UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly Report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended November 30, 2024 Commission File No. 000-19860

SCHOLASTIC CORPORATION

(Exact name of Registrant as specified in its charter)

Delaware	**13-3385513**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
557 Broadway, New York, New York	**10012**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (212) 343-6100

Title of Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, $0.01 par value	SCHL	The NASDAQ Stock Market LLC

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of Common Stock, as of the latest practicable date:

Title of each class	Number of shares outstanding as of November 30, 2024
Common Stock, $0.01 par value	27,273,046
Class A Stock, $0.01 par value	828,100

SCHOLASTIC

SCHOLASTIC CORPORATION

FORM 10-Q FOR THE QUARTERLY PERIOD ENDED November 30, 2024

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

SCHOLASTIC CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS - UNAUDITED
(Dollar amounts in millions, except per share data)

	Three months ended November 30,		Six months ended November 30,	
	2024	**2023**	**2024**	**2023**
Revenues	**$ 544.6**	**$ 562.6**	**$ 781.8**	**$ 791.1**
Operating costs and expenses:				
Cost of goods sold	228.6	234.1	356.9	364.1
Selling, general and administrative expenses	224.9	213.1	407.0	397.3
Depreciation and amortization	16.3	14.1	31.6	27.5
Asset impairments and write downs	0.1	—	0.1	—
Total operating costs and expenses	469.9	461.3	795.6	788.9
Operating income (loss)	**74.7**	**101.3**	**(13.8)**	**2.2**
Interest income (expense), net	(4.4)	0.4	(7.4)	1.8
Other components of net periodic benefit (cost)	(0.3)	(0.2)	(0.6)	(0.5)
Earnings (loss) before income taxes	**70.0**	**101.5**	**(21.8)**	**3.5**
Provision (benefit) for income taxes	21.2	24.6	(8.1)	0.8
Net income (loss)	**$ 48.8**	**$ 76.9**	**$ (13.7)**	**$ 2.7**
Basic and diluted earnings (loss) per share of Class A and Common Stock				
Basic	$ 1.73	$ 2.51	$ (0.48)	$ 0.09
Diluted	$ 1.71	$ 2.45	$ (0.48)	$ 0.09

See accompanying notes

SCHOLASTIC CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) - UNAUDITED
(Dollar amounts in millions)

	Three months ended November 30,		Six months ended November 30,	
	2024	**2023**	**2024**	**2023**
Net income (loss)	**$ 48.8**	**$ 76.9**	**$ (13.7)**	**$ 2.7**
Other comprehensive income (loss), net:				
Foreign currency translation adjustments	(11.9)	0.2	(3.7)	2.0
Pension and postretirement adjustments (net of tax)	0.2	0.1	0.4	0.3
Total other comprehensive income (loss), net	**$ (11.7)**	**$ 0.3**	**$ (3.3)**	**$ 2.3**
Comprehensive income (loss)	**$ 37.1**	**$ 77.2**	**$ (17.0)**	**$ 5.0**

See accompanying notes

SCHOLASTIC CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS - UNAUDITED
(Dollar amounts in millions, except per share data)

