP strategy gains traction
  - Repositioning Education segment for sustainable, profitable growth under new leadership
  - Internationally, focused on growing education and English-language footprint in emerging markets

Haji Glover

Chief Financial Officer and Executive Vice President

Fourth Quarter Results

In $ Millions (except per share data)	Fourth Quarter Fiscal 2025	Fourth Quarter Fiscal 2024	Change	
Revenues	$ 508.3	$ 474.9	$ 33.4	7 %
Operating income (loss)	$ 53.5	$ 47.2	$ 6.3	13 %
Earnings (loss) before taxes	$ 48.9	$ 47.3	$ 1.6	3 %
Diluted earnings (loss) per share	$ 0.59	$ 1.23	$ (0.64)	(52)%
Operating income (loss), ex. one-time items	$ 63.4	$ 66.8	$ (3.4)	(5)%
Diluted earnings (loss) per share, ex. one-time items	$ 0.87	$ 1.73	$ (0.86)	(50)%
Adjusted EBITDA (1)	$ 91.2	$ 90.7	$ 0.5	1 %

1. Adjusted EBITDA is defined by the Company as earnings (loss), excluding one-time items, before interest, taxes, depreciation and amortization. The Company believes that Adjusted EBITDA is a meaningful measure of operating profitability and useful for measuring returns on capital investments over time as it is not distorted by unusual gains, losses, or other items.

Fourth Quarter Segment Results (excluding one-time items)

In $ Millions	Fourth Quarter Fiscal 2025	Fiscal 2024	Change
Children's Book Publishing and Distribution (1)			
Revenues			
School Reading Events	$ 190.9	$ 183.9	4 %
Consolidated Trade	97.3	81.5	19 %
Total Revenues	288.2	265.4	9 %
Operating income (loss)	58.2	50.4	15 %
Education Solutions			
Revenues	125.7	135.7	(7)%
Operating income (loss)	31.3	35.6	(12)%
Entertainment (1)			
Revenues	14.8	0.6	NM
Operating income (loss)	(2.1)	(0.5)	NM
International			
Revenues	76.8	70.8	8 %
Operating income (loss)	6.1	1.8	NM
Overhead			
Revenues	2.8	2.4	17 %
Operating income (loss)	(30.1)	(20.5)	(47)%
Operating income (loss)	$ 63.4	$ 66.8	(5)%

NM - Not meaningful

1. The newly formed *Entertainment* segment includes the operations of Scholastic Entertainment Inc. (SEI), which were included in the *Children's Book Publishing and Distribution* segment in prior periods, and 9 Story Media Group. The financial results for the prior period presented have been reclassified to *Entertainment* to reflect this change.

