



ASX RELEASE | Schrole Group Limited (ASX:SCL)

Trading Update – Positive momentum in Q3 FY19

Highlights:

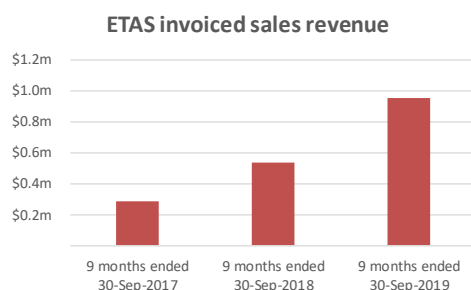
- Record quarter of revenue achieved in Q3 FY19 of \$2.3m, representing 33% growth on Q3 FY18
- Increase in Annual Recurring Revenue of 58% as at 30 September 2019 over the prior year
- Positive momentum ahead of peak teacher recruitment period from September to December
- Successful launch of Schrole Verify, representing a new global standard for background screening for teachers and the first module to leverage the Advantage platform

Tuesday, 1st October 2019: Schrole Group (ASX: SCL) ('Schrole' or the 'Company'), an Australian education technology company, is pleased to provide a trading update for the three months to September 2019, reflecting a record quarter of revenues for the Company.

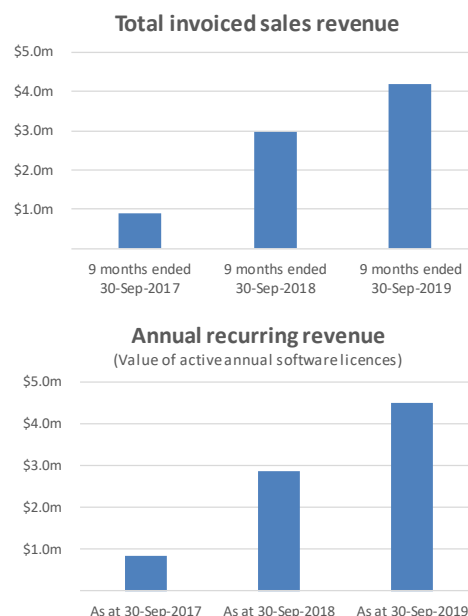
Total revenue (invoiced sales) in Q3 increased by 33% over Q3 2018 to \$2.3m. Total revenue in the nine months to 30 September 2019 increased by 41% to \$4.2m from \$3.0m in the previous corresponding period.

The Company's Annual Recurring Revenue, calculated as the current value of active annual software licences, increased by 58% to \$4.5m as at 30 September 2019 compared with the prior year.

The third quarter incorporates the start of the peak renewal period for schools utilising the Advantage platform, and pleasingly the rate of Advantage licence renewals was in excess of 87% during the period.



The strong recent revenue growth in Schrole ETAS accelerated during the third quarter, showing an increase of 85% compared to Q3 FY18. Schrole ETAS is the consulting and training division of the Company, providing nationally recognised training qualifications in training, leadership and management to major multinational mining companies and government agencies in Western Australia.



Schrole Group Managing Director, Mr Rob Graham said: *"The strong growth achieved during the third quarter was particularly pleasing because it was achieved across all business units. In addition, this positive momentum ensures the Company is well placed to capitalise on the peak teacher recruitment period of September to December."*

“The customer response to the launch of Schrole Verify has been very encouraging and we look forward to promoting this new module to both existing and prospective customers,” he said.

Further details will be provided in the Appendix 4C which is scheduled to be released later in October.

About Schrole

Schrole delivers innovative, technology-based solutions for the education sector. The company has four revenue generating business units:

- **ISS-Schrole Advantage** for the international school market – an online Software-as-a-Service platform that enables international schools to streamline teacher recruitment and candidate management activities;
- **Schrole Verify** – a new global standard for background screening in the international schools sector;
- **Schrole Cover** – a cloud-based software platform that engages your preferred relief staff at the touch of a button; and
- **Schrole ETAS** – Schrole Education and Training Advisory Service provides accredited training solutions customised to the contexts in which our clients operate.

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