	November 30, 2024 (unaudited)	May 31, 2024 (audited)	November 30, 2023 (unaudited)
ASSETS			
Current Assets:			
Cash and cash equivalents	$ 139.6	$ 113.7	$ 149.5
Accounts receivable, net	293.0	235.0	311.8
Inventories, net	282.0	264.2	302.3
Income tax receivable	26.0	15.2	11.6
Prepaid expenses and other current assets	70.9	48.8	65.4
Total current assets	**811.5**	**676.9**	**840.6**
Noncurrent Assets:			
Property, plant and equipment, net	522.7	511.9	523.6
Prepublication costs, net	48.3	49.5	55.2
Investment in film and television programs, net	37.9	—	—
Operating lease right-of-use assets, net	100.4	99.1	97.3
Royalty advances, net	71.4	57.8	55.4
Goodwill	202.2	132.8	132.8
Other intangible assets, net	88.6	10.3	14.5
Noncurrent deferred income taxes	22.9	23.1	20.9
Other assets and deferred charges	130.9	109.8	93.2
Total noncurrent assets	**1,225.3**	**994.3**	**992.9**
Total assets	**$ 2,036.8**	**$ 1,671.2**	**$ 1,833.5**
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities:			
Lines of credit and current portion of long-term debt	$ 6.2	$ 6.0	$ 6.3
Film related obligations	8.3	—	—
Accounts payable	157.2	138.5	159.5
Accrued royalties	67.3	48.5	57.5
Deferred revenue	225.0	161.1	225.0
Other accrued expenses	163.2	156.3	162.5
Accrued income taxes	2.6	1.9	2.5
Operating lease liabilities	26.0	22.4	23.4
Total current liabilities	**655.8**	**534.7**	**636.7**
Noncurrent Liabilities:			
Long-term debt	250.0	—	—
Operating lease liabilities	85.6	89.2	84.1
Film related obligations	13.3	—	—
Other noncurrent liabilities	46.1	29.2	33.6
Total noncurrent liabilities	**395.0**	**118.4**	**117.7**
Commitments and Contingencies (see Note 5)	**—**	**—**	**—**
Stockholders' Equity:			
Preferred Stock, $1.00 par value: Authorized, 2.0 shares; Issued and Outstanding, none	$ —	$ —	$ —
Class A Stock, $0.01 par value: Authorized, 3.2, 3.2, and 4.0 shares, respectively; Issued and Outstanding, 0.8, 0.8, and 1.7 shares, respectively	0.0	0.0	0.0
Common Stock, $0.01 par value: Authorized, 70.0 shares; Issued, 42.9 shares; Outstanding, 27.3, 27.4, and 28.2 shares, respectively	0.4	0.4	0.4
Additional paid-in capital	603.5	604.6	630.8
Accumulated other comprehensive income (loss)	(55.8)	(52.5)	(53.5)
Retained earnings	998.7	1,023.7	1,026.0
Treasury stock, at cost: 15.6, 15.5 and 14.7 shares, respectively	(560.8)	(558.1)	(524.6)
Total stockholders' equity	**986.0**	**1,018.1**	**1,079.1**
Total liabilities and stockholders' equity	**$ 2,036.8**	**$ 1,671.2**	**$ 1,833.5**

See accompanying notes

SCHOLASTIC CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY - UNAUDITED
(Dollar amounts in millions, except per share data)

	Class A Stock		Common Stock								
	Shares	Amount	Shares	Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Treasury Stock At Cost	Total Stockholders' Equity of Scholastic Corporation	Noncontrolling Interest	Total Stockholders' Equity
Balance at June 1, 2023	**1.7**	**$ 0.0**	**30.0**	**$ 0.4**	**$ 632.2**	**$ (55.8)**	**$ 1,035.6**	**$ (449.5)**	**$ 1,162.9**	**$ 1.6**	**$ 1,164.5**
Net Income (loss)	—	—	—	—	—	—	(74.2)	—	(74.2)	—	(74.2)
Foreign currency translation adjustment	—	—	—	—	—	1.8	—	—	1.8	—	1.8
Pension and post-retirement adjustments (net of tax of $0.1)	—	—	—	—	—	0.2	—	—	0.2	—	0.2
Stock-based compensation	—	—	—	—	2.3	—	—	—	2.3	—	2.3
Proceeds pursuant to stock-based compensation plans	—	—	—	—	3.0	—	—	—	3.0	—	3.0
Purchases of treasury stock at cost	—	—	(0.8)	—	—	—	—	(36.2)	(36.2)	—	(36.2)
Treasury stock issued pursuant to equity-based plans	—	—	0.1	—	(4.3)	—	—	5.9	1.6	—	1.6
Dividends ($0.20 per share)	—	—	—	—	—	—	(6.3)	—	(6.3)	—	(6.3)
Other (noncontrolling interest)	—	—	—	—	(0.5)	—	—	—	(0.5)	(1.6)	(2.1)
Balance at August 31, 2023	**1.7**	**$ 0.0**	**29.3**	**$ 0.4**	**$ 632.7**	**$ (53.8)**	**$ 955.1**	**$ (479.8)**	**$ 1,054.6**	**$ —**	**$ 1,054.6**
Net Income (loss)	—	—	—	—	—	—	76.9	—	76.9	—	76.9
Foreign currency translation adjustment	—	—	—	—	—	0.2	—	—	0.2	—	0.2
Pension and post-retirement adjustments (net of tax of $0.0)	—	—	—	—	—	0.1	—	—	0.1	—	0.1
Stock-based compensation	—	—	—	—	4.1	—	—	—	4.1	—	4.1
Proceeds pursuant to stock-based compensation plans	—	—	—	—	0.6	—	—	—	0.6	—	0.6
Purchases of treasury stock at cost	—	—	(1.4)	—	—	—	—	(52.3)	(52.3)	—	(52.3)
Treasury stock issued pursuant to equity-based plans	—	—	0.3	—	(6.6)	—	—	7.5	0.9	—	0.9
Dividends ($0.20 per share)	—	—	—	—	—	—	(6.0)	—	(6.0)	—	(6.0)
Balance at November 30, 2023	**1.7**	**$ 0.0**	**28.2**	**$ 0.4**	**$ 630.8**	**$ (53.5)**	**$ 1,026.0**	**$ (524.6)**	**$ 1,079.1**	**$ —**	**$ 1,079.1**

