



Welcome to our Deep-dive into digital learning

9 June 2022

Our agenda today (EET)

- 11:00** Presentation on leveraging digital learning towards our 2030 ambition
Chat open for questions
- 11:30** Roundtable discussion, where we look deeper into key learning trends, digital features and financial impacts on digitalisation
- 12:00** Q&A – *telephone lines and chat open*
- Latest
- 12:30** End of the event

Speakers

Rob Kolkman,
CEO Sanoma Learning

Alex Green,
CFO Sanoma Group

Moderator

Kaisa Uurasmaa,
*Head of IR and
Sustainability
Sanoma Group*

Leveraging digital learning towards our 2030 ambition

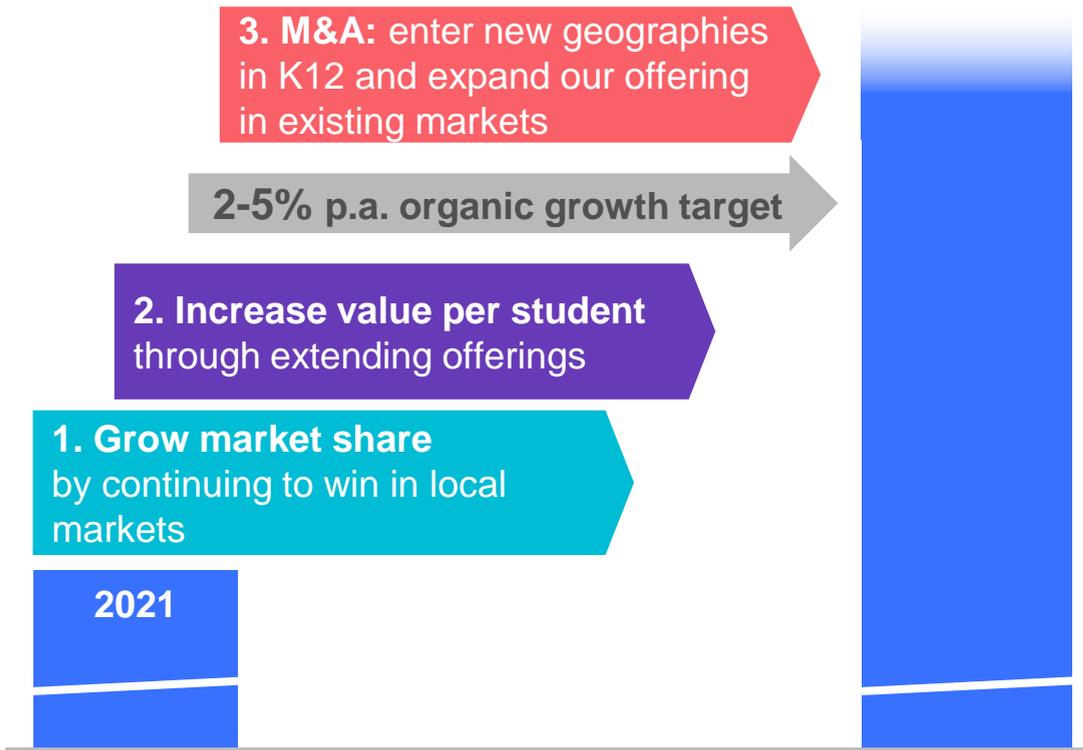
Rob Kolkman
CEO, Sanoma Learning

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Strategic levers support our growth ambitions

Three growth levers are key in driving our performance towards ...



...Learning's long-term financial targets...

Comparable growth

2-5%

Margin

above 23%

...and Group-wide growth ambition

Group net sales over **2bn€** by 2030, at least **75%** from Learning

We are one of the global leaders in K12 education

- We are leading the digital transformation in all our operating markets
- We have built unique scale and competitive advantage during our 20+ years in the industry
- K12 has high barriers to entry due to localised nature
- K12 is stable and predictable as teachers only change learning materials every 4–8 years
- Growth and digitalisation support our earnings in the long-term

