

ASX RELEASE | Schrole Group Limited (ASX:SCL)

Improved trading in Q4 FY20 to date

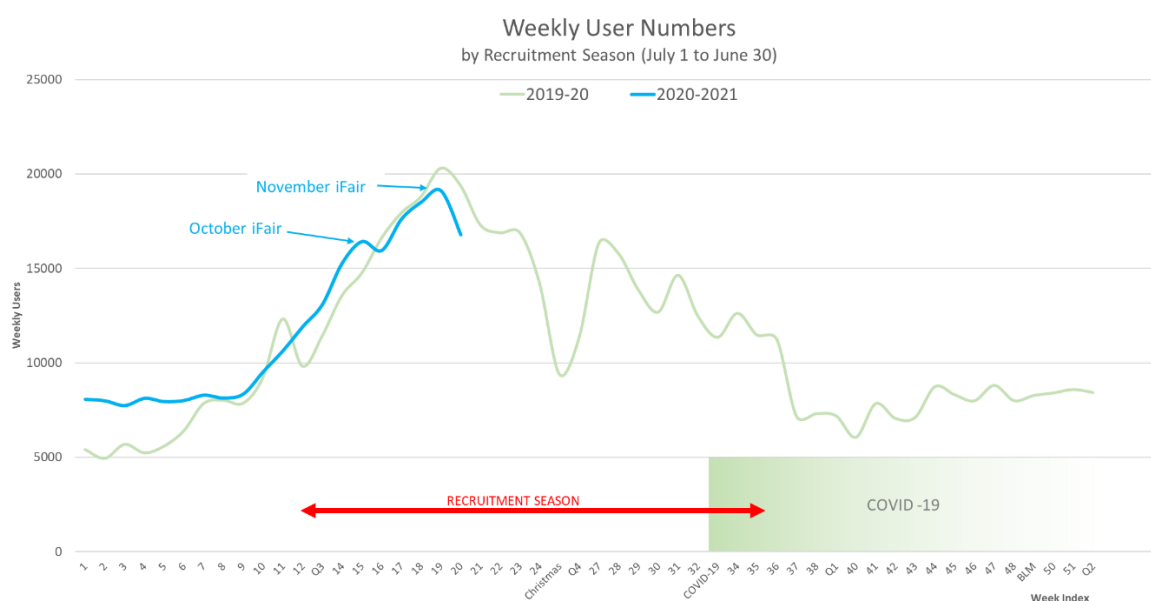
Highlights

- Recruitment activity has accelerated across both October and November
- ISS-Schrole Advantage User numbers increased 9% in the period between 1 July 2020 and 30 November 2020 compared to same period in FY19, despite challenges associated with COVID-19
- Renewal rates for existing ISS-Schrole Advantage licences at 81% across the October and November period, representing the largest renewal period with 83 contracts renewed for another 12 months
- Record attendance for both teachers and schools at iFairs held in October and November

Wednesday, 2 December 2020: Schrole Group (ASX: SCL) ('Schrole' or the 'Company'), an Australian education technology company, is pleased to announce a positive trading update for Q4 FY20 to date.

In its Q3 FY20 Cash Flow and Summary of Activities report that was announced on 29 October 2020, Schrole referenced a delay to the anticipated increase in school and teacher recruitment that typically starts in September. This was due to COVID-related impacts, particularly in September, which included schools continuing to assess student enrolments, teacher vacancies, travel restrictions and the potential for further lockdowns and school closures. Pleasingly, that delay proved to be temporary, with both engagement on the platform and renewals showing improvement so far in Q4 FY20.

ISS-Schrole Advantage User Numbers (unique website visitors) increased by 9% between 1 July 2020 and 30 November 2020, compared to the same period in FY19. The key driver for the improved site traffic has been a significant increase in iFair activity. As outlined in the 29 October 2020 update, there were a record number of attendees at the events which lead to an increase in schools listing their vacancies to meet the iFair deadline.



Pleasingly, there were 36 new ISS-Schrole Advantage school sales (22 contracts) during October and November 2020. Average contract values (ACV) of new sales between 1 July 2020 and 30 November 2020 remain relatively high at just over US\$8,000. The improved ACV has been driven by an increase in the take up of Premier subscriptions. One of the benefits of Premier subscriptions is unlimited access to iFairs.

October and November typically represent the peak renewal months for the year, and the vast majority of those renewals have now been determined. Pleasingly the renewal rate across the October and November period was 81% with 83 contracts renewed for another 12 months. The ACV for renewals from July to November is \$8,280. This is a positive result considering the ongoing uncertainty relating to COVID-19.

As outlined in the Q3 FY20 summary of activities, October iFair activity was very strong with over 900 candidates and over 100 schools in attendance. Furthermore, the November iFair registrations exceeded 1,400 candidates and 140 schools, representing a 49% increase in candidate registrations and a 115% increase in schools, compared to the corresponding fair in November 2019. There are four more iFairs scheduled for the coming months.

The performance of Schrole Develop (formerly ETAS) has also seen an improvement, delivering a 3% increase in revenue to \$110k during October 2020 compared to October 2019. Revenues in November 2020 were in excess of \$135,000, representing a 12% increase compared to November 2019. Schrole Develop recently completed the development of a mentoring course, which it aims to convert into a pilot program in January 2021 and commercialise over the coming year.

Schrole Group Managing Director, Mr Rob Graham said: *"It is pleasing to see the anticipated improvement in engagement and renewals materialising so far in the fourth quarter. It was particularly pleasing to see the improvement in revenues for Schrole Develop. Schrole continues to show resilience as it adapts to the challenges associated with COVID-19 with global travel restrictions, border closures and widespread uncertainty all impacting international schools,"* he said.

-ENDS-

This announcement has been approved by the Schrole Board

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 Develop (formerly ETAS)** – Schrole Education and Training Advisory Service provides accredited training solutions customised to the contexts in which our clients operate.

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