	Class A Stock		Common Stock								
	Shares	Amount	Shares	Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Treasury Stock At Cost	Total Stockholders' Equity of Scholastic Corporation	Noncontrolling Interest	Total Stockholders' Equity
Balance at June 1, 2024	**0.8**	**$ 0.0**	**27.4**	**$ 0.4**	**$ 604.6**	**$ (52.5)**	**$ 1,023.7**	**$ (558.1)**	**$ 1,018.1**	**$ —**	**$ 1,018.1**
Net Income (loss)	—	—	—	—	—	—	(62.5)	—	(62.5)	—	(62.5)
Foreign currency translation adjustment	—	—	—	—	—	8.2	—	—	8.2	—	8.2
Pension and post-retirement adjustments (net of tax of $0.1)	—	—	—	—	—	0.2	—	—	0.2	—	0.2
Stock-based compensation	—	—	—	—	2.2	—	—	—	2.2	—	2.2
Proceeds pursuant to stock-based compensation plans	—	—	—	—	0.1	—	—	—	0.1	—	0.1
Purchases of treasury stock at cost	—	—	(0.2)	—	—	—	—	(5.0)	(5.0)	—	(5.0)
Treasury stock issued pursuant to equity-based plans	—	—	0.1	—	(0.6)	—	—	2.2	1.6	—	1.6
Dividends ($0.20 per share)	—	—	—	—	—	—	(5.6)	—	(5.6)	—	(5.6)
Balance at August 31, 2024	**0.8**	**$ 0.0**	**27.3**	**$ 0.4**	**$ 606.3**	**$ (44.1)**	**$ 955.6**	**$ (560.9)**	**$ 957.3**	**$ —**	**$ 957.3**
Net Income (loss)	—	—	—	—	—	—	48.8	—	48.8	—	48.8
Foreign currency translation adjustment	—	—	—	—	—	(11.9)	—	—	(11.9)	—	(11.9)
Pension and post-retirement adjustments (net of tax of $0.0)	—	—	—	—	—	0.2	—	—	0.2	—	0.2
Stock-based compensation	—	—	—	—	2.1	—	—	—	2.1	—	2.1
Proceeds pursuant to stock-based compensation plans	—	—	—	—	(0.5)	—	—	—	(0.5)	—	(0.5)
Purchases of treasury stock at cost	—	—	(0.1)	—	—	—	—	(5.0)	(5.0)	—	(5.0)
Treasury stock issued pursuant to equity-based plans	—	—	0.1	—	(4.4)	—	—	5.1	0.7	—	0.7
Dividends ($0.20 per share)	—	—	—	—	—	—	(5.7)	—	(5.7)	—	(5.7)
Balance at November 30, 2024	**0.8**	**$ 0.0**	**27.3**	**$ 0.4**	**$ 603.5**	**$ (55.8)**	**$ 998.7**	**$ (560.8)**	**$ 986.0**	**$ —**	**$ 986.0**

See accompanying notes

SCHOLASTIC CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS – UNAUDITED
(Dollar amounts in millions)