K12 =

6-18 year old children

Serving

25 million

K12 students in 12 countries

European K12 student population about

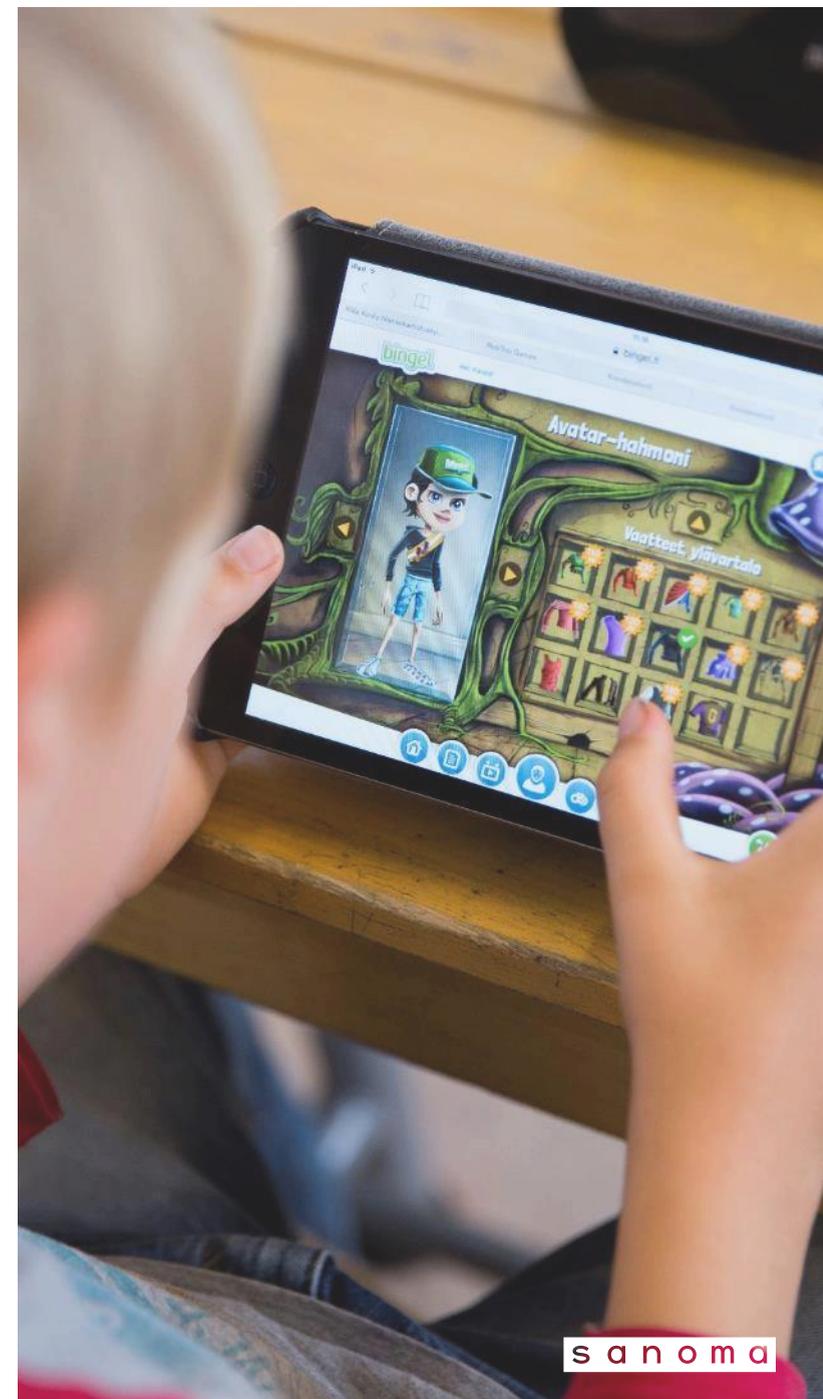
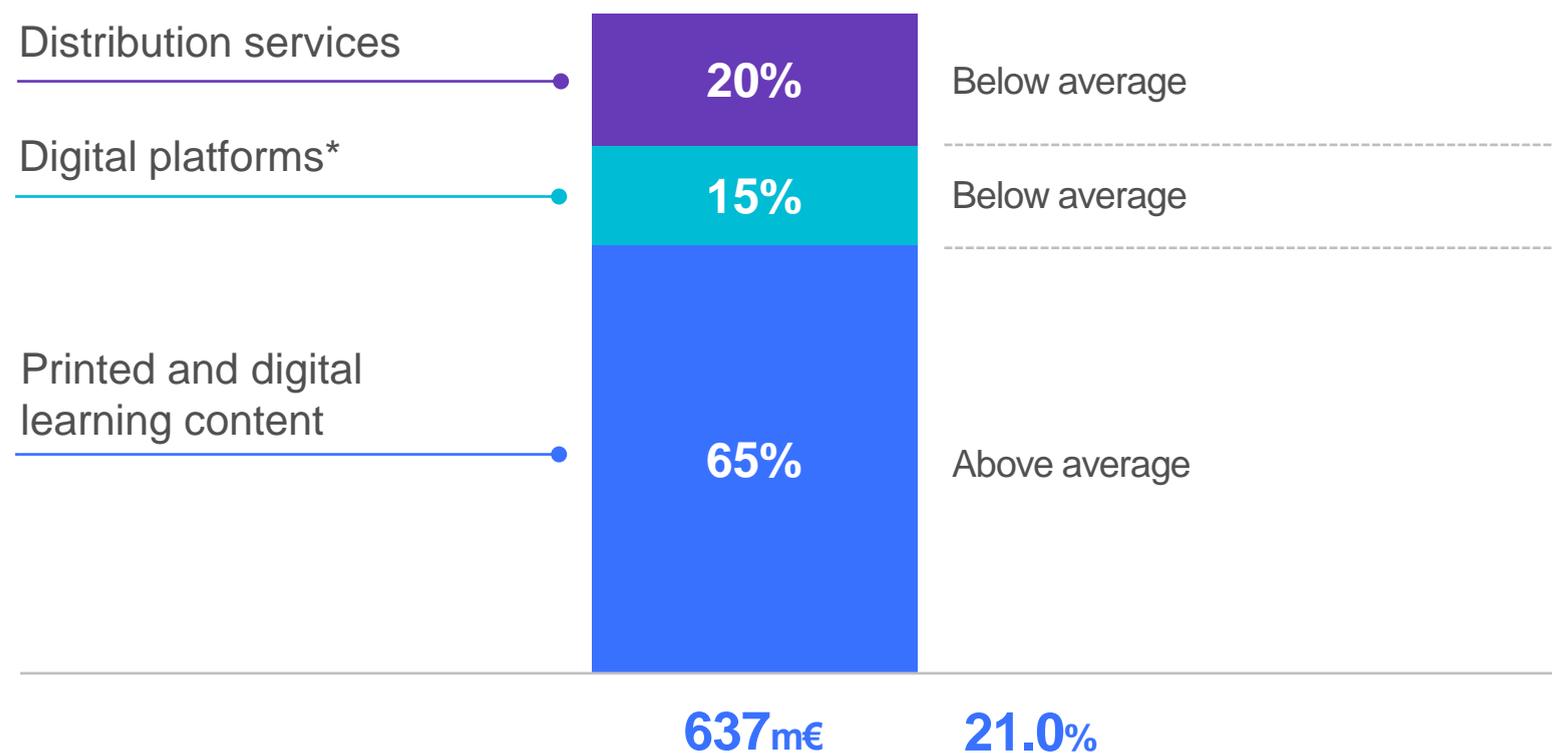
75 million

