

ASX ANNOUNCEMENT

14 August 2020

3P Learning Limited announces FY2020 Full Year Results

3P Learning Limited (ASX: 3PL) announces its results for the full financial year ended 30 June 2020. Group Statutory Revenue was \$54.9 million, down \$0.5 million on the previous corresponding period, Underlying EBITDA declined \$3.1 million to \$14.6 million and Statutory NPAT was \$1.6 million.

Key Financial Information A\$M (unless stated)	FY2020*	FY2019	Variation %
Statutory Revenue	54.9	54.4	1%
Underlying EBITDA	14.6	17.7	(18%)
Underlying Net Profit After Tax	1.7	5.9	(71%)
Statutory Net Profit After Tax	1.6	5.9	(73%)
Underlying Earnings Per Share (cents)	1.21	4.24	(71%)
Cash	27.1	25.80	5%

*FY2020 Statutory Net Profit After Tax includes \$0.1M of corporate advisory costs.

Revenue growth from licence sales was modest as expected, at 1% with increased spend on sales and marketing resources in the Americas, paired with increased product development headcount resulted in a decline in Underlying EBITDA of \$3.1 million. Retention has improved in the APAC and EMEA markets, as recent product content and platform improvements are resonating with both teachers and students while the Americas market has been impacted by funding uncertainties caused by COVID-19. Globally, licences increased 3% driven by improvements in the EMEA and APAC market.

3P Learning CEO, Rebekah O’Flaherty, said, “The end of FY20 marks the completion of the first year of our 20:22 Accelerate Growth plan, after a 3-year long company restructure during the 2017–2019 period. We are gaining sales growth momentum as evidenced by securing a US\$10M contract to deliver Mathletics licenses and professional services in the Middle East in FY21 and we enter this new financial year with a strong enterprise sales funnel to complement our growing transactional business. Encouragingly, we also saw our Net Dollar Churn Percentage improve by 2% percentage points year over year,

indicating improvements to our Customer Lifetime Value, and is another example of sales momentum.”

FY2021 Outlook

3P Learning CFO, Dimitri Aroney, said “In FY2021 we expect the EMEA market to deliver strong revenue and EBITDA growth as a result of the deal with a National Ministry of Education in the Middle East. In the APAC market, we expect single digit revenue and EBITDA growth for the full year. In the Americas market, we expect continued market uncertainty due to funding challenges as a result of COVID-19 however there is a pipeline of enterprise opportunities with an expectation of licence revenue growth for the full year.”

No dividend has been declared.

FY2020 Full Year Results Presentation — Conference Call and Webcast

Chief Executive Officer, Rebekah O'Flaherty and Chief Financial Officer, Dimitri Aroney will host a webcast and teleconference today at 10.30 am AEST.

The webcast will be available at <https://edge.media-server.com/mmc/go/3p-fyr20/>

Pre-registration for the teleconference is available [here](#).

Alternatively, the teleconference can be accessed as follows:

Conference ID: 10008712

Dial in Numbers:

Australian callers	1800 455 963 or +61 02 9007 8048
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UK	0800 051 1453
Singapore	800 101 2702
Hong Kong	800 968 273
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Japan	0066 3386 8000
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This announcement has been authorised by the Board

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