	Six months ended November 30, 2024	Six months ended November 30, 2023
Cash flows - operating activities:		
Net income (loss)	**$ (13.7)**	**$ 2.7**
Adjustments to reconcile Net income (loss) to net cash provided by (used in) operating activities:		
Provision for losses on accounts receivable	3.0	3.1
Provision for losses on inventory	9.6	11.8
Provision for losses on royalty advances	1.6	1.5
Amortization of prepublication costs	11.0	13.3
Amortization of production costs	6.4	—
Depreciation and amortization	37.9	32.1
Amortization of pension and postretirement plans	0.3	0.2
Deferred income taxes	0.2	0.3
Stock-based compensation	4.3	6.4
Income from equity-method investments	(0.8)	(0.3)
Changes in assets and liabilities, net of amounts acquired:		
Accounts receivable	(46.3)	(36.3)
Inventories	(28.3)	21.2
Prepaid expenses and other current assets	(15.1)	(18.3)
Investment in film and television programs	(5.8)	—
Income tax receivable	(10.3)	(2.7)
Royalty advances	(15.4)	0.0
Accounts payable	16.6	(11.3)
Accrued income taxes	0.7	(10.8)
Accrued royalties	12.4	4.6
Deferred revenue	53.4	55.8
Other accrued expenses	(4.2)	(9.3)
Other, net	11.8	7.6
Net cash provided by (used in) operating activities	29.3	71.6
Cash flows - investing activities:		
Prepublication expenditures	(10.1)	(11.7)
Additions to property, plant and equipment	(30.9)	(29.1)
Acquisitions, net of cash acquired	(176.2)	(6.2)
Purchase of noncontrolling interest	—	(2.1)
Net cash provided by (used in) investing activities	(217.2)	(49.1)
Cash flows - financing activities:		
Borrowings under lines of credit, credit agreement and revolving loan	251.5	27.1
Repayments of lines of credit, credit agreement and revolving loan	(1.3)	(26.8)
Borrowings under film related obligations	8.7	—
Repayments of film related obligations	(23.3)	—
Repayment of capital lease obligations	(0.9)	(1.2)
Reacquisition of common stock	(10.0)	(90.2)
Proceeds pursuant to stock-based compensation plans	1.1	6.1
Payment of dividends	(11.3)	(12.8)
Net cash provided by (used in) financing activities	214.5	(97.8)
Effect of exchange rate changes on cash and cash equivalents	(0.7)	0.3
Net increase (decrease) in cash and cash equivalents	25.9	(75.0)
Cash and cash equivalents at beginning of period	113.7	224.5
Cash and cash equivalents at end of period	**$ 139.6**	**$ 149.5**

See accompanying notes

1. BASIS OF PRESENTATION

Principles of consolidation

The accompanying condensed consolidated interim financial statements (referred to as the “Financial Statements” herein) include the accounts of Scholastic Corporation (the “Corporation”) and all wholly-owned and majority-owned subsidiaries (collectively, “Scholastic” or the “Company”). The Company reviews its relationships with other entities to identify whether it is the primary beneficiary of a variable interest entity (“VIE”). If the determination is made that the Company is the primary beneficiary, then the entity is consolidated. Intercompany transactions are eliminated in consolidation.

The Company’s fiscal year is not a calendar year. Accordingly, references in this document to fiscal 2025 relate to the twelve-month period ending May 31, 2025.

Noncontrolling Interest

On June 1, 2023, the Company acquired the remaining shares of Make Believe Ideas Limited ("MBI"), a UK-based children's book publishing company, which represented a 5.0% noncontrolling interest, increasing the Company's total ownership from 95.0% to 100%.

Prior to June 1, 2023, the founder and chief executive officer of MBI retained a 5.0% noncontrolling ownership interest in MBI. The Company fully consolidated MBI as of the acquisition date and the 5.0% noncontrolling interest was classified within stockholder's equity.

Interim Financial Statements

The accompanying Financial Statements have been prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”) and Article 10 of Regulation S-X of the U.S. Securities and Exchange Commission (“SEC”) for interim financial information, and should be read in conjunction with the Company’s Annual Report on Form 10-K for the fiscal year ended May 31, 2024. The Financial Statements presented in this Quarterly Report on Form 10-Q are unaudited; however, in the opinion of management, the Financial Statements reflect all adjustments, consisting solely of normal, recurring adjustments, necessary for the fair presentation of the Financial Statements for the periods presented.