Learning content
1–3%
of total educational spend

16%
market share of the total 4–5bn€ market in Europe

Our wide footprint in learning content enables us to scale our digital competences

Share of net sales and operational EBIT margin excl. PPA in 2021



We offer best-in-class printed and digital learning services



Helping every child learn through best-in-class learning materials



Supporting teachers in motivating students and teaching efficiently



Offering parents the opportunity to follow learning outcomes

We provide teachers with everything they need

Digital teaching platforms



Digital learning platforms

Digital admin platforms

Textbooks



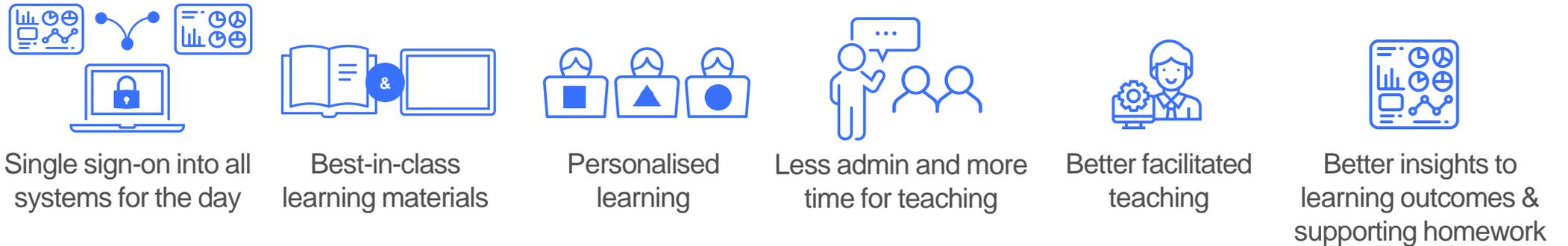
Excercises

Interactive whiteboards

Teacher materials



Our services support teachers and students throughout the school day and beyond

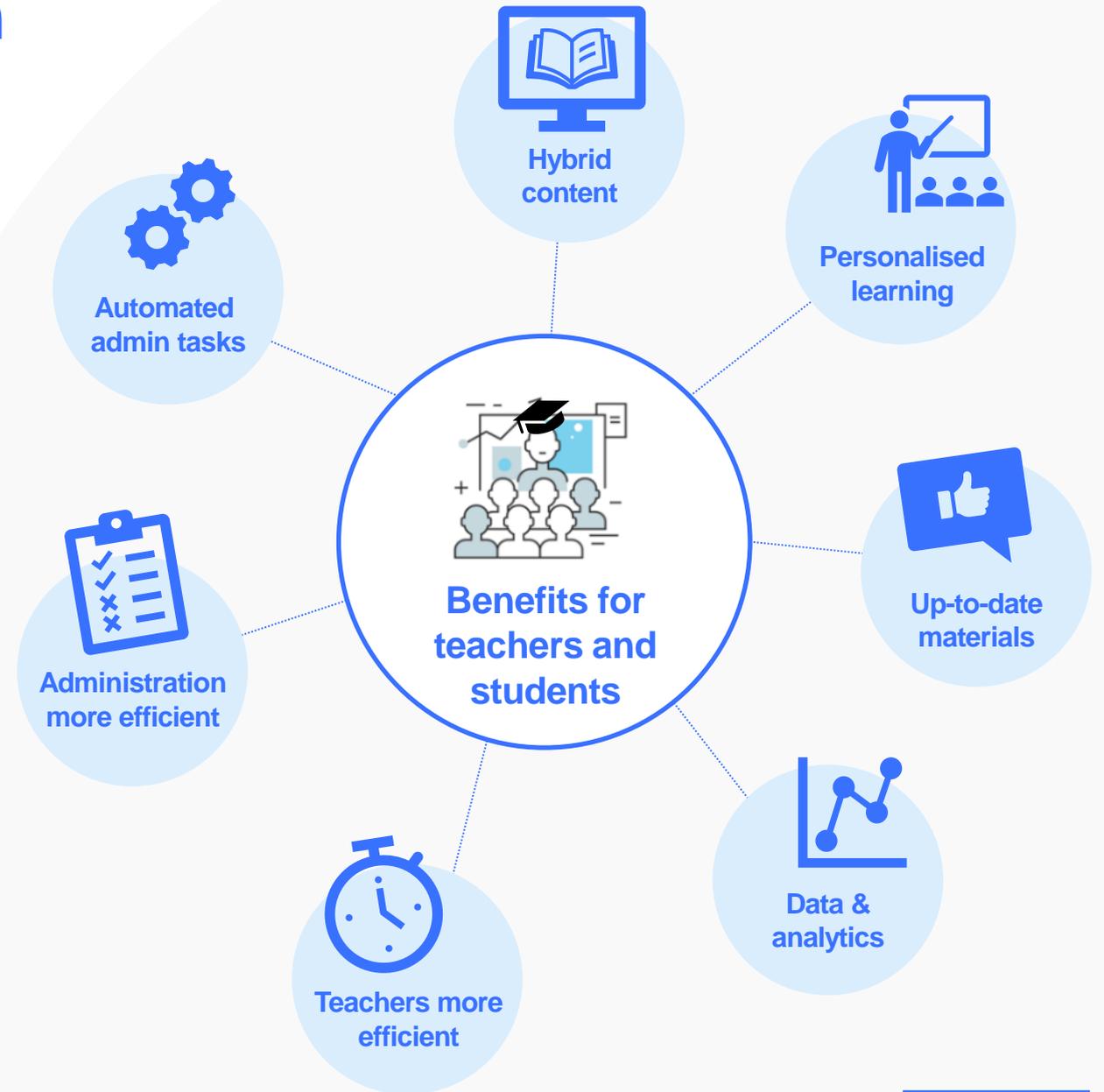


| | 8:00 | 8:05 | 9:00 | 10:00 | 15:00 | 16:00 |
|---------------|------|------|------|-------|-------|-------|
| Teacher | ✓ | ✓ | | ✓ | | ✓ |
