



ASX ANNOUNCEMENT

21 June 2023

3PL Updates FY23 Earnings Guidance

3P Learning Limited ABN 50 103 827 836 ("3PL") provides the following update with respect to its FY23 Revenue and EBITDA guidance.

FY23 Revenue guidance adjustment

3PL now expects Revenue for FY23 to be between \$106.0m and \$108.0m, up from \$97.2m in FY22. Previous FY23 Revenue guidance was between \$111.0m and \$115.0m.

While trading conditions in FY23 have been positive for APAC and AMER regions, we have experienced trading-headwinds in EMEA, particularly the UK, which has been impacted by a general economic slowdown.

FY23 EBITDA on track

We expect Underlying EBITDA¹ guidance to be at the lower end of the current guidance range of between \$15.0m and \$18.0m, which we have achieved by managing costs whilst investing in product and growth initiatives throughout the financial year.

Strong cash generation

Cash balances at the end of May 2023 were \$24.6m (no debt) with the business continuing to produce positive free cash flow from operations before tax. Cash balances are quoted after the \$8.6m acquisition of Brightpath, and all expensed product development costs.

FY24 and Beyond

We have been able to meet our Underlying EBITDA goals for FY23 whilst carrying out significant product investment in new programs such as Writing Legends, Brightpath Progress, and the updated version of Mathletics.

The updated product suite will be progressively released to market in the second half of calendar year 2023 and we expect to see the revenue and margin benefits of these investments from the second half of FY24 and beyond.

This announcement has been authorised for release by the Board of 3PL.

For further information, please contact:

3P Investor Relations

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1 "Underlying" is a non-statutory measure and is the primary reporting measure used by the CEO, CFO and Board of Directors for assessing the performance of our business. EBITDA is earnings before interest, tax, depreciation and amortisation, excluding unrealised foreign exchange gains or losses, corporate advisory, and restructure and integration costs, specifically associated with the acquisition of Blake eLearning Pty Ltd and Brightpath Progress.