Seasonality

The Company’s *Children’s Book Publishing and Distribution* school-based book club and book fair channels and most of its *Education Solutions* businesses operate on a school-year basis; therefore, the Company’s business is highly seasonal. As a result, the Company’s revenues in the first and third quarters of the fiscal year generally are lower than its revenues in the other two fiscal quarters. Typically, school-based channels and magazine revenues are minimal in the first quarter of the fiscal year as schools are not in session. Education channel revenues are generally higher in the fourth quarter. Trade channel and *Entertainment* segment revenues can vary throughout the year due to the timing of published titles' release dates and program production deliveries and the start dates of distribution license agreements.

Use of estimates

The preparation of these Financial Statements involves the use of estimates and assumptions by management, which affects the amounts reported in the Financial Statements and accompanying notes. The Company bases its estimates on historical experience, current business factors, and various other assumptions believed to be reasonable under the circumstances, all of which are necessary, in order to form a basis for determining the carrying values of certain assets and liabilities. Actual results may differ from those estimates and assumptions. On an on-going basis, the Company evaluates the adequacy of its reserves and the estimates used in these calculations, including, but not limited to:

- Accounts receivable allowance for credit losses
- Pension and postretirement benefit plans
- Uncertain tax positions
- The timing and amount of future income taxes and related deductions

- Inventory reserves
- Cost of goods sold from book fair operations during interim periods based on estimated gross profit rates
- Sales tax contingencies
- Royalty advance reserves and royalty expense accruals
- Expected economic useful life of film and television program assets
- Impairment testing for goodwill, other intangibles and other long-lived assets and investments
- Assets and liabilities acquired in business combinations
- Variable consideration related to anticipated returns
- Allocation of transaction price to contractual performance obligations

Summary of Significant Accounting Policies

In Notes to Consolidated Financial Statements of the Company’s Annual Report on Form 10-K for the fiscal year ended May 31, 2024 the Company included a description of its significant accounting policies. Except as set forth below, as of the date of this Quarterly Report on Form 10-Q there have been no material changes to the significant accounting policies described in the Company’s Annual Report for the fiscal year ended May 31, 2024

The below significant accounting policies relate to the Company's entertainment business, which includes the operations of 9 Story Media Group Inc. ("9 Story") and Scholastic Entertainment Inc. ("SEI"). Refer to Note 7, "Acquisitions" for further details regarding the acquisition of 9 Story.

Revenue recognition
The Company’s revenue recognition policies for its entertainment business include the following:

Film and TV production - Revenue is deferred during production and recognized when the film or episodes have been delivered and are available for showing or exploitation.
Production services - Revenue is recognized using the percentage-of-completion method based on the proportion of costs incurred in the current period to total expected costs.

Licensing - Revenue from the sale or granting of broadcast license rights to third parties is recognized when the licensed content is available to the customer and the customer has the contractual right to broadcast or stream the content.

Royalty income - Revenue from sales and usage-based royalties related to licenses is generally recognized when the subsequent sale or usage occurs.

Investment in film and television programs
Investments in film and television programs are stated at the lower of cost or net realizable value. Investment in film and television programs includes all direct production and financing costs incurred during production and minimum guarantee payments made to acquire distribution rights. Interest costs are capitalized to the cost of the film or television program until substantially all of the activities required for delivery are complete. Investments in film and television programs are amortized using the declining-balance method with rates ranging from 50% to 90% at the time of initial episodic delivery and at rates ranging from 10% to 25% annually thereafter. The determination of the rates is based on the expected economic useful life of the film or television program and includes factors such as rights retained by the Company, the availability of rights to renew licenses for episodic television programs in various territories, and the availability of secondary market revenue. The Company regularly reviews the recoverability of these capitalized costs based on expected future cash flows.

Government financing and assistance
The Company has access to government programs and tax credits that are designed to assist film, television and digital media production and distribution. Amounts received and amounts receivable which relate to the Company's film and television program assets are recorded as a reduction in the production costs of the related asset.