Fourth Quarter & Full Year Balance Sheet Items and Cash Flow

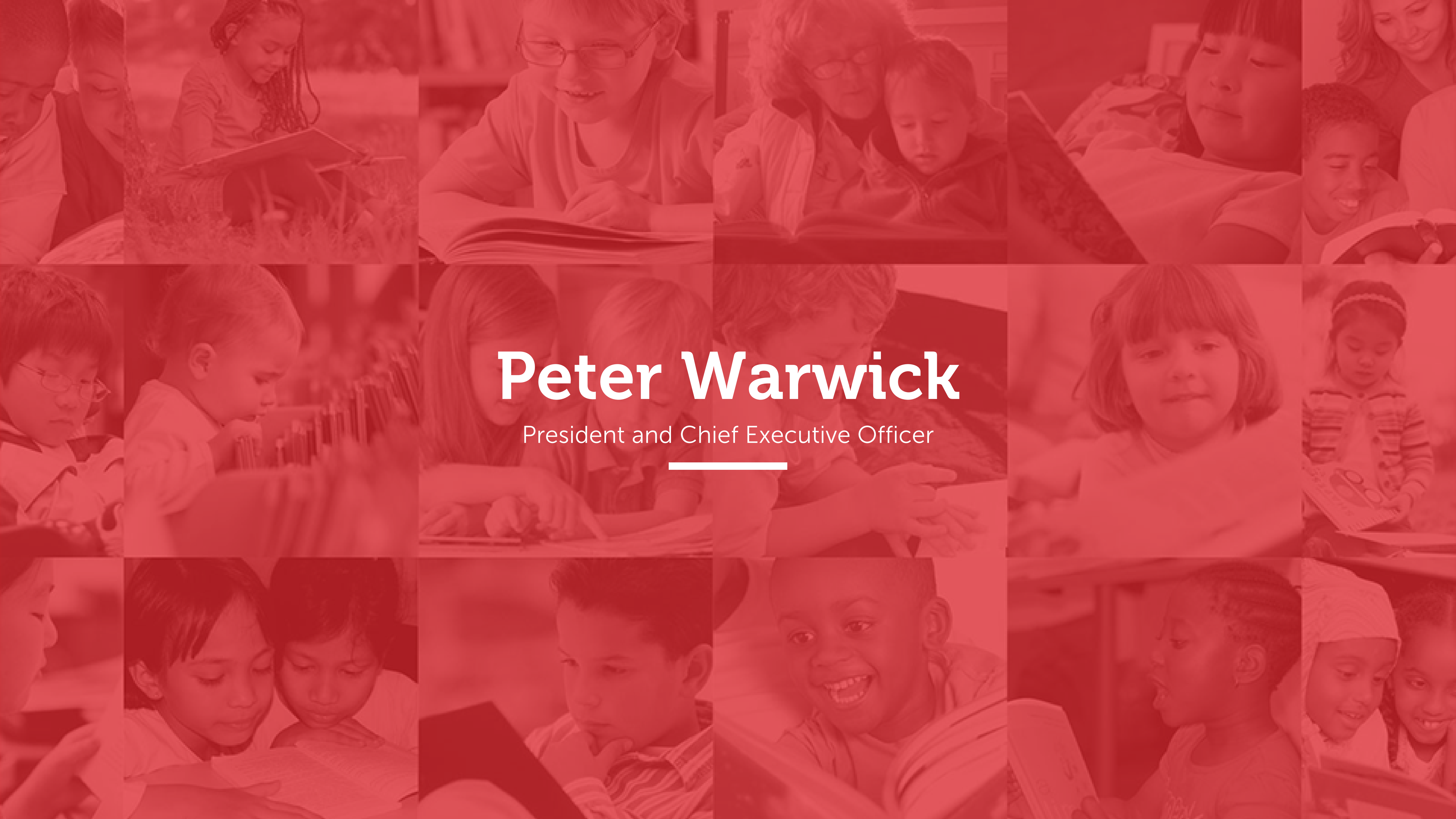
In $ Millions	May 31, 2025		May 31, 2024	
Free cash flow (use) (3 month period ending) (1)	$	86.2	$	49.7
Free cash flow (use) (12 month period ending) (1)	$	29.2	$	73.4
Accounts receivable, net	$	273.4	$	235.0
Inventories, net	$	250.2	$	264.2
Accounts payable	$	157.3	$	138.5
Deferred revenue	$	178.8	$	161.1
Accrued royalties	$	69.1	$	48.5
Film related Obligations	$	18.3	$	—
Total debt	$	256.2	$	6.0
Cash and cash equivalents	$	124.0	$	113.7
Net cash (debt) (2)	$	(136.6)	$	107.7

1. Free cash flow (use) is defined by the Company as net cash provided by or used in operating activities (which includes royalty advances) and cash acquired through acquisitions and from the sale of assets, reduced by spending on property, plant and equipment and prepublication costs and adjusted for net cash flows from film related obligations. The Company believes that this non-GAAP financial measure is useful to investors as an indicator of cash flow available for debt repayment and other investing activities, such as acquisitions. The Company utilizes free cash flow as a further indicator of operating performance and for planning investing activities.

2. Net cash (debt) is defined by the Company as cash and cash equivalents less production cash of $4.4 as of May 31, 2025, net of lines of credit and short-term and long-term-debt. Film related obligations are not included. The Company utilizes this non-GAAP financial measure, and believes it is useful to investors, as an indicator of the Company's effective leverage and financing needs.

