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## ASX RELEASE (ASX: SCL)

### Trading update: Schrole continues Strong Growth Momentum In FY24

#### Key highlights

- Schrole HR software Sales in January were an increase of 190% on PCP
- Schrole HR software sales in February were an increase of 1392% on PCP
- First sale to UK independent school
- Total Software sales year to date 144% increase on PCP

19 March 2024: Schrole Group Ltd (**ASX: SCL**) (“**Schrole**” or the “**Company**”), provider of accredited training and global Human Resources (HR) Software-as-a-Service (SaaS), is pleased to provide a trading update highlighting increased software sales in January and February 2024.

Schrole maintained its strong growth momentum in the first months of FY24, with January and February 2024 demonstrating consistent achievement across key growth metrics of sales and renewals.

In January 2024, the momentum in new sales continued, totalling USD74,900 in Schrole HR sales to schools representing 9 contracts with 22 new licenses. This represents an increase of 190% on the prior corresponding period (PCP).

February 2024 saw continued positive results with USD59,200 in new sales marking an impressive 1392% increase over PCP. This represented 11 new contracts with 21 new licences including the first sale to Millfield School, a UK independent school. Notably, the sale of more than 100 Engage licences underscores the growing adoption of our Schrole HR suite of products.

Total software sales for all areas of the business year to date including Schrole HR, Renewals, Candidates, Verify, and Cover (to end February 2024) were USD310,000, a 144% improvement on PCP.

All of the above metrics are above Schrole’s forecast numbers.

Customer renewal rates (CRR) for the first two months of FY24 were 61% with 83% Net Revenue Retention (NRR) however we note these percentages are on very low numbers of possible renewals. The Company retained 11 out of 18 schools with a revenue of USD70,888 from a potential USD85,050. This is a significant improvement when compared to the PCP in 2023 of CRR of 53% and a NRR of 43%.

The impact of these non-renewals on recurring revenue has been minimal, reflecting a strategic reset aimed at transitioning schools with rates deemed commercially unviable (typically below USD4k). These schools were provided the option to renew at more sustainable rates (a 20% increase in most cases) yet opted not to proceed.

This strategic reset aligns with our objectives of ensuring business sustainability by reallocating

resources towards enhancing customer success management without compromising the value of subscriptions. It also contributes to improved renewal rates among remaining accounts, as resources are focused on higher-value clients.

As at 29 February 2024, the Company recorded a cash balance of approximately \$1.2m which is materially more than forecast. The Company has nil debt.

Commenting on the continued improvement in the company's performance, Managing Director, Rob Graham, said:

*"I'm very pleased to see our Company's continued growth and success in the early months of FY24. The strong sales performance in January and February 2024, coupled with our ongoing focus on improving our renewal rates, underscores our commitment to delivering value to our customers and driving sustainable business growth. While the strategic reset may have resulted in a small number of non-renewals, it reflects our proactive approach to ensuring the long-term viability of our business. By focusing our resources on supporting higher-value clients, we're better positioned to deliver exceptional service and drive increased value for all stakeholders. I'm confident that our strategic initiatives will continue to propel Schrole forward as a leader in HR solutions for the international education sector."*

ENDS

*This release was authorised by the Board of Directors.*

**For further information please contact:**

#### **Investors**

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#### **About Schrole**

Schrole provides global Human Resources Software-as-a-Service (SaaS) targeting teachers and educational organisations. Schrole is scaling globally and targeting new growth markets.

**Schrole HR is a complete Human Resources SaaS solution, combining recruitment, background checks, onboarding, relief teacher management, and professional development.**

- **Schrole Connect** is education's most advanced recruitment and applicant tracking app.
- **Schrole Events**, provides industry-leading online recruitment events.
- **Schrole Cover** is a cloud-based software platform that engages relief staff at the touch of a button.
- **Schrole Verify** provides background screening to the international schools' sector.
- **Schrole Develop** provides accredited professional development solutions contextualised to client needs.
- **Schrole Engage** provides onboarding and contract management software for schools <https://schrole.com/>

## **Forward Looking Statements**

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices, or potential growth of the Company, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.