| Student | ✓ | ✓ | ✓ | ✓ | | ✓ |
| Headmaster | ✓ | | | ✓ | ✓ | ✓ |
| Administrator | ✓ | | | | ✓ | ✓ |
| Parent | | | | | | ✓ |

What does digitalisation mean for teachers and students?

Benefits for the teachers and students:

- **Better learning outcomes** by using personalised & engaging materials and data & analytics
- **Better efficiency** both for teachers and school administration by digitalising and automating routine tasks



We have built strong digital competencies that we can leverage across the business

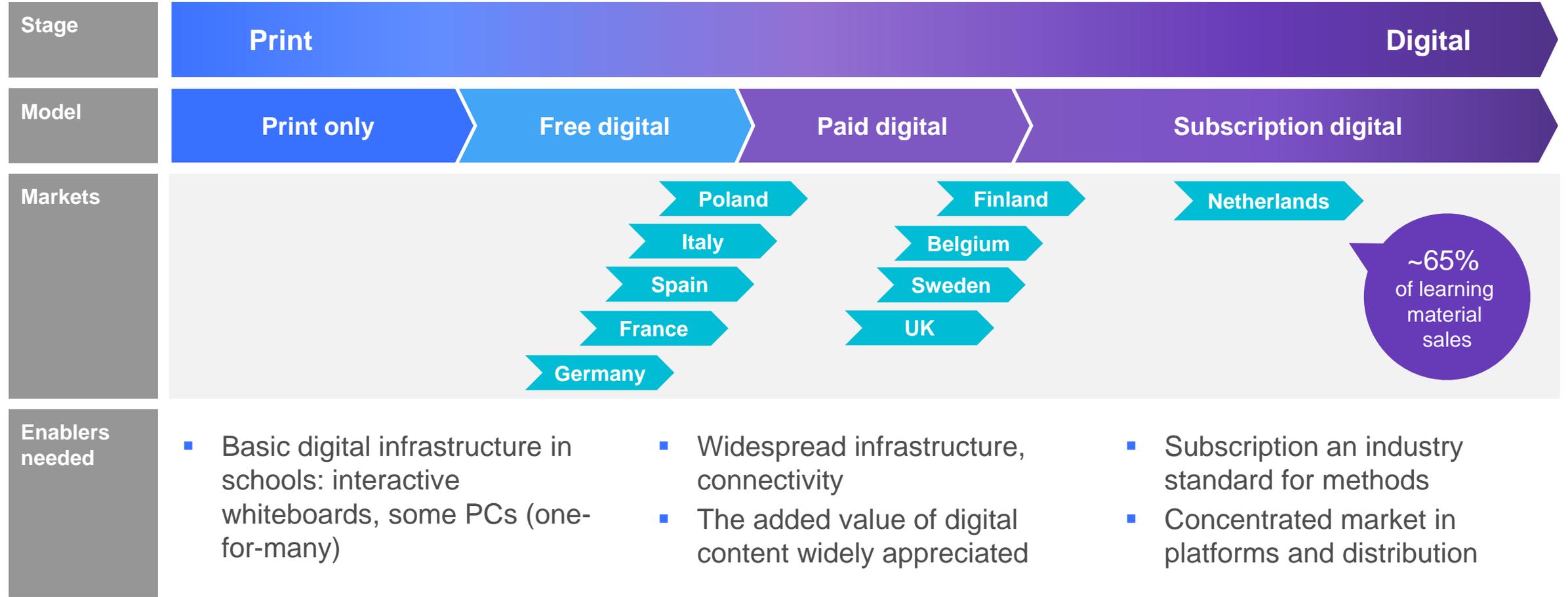
- Digitalisation within education is accelerating
 - Helping to drive market consolidation
 - Offering better scalability
 - Generating more stable revenue streams and higher profitability
- We are harmonising and developing our digital learning platforms
 - E.g. from 40 digital solutions to 15 modules in primary education
- Our best-in-class digital platforms and footprint in highly digitalised countries with proven learning outcomes give us unique benefits of scale