New Accounting Pronouncements

In November 2024, Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2024-03, "Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40) - Disaggregation of Income Statement Expenses." This ASU improves financial reporting by requiring that public business entities disclose additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods. This ASU is effective for the Company's fiscal year 2028, and interim periods starting in fiscal year 2029. Early adoption is permitted. The amendments in this ASU are to be applied retrospectively to all prior periods presented in the financial statements. The Company is currently assessing the impact of the disclosure requirements on its consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740)." The amendments in this update enhance the transparency and decision usefulness of income tax disclosures to provide information to better assess how an entity’s operations and related tax risks and tax planning and operational opportunities affect its tax rate and prospects for future cash flows. The amendments in this ASU require more transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. This ASU is effective for the Company's fiscal year 2026. Early adoption is permitted. The amendments are to be applied prospectively, but may be applied retrospectively to all prior periods presented in the financial statements. The Company is currently assessing the impact of the disclosure requirements on its consolidated financial statements.

In November 2023, the FASB issued ASU 2023-07, “Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures.” This ASU improves reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. This ASU is effective for the Company's fiscal year 2025, and interim periods starting in fiscal year 2026. Early adoption is permitted. The amendments in this ASU are to be applied retrospectively to all prior periods presented in the financial statements. The Company is currently assessing the impact of the disclosure requirements on its consolidated financial statements.

Refer to the Company’s Annual Report on Form 10-K for the fiscal year ended May 31, 2024 for more information on current applicable authoritative guidance and its impact on the Company's financial statements.

(Dollar amounts in millions, except per share data)

2. REVENUES

Disaggregated Revenue Data

The following table presents the Company's segment revenues disaggregated by region and domestic channel:

	Three months ended November 30,		Six months ended November 30,	
	2024	**2023**	**2024**	**2023**
Book Clubs - U.S.	$ 33.2	$ 32.4	$ 35.9	$ 35.0
Book Fairs - U.S.	231.0	242.1	259.8	269.4
Trade - U.S. (1)	91.0	100.6	149.2	162.7
Trade - International (2)	11.8	17.3	27.5	27.7
Total Children's Book Publishing and Distribution	**$ 367.0**	**$ 392.4**	**$ 472.4**	**$ 494.8**
Education Solutions - U.S.	$ 71.2	$ 81.0	$ 126.9	$ 147.0
Total Education Solutions	**$ 71.2**	**$ 81.0**	**$ 126.9**	**$ 147.0**
Entertainment - U.S.	$ 1.3	$ 0.4	$ 2.9	$ 0.8
Entertainment - International (3)	15.5	—	30.5	—
Total Entertainment (1)	**$ 16.8**	**$ 0.4**	**$ 33.4**	**$ 0.8**
International - Major Markets (4)	$ 75.6	$ 75.4	$ 123.7	$ 123.2
International - Other Markets (5)	11.1	11.1	19.8	20.5
Total International	**$ 86.7**	**$ 86.5**	**$ 143.5**	**$ 143.7**
Overhead (6)	$ 2.9	$ 2.3	$ 5.6	$ 4.8
Total Overhead	**$ 2.9**	**$ 2.3**	**$ 5.6**	**$ 4.8**
Total	**$ 544.6**	**$ 562.6**	**$ 781.8**	**$ 791.1**

(1) The newly formed *Entertainment* segment includes the operations of SEI, which were included in the Children's Book Publishing and Distribution segment in prior periods, and 9 Story. The financial results for SEI for the three and six months ended November 30, 2023 have been reclassified to *Entertainment* to reflect this change.
(2) Primarily includes foreign rights and certain product sales in the UK.
(3) Primarily includes production, distribution and licensing revenues in Canada, Ireland and Indonesia.
(4) Includes Canada, UK, Australia and New Zealand.
(5) Primarily includes markets in Asia.
(6) Overhead includes rental income related to leased space in the Company's headquarters.

Estimated Returns

A liability for expected returns of $34.8, $33.1, and $37.7 is recorded within Other accrued expenses as of November 30, 2024, May 31, 2024, and November 30, 2023, respectively. In addition, a return asset of $4.0, $4.2, and $5.4 is recorded within Prepaid expenses and other current assets as of November 30, 2024, May 31, 2024, and November 30, 2023, respectively, for the recoverable cost of product estimated to be returned by customers.