Fiscal 2026 Outlook

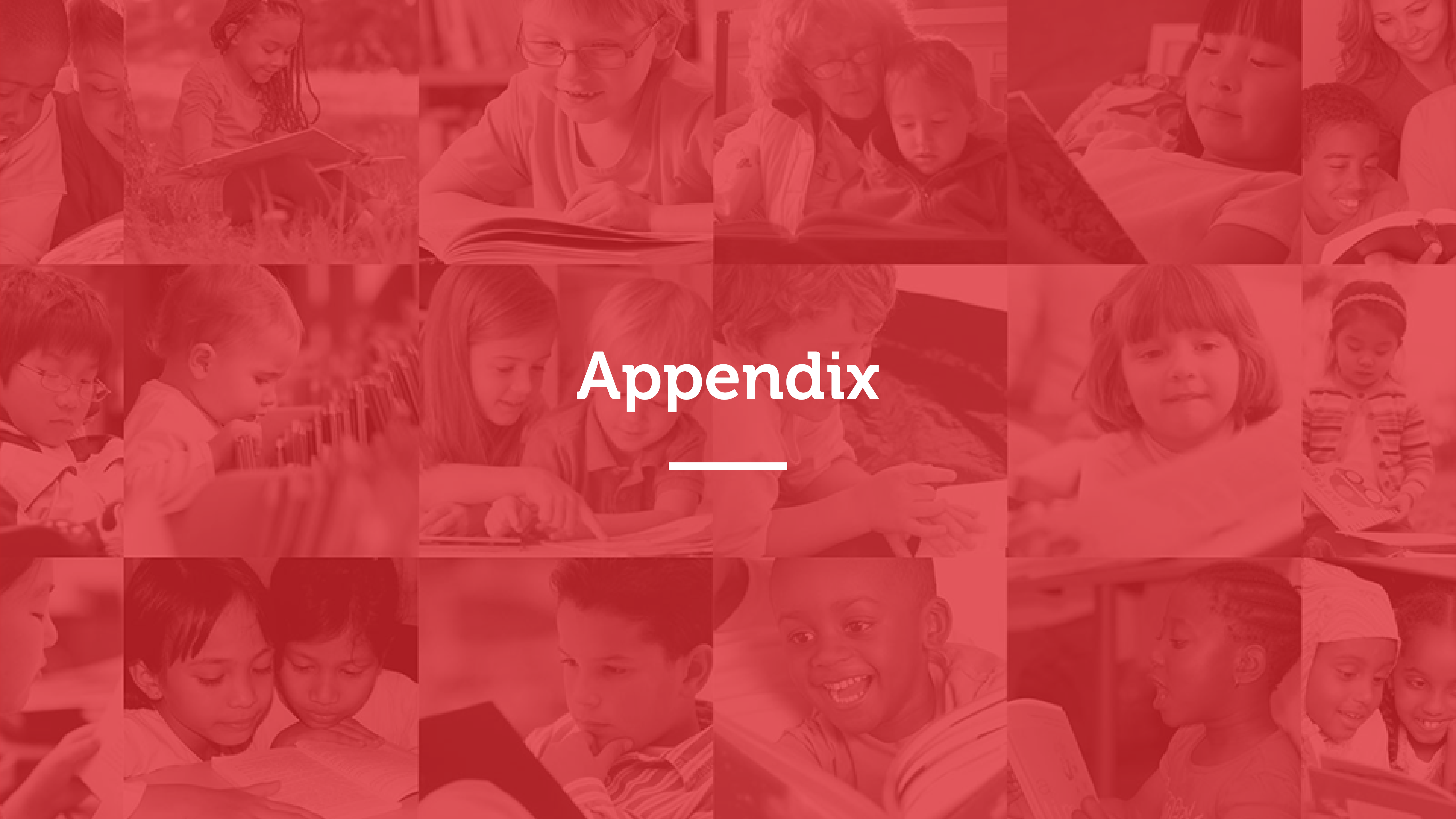
- Adjusted EBITDA of $160 million to $170 million, an increase of approximately $20 million over fiscal 2025 at the midpoint
  - Includes approximately $10 million of expected incremental tariff expense in our cost of product
- Revenue growth of 2% to 4%, reflecting strength in our core businesses, partially offset by continuing headwinds on consumer spending
- Free cash flow of $30 to $40 million, reflecting higher expected earnings, improved working capital and lower cash tax, partially offset by higher capital investments and other accrued expenses