600+
employees
in tech

85%
of customers
pay for a digital
component

>100m€
annual spend
in tech and
content

We are leading the way in digitalisation across all our markets



Digitalisation stabilises our financials...

Implemented as a hybrid model
=
print + digital sold
as one package

More stable revenue streams over time:

- Evening out phasing between quarters
- Over long-term curriculum cycles

...and our unique position improves operating leverage

~60m€ on content creation (pre-publication costs)

~50m€ on tech development

- Centers of excellence in technology across Europe with 600+ employees

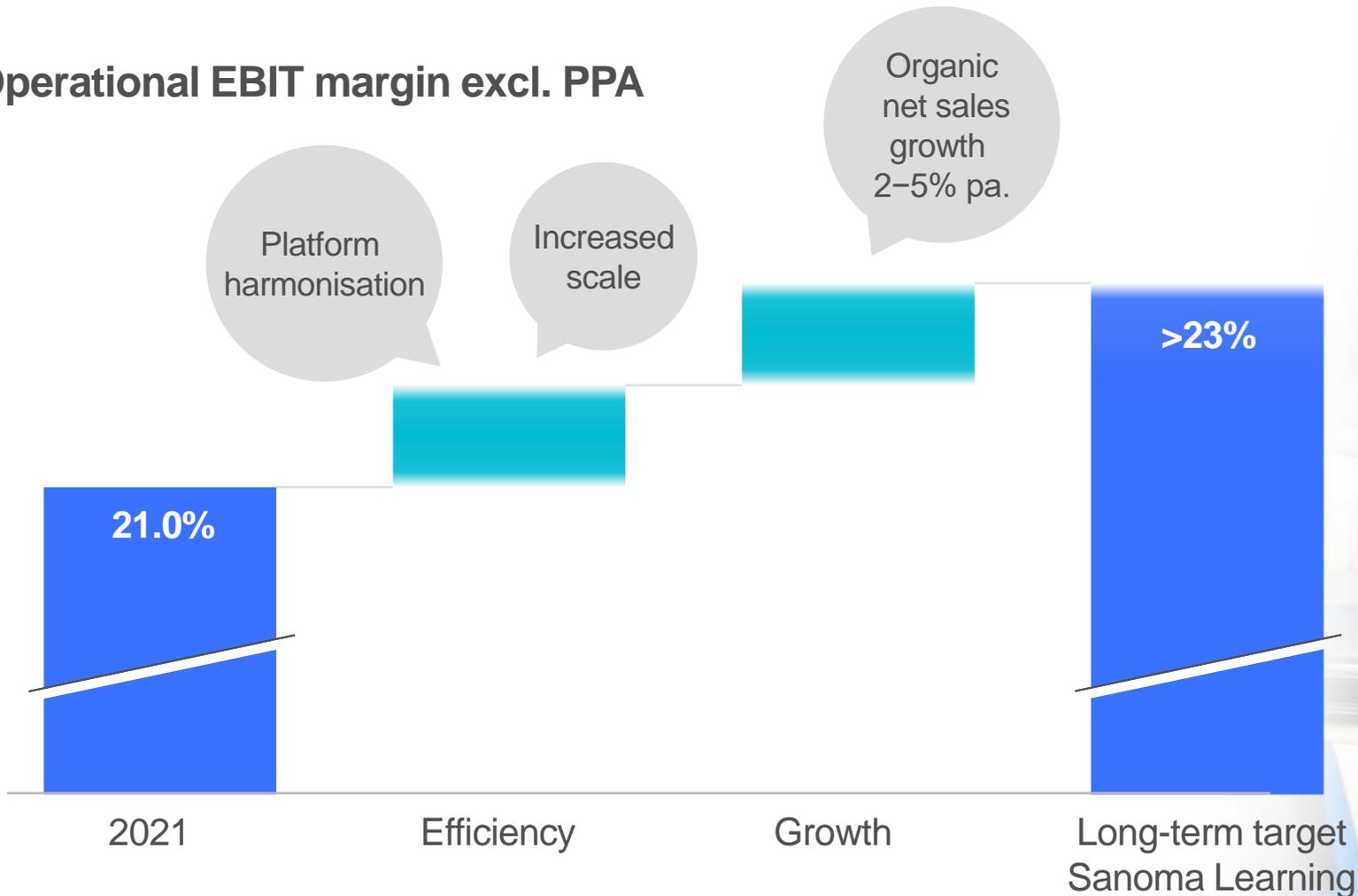
~5m€ investments in platform harmonisation in 2022 and additional 10m€ investments in digital learning platforms for secondary education in 2022-2025