(Dollar amounts in millions, except per share data)

Contract Liabilities

The following table presents further detail regarding the Company's contract liabilities as of the dates indicated:

	November 30, 2024	May 31, 2024	November 30, 2023
Book fairs incentive credits	$ 120.8	$ 114.2	$ 114.1
Magazines+ subscriptions	48.3	4.6	53.3
U.S. digital subscriptions	17.9	15.6	24.6
U.S. education-related (1)	9.5	10.1	10.6
Media-related	7.7	0.0	0.2
Stored value cards	21.0	16.7	24.1
Other (2)	5.7	6.4	7.6
Total contract liabilities	**$ 230.9**	**$ 167.6**	**$ 234.5**

(1) Primarily includes contract liabilities related to contracts with school districts and professional services.
(2) Primarily includes contract liabilities related to various international products and services.

The Company's contract liabilities consist of advance billings and payments received from customers in excess of revenue recognized and revenue allocated to outstanding book fairs incentive credits. Contract liabilities of $225.0, $161.1 and $225.0 as of November 30, 2024, May 31, 2024 and November 30, 2023, respectively, are recorded within Deferred revenue on the Company's Condensed Consolidated Balance Sheets and are classified as short term, as substantially all of the associated performance obligations are expected to be satisfied, and related revenue recognized, within one year. The remaining $5.9, $6.5 and $9.5 of contract liabilities as of November 30, 2024, May 31, 2024 and November 30, 2023, respectively, are recorded within Other noncurrent liabilities on the Company's Condensed Consolidated Balance Sheet as the associated performance obligations are expected to be satisfied, and related revenue recognized, in excess of one year. The Company recognized revenue which was included in the opening Deferred revenue balance in the amount of $41.9 and $71.1 for the three and six months ended November 30, 2024, respectively, and $48.4 and $80.7 for the three and six months ended November 30, 2023, respectively.

Allowance for Credit Losses

The Company recognizes an allowance for credit losses on customer receivables that are expected to be incurred over the lifetime of the receivable. Reserves for estimated credit losses are established at the time of sale and are based on relevant information about past events, current conditions, and supportable forecasts impacting its ultimate collectability, including specific reserves on a customer-by-customer basis, creditworthiness of the Company’s customers and prior collection experience. The Company reviews new information as it becomes available and makes adjustments to the reserves accordingly. At the time the Company determines that a receivable balance, or any portion thereof, is deemed to be permanently uncollectible, the balance is then written off.

The following table presents the change in the allowance for credit losses, which is included in Accounts Receivable, net on the Condensed Consolidated Balance Sheets:

	Allowance for Credit Losses
Balance as of June 1, 2024	**$ 14.9**
Provision (benefit)	0.9
Write-offs and other	(0.4)
Balance as of August 31, 2024	**$ 15.4**
Provision (benefit)	2.1
Write-offs and other	(2.6)
Balance as of November 30, 2024	**$ 14.9**

(Dollar amounts in millions, except per share data)

3. SEGMENT INFORMATION

The Company categorizes its businesses into four reportable segments: *Children's Book Publishing and Distribution, Education Solutions, Entertainment* and *International*.

- **Children's Book Publishing and Distribution** operates as an integrated business which includes the publication and distribution of children's books, ebooks, media and interactive products primarily in the United States through its school reading events business, which includes the book clubs and book fairs channels, and through the trade channel. This segment is comprised of two operating segments.

- **Education Solutions** includes the publication and distribution to schools and libraries of children's books, classroom magazines, print and digital supplemental and core classroom materials and related support services, and print and online reference and non-fiction products for grades pre-kindergarten to 12 in the United States. This segment is comprised of one operating segment.

- **Entertainment** includes the development, production, distribution and licensing of children and family film and television content. This segment is comprised of one operating segment.

- **International** includes the publication and distribution of products and services outside the United States by the Company's international operations and its export businesses. This segment is comprised of three operating segments.

