

FY24 Annual Update

About Dymocks Education

The Dymocks Education business comprises two divisions: Dymocks Tutoring and Dymocks Training.

Founded in 2018, Dymocks Tutoring was born from a vision to bring accessible and trusted tutoring to parents and students in NSW.

Dymocks Training was founded in 2023 and started operations at the beginning of FY24.

At the heart of the business is our purpose to **improve learner's lives through education**. This thread runs through all our initiatives and reflects the long history of Dymocks benefiting the community.

FY24 in Review

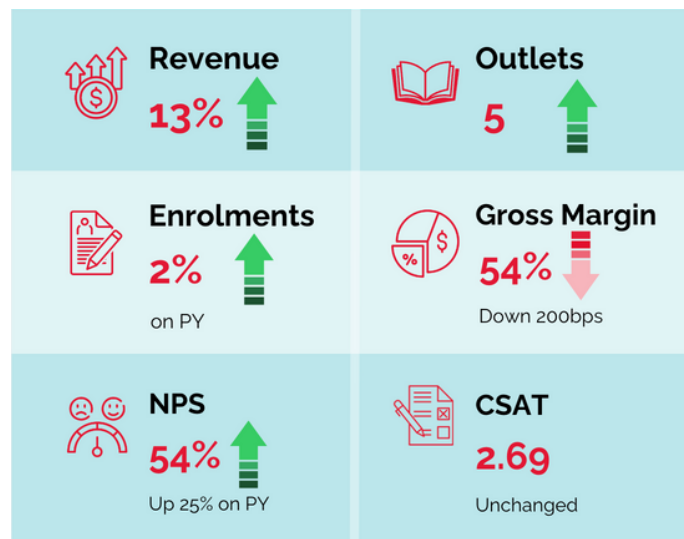
FY24 was challenging and rewarding in equal parts for Dymocks Education. The Tutoring business experienced challenging trading conditions across the board but successfully opened at two new locations. The Training business launched and delivered training to dozens of learners.

Despite the challenging economic conditions which placed stress on household budgets, the core tutoring business experienced revenue growth of **13%**. Gross Margin was impacted; declining to 54% of sales. This result reflects discounting arising from our commitment to support families during the current "cost of living crisis".

Pleasingly, despite the pressure on LFL sales, the business was able to continue its growth with the opening of two new satellite locations at Chatswood and Hurstville. The Hurstville location performed to budget expectations and Chatswood significantly outperformed. The results at Chatswood clearly reflect that our value proposition and quality programmes are becoming known to customers and preferred - driving a switch to Dymocks Tutoring from more established competitors.

Customer appreciation - and love for - our programmes shows in our increasing net promoter score. Dymocks Education's 2024 NPS increased to an amazing 54% from an already strong 43% in the year prior. We continue to invest in initiatives to delight our customers - both students and parents.

A final call-out for FY24 was the second year of the **Dymocks Beyond Words Creative Writing Competition**. This national competition represents the deep commitment of the Dymocks Group to fostering literary talent. The competition had almost 4,000 entries and an increasing number of sponsors and prizes including, for the first time, First Nations and LGBTQIA+ divisions to recognise these important voices.



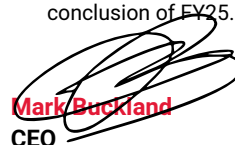
FY25 Outlook

Overall, we expect FY25 to continue to have challenging trading conditions as families work to balance budgets during a period of high interest rates. Despite this, we are expecting growth in our core business. Initial signs across most locations are promising and suggest that customers are turning to Dymocks for trusted tutoring assistance.

In addition to strength in the core tutoring business, FY25 will be an exciting year for the Dymocks Education brand, doubling its size through the acquisition of Talent 100 in July 2024. Since inception, Dymocks Education has worked to consolidate the tutoring market to ensure that learners have access to a range of services from a trusted brand, at affordable prices. The acquisition of Talent 100 is but the first step in this process of consolidation.

In FY25, the Dymocks Education team is aligned on its long-term strategy to deliver:

- 223% increase to revenue
- 200% increase to enrolments
- 1200 basis point increase to Gross Margin
- 40% improvement on net profitability
- An increase in tutoring outlets by 1
- Expansion of the popular *Key Points Study Guides* in NAPLAN and Opportunity Class/Selective School topics, available from Dymocks Book Stores
- Rounding out the year, a potential second acquisition by the conclusion of FY25.



Mark Buckland
CEO

Dymocks Education