Long-term benefits

- Improved operating leverage
- Better cost efficiency
- Decreased unit costs related to digital

Digitalisation is a key contributor towards our long-term target

Operational EBIT margin excl. PPA



We are one of the global leaders in K12 education

- We are leading the digital transformation in all our operating markets with our experience from highly digitalised countries
- We have built unique scale and competitive advantage during our 20+ years in the industry
- Growth and digitalisation support our earnings in the long-term



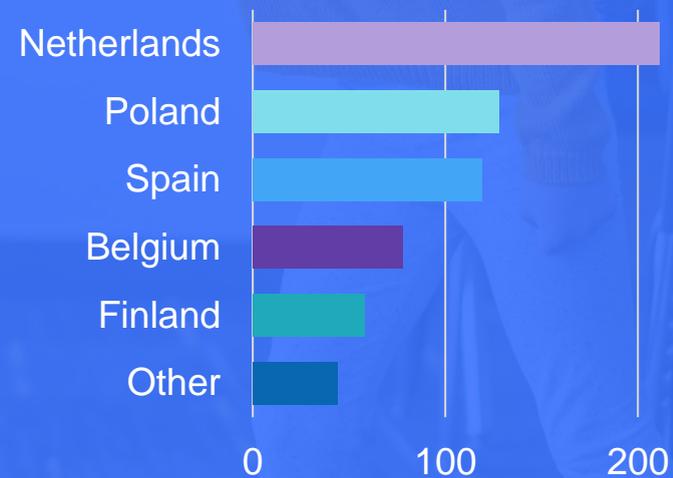


Appendix

Sanoma Learning in brief in 2021

Net sales **637m€**
Margin **21.0%**
Personnel **2,600**

NET SALES, m€

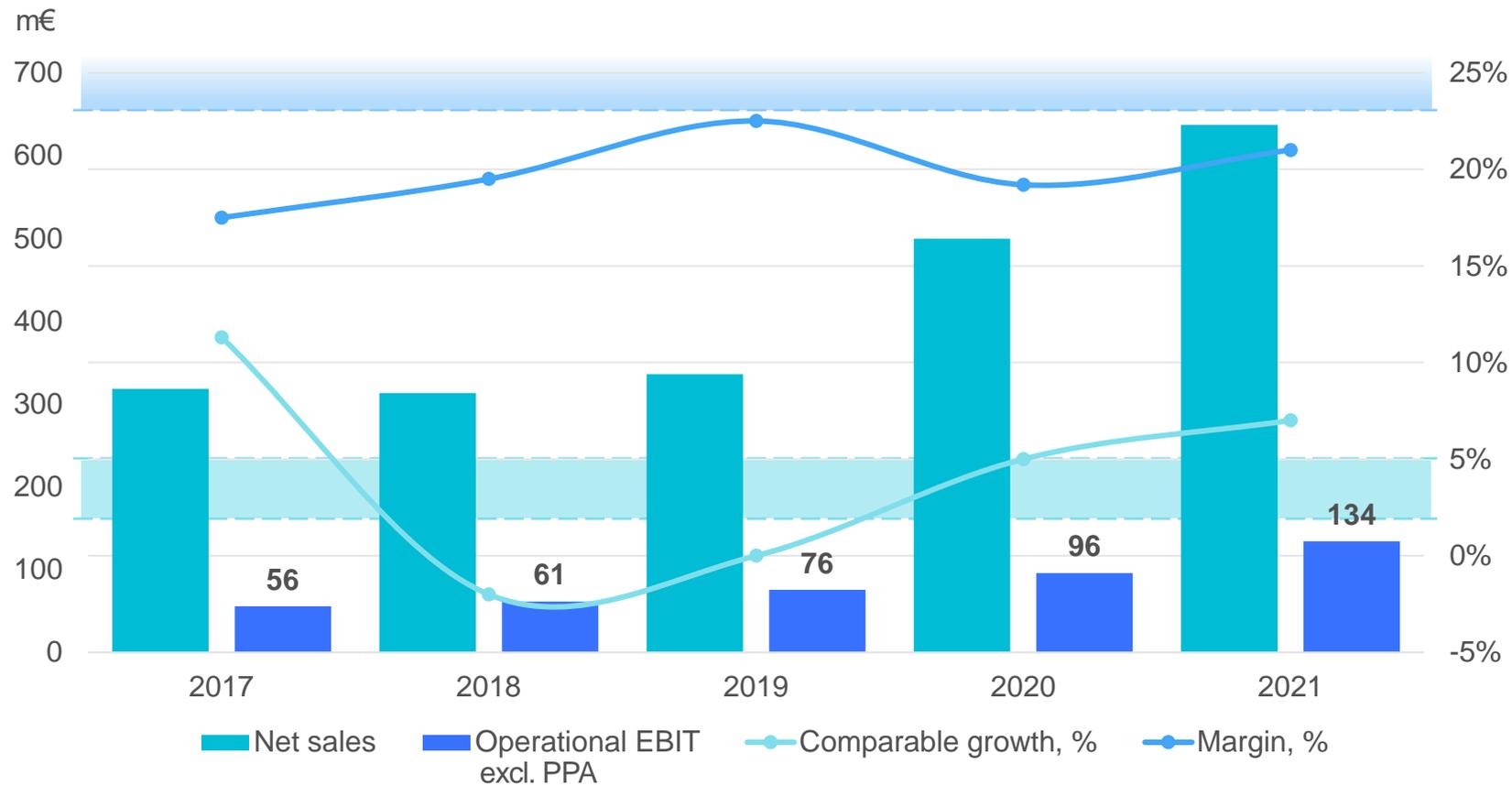


Learning: Quarterly key figures

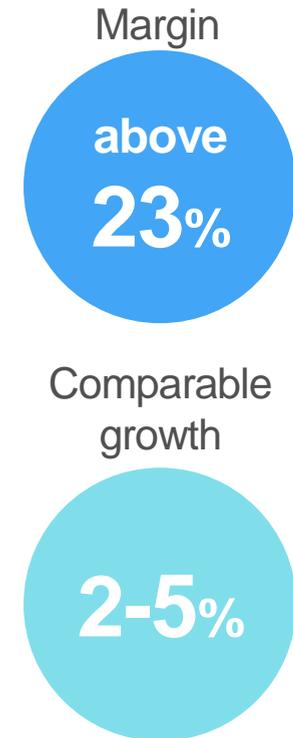
| m€ | Q1 22 | Q4 21 | Q3 21 | Q2 21 | Q1 21 |
|-----------------------------------|--------|--------|-------|-------|--------|
| Net sales | 69.3 | 88.5 | 331.6 | 149.0 | 68.2 |
| Operational EBITDA | -1.3 | 3.0 | 144.9 | 66.0 | -0.9 |
| Operational EBIT excl. PPA | -19.7 | -20.6 | 125.6 | 48.9 | -20.0 |
| margin | -28.4% | -23.3% | 37.9% | 32.8% | -29.3% |
| IACs | -1.0 | -4.4 | -4.3 | -0.9 | -1.6 |
| PPAs | -7.0 | -6.6 | -9.2 | -9.3 | -7.2 |
| EBIT | -27.7 | -31.6 | 112.2 | 38.7 | -28.7 |
| Capital expenditure | 8.9 | 9.7 | 7.7 | 8.2 | 8.0 |
| Average number of employees (FTE) | 2,591 | 2,599 | 2,601 | 2,592 | 2,581 |

Learning: Annual development

Solid track-record of growth and earnings improvement



Long-term financial targets



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Please contact our Investor Relations:

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