Peter Warwick

President and Chief Executive Officer

Q&A



Appendix

Fourth Quarter and Full Year Adjusted EBITDA

In $ Millions	Fourth Quarter Fiscal 2025	Fourth Quarter Fiscal 2024	Full Year Fiscal 2025	Full Year Fiscal 2024
Earnings (loss) before income taxes as reported	$ 48.9	$ 47.3	$ (1.3)	$ 16.2
One-time items before income taxes	9.9	19.6	20.0	30.2
Earnings (loss) before income taxes excluding one-time items	58.8	66.9	18.7	46.4
Interest (income) expense (1)	4.5	(0.3)	16.4	(2.7)
Depreciation and amortization	27.9	24.1	110.3	93.2
Adjusted EBITDA (2)	$ 91.2	$ 90.7	$ 145.4	$ 136.9

1. For the three and twelve months ended May 31, 2025, amounts include production loan interest amortized into cost of goods sold.
2. Adjusted EBITDA is defined by the Company as earnings (loss), excluding one-time items, before interest, taxes, depreciation and amortization. The Company believes that Adjusted EBITDA is a meaningful measure of operating profitability and useful for measuring returns on capital investments over time as it is not distorted by unusual gains, losses, or other items.

Fourth Quarter Earnings (before and after one-time items)

In $ Millions (except per share data)	Fourth Quarter Fiscal 2025 As Reported	Fourth Quarter Fiscal 2025 One-Time Items	Fourth Quarter Fiscal 2025 Excluding One-Time Items	Fourth Quarter Fiscal 2024 As Reported	Fourth Quarter Fiscal 2024 One-Time Items	Fourth Quarter Fiscal 2024 Excluding One-Time Items
Diluted earnings (loss) per share [(1)]	$ 0.59	$ 0.29	$ 0.87	$ 1.23	$ 0.51	$ 1.73
Net income (loss) [(2)]	$ 15.4	$ 7.5	$ 22.9	$ 35.9	$ 14.6	$ 50.5
Earnings (loss) before income taxes	$ 48.9	$ 9.9	$ 58.8	$ 47.3	$ 19.6	$ 66.9
Children's Book Publishing and Distribution[(3)(4)]	$ 57.6	$ 0.6	$ 58.2	$ 50.4	$ 0.0	$ 50.4
Education Solutions[(5)]	30.7	0.6	31.3	29.5	6.1	35.6
Entertainment[(3)(6)]	(3.0)	0.9	(2.1)	(6.8)	6.3	(0.5)
International [(7)]	3.7	2.4	6.1	(0.8)	2.6	1.8
Overhead [(8)]	(35.5)	5.4	(30.1)	(25.1)	4.6	(20.5)
Operating income (loss)	$ 53.5	$ 9.9	$ 63.4	$ 47.2	$ 19.6	$ 66.8

1. Earnings (loss) per share are calculated on non-rounded net income (loss) and shares outstanding. Recalculating earnings per share based on rounded numbers may not yield the results as presented.

2. In the three months ended May 31, 2025 and 2024, the Company recognized a benefit of $2.4 and $5.0, respectively, for income taxes in respect to one-time pretax items.

3. The newly formed *Entertainment* segment includes the operations of Scholastic Entertainment Inc. (SEI), which were included in the *Children's Book Publishing and Distribution* segment in prior periods, and 9 Story Media Group. The financial results for the prior period presented have been reclassified to *Entertainment* to reflect this change.

4. In the three months ended May 31, 2025, the Company recognized pretax asset impairment of $0.6 related to a digital product.

5. In the three months ended May 31, 2025, the Company recognized pretax impairment of $0.6 related to certain digital products. In the three months ended May 31, 2024, the Company recognized a pretax asset impairment of $6.1 related to certain education products.

6. In the three months ended May 31, 2025, the Company recognized pretax severance of $0.3 related to cost-savings initiatives, pretax costs of $0.4 related to the acquisition of 9 Story Media Group and pretax asset impairment of $0.2 related to the early exit of certain leased office space in Ireland. In the three months ended May 31, 2024, the Company recognized pretax costs associated with its planned investment in 9 Story Media Group of $6.3.

7. In the three months ended May 31, 2025, the Company recognized pretax severance of $1.3 related to cost-savings initiatives and pretax asset impairment of $1.1 related to the reorganization in China. In the three months ended May 31, 2024, the Company recognized pretax costs, primarily severance of $1.5 related to restructuring and cost-savings initiatives and pretax asset impairment of $1.1 primarily related to the early exit of an office lease in Canada.

8. In the three months ended May 31, 2025, the Company recognized pretax severance of $3.4 related to cost-savings initiatives, other pretax expenses of $1.9 and asset impairment of $0.1 related to the early exit of an office lease. In the three months ended May 31, 2024, the Company recognized pretax severance of $2.3 related to cost-savings initiatives and pretax impairment of $2.3 related to the early exit of an office lease.

FY25 YTD Earnings (before and after one-time items)

In $ Millions (except per share data)	Fiscal 2025 As Reported	Fiscal 2025 One-Time Items	Fiscal 2025 Excluding One-Time Items	Fiscal 2024 As Reported	Fiscal 2024 One-Time Items	Fiscal 2024 Excluding One-Time Items
Diluted earnings (loss) per share (1)	$ (0.07)	$ 0.55	$ 0.48	$ 0.40	$ 0.76	$ 1.14
Net income (loss) (2)	$ (1.9)	$ 15.2	$ 13.3	$ 12.1	$ 22.5	$ 34.6
Earnings (loss) before income taxes	$ (1.3)	$ 20.0	$ 18.7	$ 16.2	$ 30.2	$ 46.4
Children's Book Publishing and Distribution(3)(4)	$ 130.7	$ 0.6	$ 131.3	$ 123.3	$ 0.5	$ 123.8
Education Solutions(5)	6.3	0.6	6.9	15.8	6.1	21.9
Entertainment(3)(6)	(12.1)	4.9	(7.2)	(11.2)	9.3	(1.9)
International (7)	(1.0)	3.9	2.9	(6.9)	3.8	(3.1)
Overhead (8)	(108.1)	10.0	(98.1)	(106.5)	10.5	(96.0)
Operating income (loss)	$ 15.8	$ 20.0	$ 35.8	$ 14.5	$ 30.2	$ 44.7

1. Earnings (loss) per share are calculated on non-rounded net income (loss) and shares outstanding. Recalculating earnings per share based on rounded numbers may not yield the results as presented.
2. In the twelve months ended May 31, 2025 and 2024, the Company recognized a benefit of $4.8 and $7.7, respectively, for income taxes in respect to one-time pretax items.
3. The newly formed *Entertainment* segment includes the operations of Scholastic Entertainment Inc. (SEI), which were included in the *Children's Book Publishing and Distribution* segment in prior periods, and 9 Story Media Group. The financial results for the prior period presented have been reclassified to *Entertainment* to reflect this change.
4. In the twelve months ended May 31, 2025, the Company recognized pretax asset impairment of $0.6 related to a digital product. In the twelve months ended May 31, 2024, the Company recognized pretax asset impairment of $0.5 related to the early exit of a sales office lease.
5. In the twelve months ended May 31, 2025, the Company recognized pretax impairment of $0.6 related to certain digital products. In the twelve months ended May 31, 2024, the Company recognized a pretax asset impairment of $6.1 related to certain education products.
6. In the twelve months ended May 31, 2025, the Company recognized pretax severance of $1.4 related to cost-savings initiatives, pretax costs of $3.0 related to the acquisition of 9 Story Media Group and pretax asset impairment of $0.5 related to the early exit of certain leased office space in Canada and Ireland. In the twelve months ended May 31, 2024, the Company recognized pretax costs associated with its planned investment in 9 Story Media Group of $9.3.
7. In the twelve months ended May 31, 2025, the Company recognized pretax severance of $2.8 related to cost-savings initiatives and pretax asset impairment of $1.1 related to the reorganization in China. In the twelve months ended May 31, 2024, the Company recognized pretax costs, primarily severance of $2.7 related to restructuring and cost-savings initiatives and pretax asset impairment of $1.1 primarily related to the early exit of an office lease in Canada.
8. In the twelve months ended May 31, 2025, the Company recognized pretax severance of $7.6 related to cost-savings initiatives, other pretax expenses of $2.3 and asset impairment of $0.1 related to the early exit of an office lease. In the twelve months ended May 31, 2024, the Company recognized pretax severance of $8.2 related to cost-savings initiatives and pretax impairment of $2.3 related to the early exit of an office lease.