The following table sets forth the Company's revenue and operating income (loss) by segment for the periods indicated:

	Three months ended November 30,		Six months ended November 30,	
	2024	2023	2024	2023
Revenues				
Children's Book Publishing and Distribution [1]	$ 367.0	$ 392.4	$ 472.4	$ 494.8
Education Solutions	71.2	81.0	126.9	147.0
Entertainment [1]	16.8	0.4	33.4	0.8
International	86.7	86.5	143.5	143.7
Overhead [2]	2.9	2.3	5.6	4.8
Total	**$ 544.6**	**$ 562.6**	**$ 781.8**	**$ 791.1**
Operating income (loss)				
Children's Book Publishing and Distribution [1]	$ 102.1	$ 111.6	$ 65.5	$ 70.6
Education Solutions	(0.5)	5.8	(17.5)	(12.9)
Entertainment [1]	(4.7)	(0.8)	(5.2)	(1.3)
International	5.7	8.0	(2.6)	(0.2)
Overhead [2]	(27.9)	(23.3)	(54.0)	(54.0)
Total	**$ 74.7**	**$ 101.3**	**$ (13.8)**	**$ 2.2**

(1) The newly formed *Entertainment* segment includes the operations of SEI, which were included in the Children's Book Publishing and Distribution segment in prior periods, and 9 Story. The financial results for SEI for the three and six months ended November 30, 2023 have been reclassified to *Entertainment* to reflect this change.
(2) Overhead includes all domestic corporate amounts not allocated to segments, including expenses and costs related to the management of corporate assets and rental income related to leased space in the Company's headquarters.

4. DEBT

The following table summarizes the carrying value of the Company's debt, excluding film related obligations, as of the dates indicated:

	November 30, 2024	May 31, 2024	November 30, 2023
US Revolving Credit Agreement	$ 250.0	$ —	$ —
Unsecured lines of credit	6.2	6.0	6.3
Total debt	**$ 256.2**	**$ 6.0**	**$ 6.3**
Less lines of credit, short-term debt and current portion of long-term debt	(6.2)	(6.0)	(6.3)
Total long-term debt	**$ 250.0**	**$ —**	**$ —**

The following table sets forth the maturities of the carrying values of the Company's debt obligations, excluding film related obligations, as of November 30, 2024 for the twelve month periods ended November 30:

2025	$ 6.2
2026	—
2027	—
2028	—
2029	250.0
Thereafter	—
Total Debt	**$ 256.2**

US Revolving Credit Agreement

On November 26, 2024, Scholastic Corporation and its principal operating subsidiary, Scholastic Inc., entered into a Third Amendment to Amended and Restated Credit Agreement (the "Amendment") with a syndicate of banks and Bank of America, N.A., as administrative agent, and Truist Bank and Wells Fargo Bank, National Association, as co-syndication agents (as amended by the Third Amendment, the "Credit Agreement"). The arrangement was accounted for as a debt modification. The revised terms of the amended Credit Agreement include the following:

- an increase in borrowing limits to $400.0 from $300.0, as amended on October 27, 2021;
- an increase in the interest pricing margins for SOFR loans to a range of 1.625% to 1.875% from a range of 1.35% to 1.75% and for Base Rate loans to a range of 0.625% to 0.875% from a range of 0.35% to 0.75%;
- the elimination of the credit spread adjustment of 0.10% applicable to Term SOFR loans; and
- the extension of the maturity date to November 26, 2029.

The Credit Agreement provides for a $400.0 unsecured revolving credit facility and allows the Company to borrow, repay or prepay and reborrow at any time prior to the November 26, 2029 maturity date. The Credit Agreement also provides an unlimited basket for permitted payments of dividends and other distributions in respect of capital stock so long as the Corporation's pro forma Consolidated Net Leverage Ratio, as defined, is not in excess of 2.75:1.

Under the Credit Agreement, interest on (i) Base Rate Advances (as defined in the Credit Agreement) is due and payable in arrears quarterly on the last day of each February, May, August and November, and (ii) Term SOFR Advances (as defined in the Credit Agreement) is due and payable in arrears on the last day of the interest period (defined as the period commencing on the date of the advance and ending on the last day of the period selected by the Borrowers at the time each advance is made). The interest pricing under the Credit Agreement is dependent upon the Company's election of a rate that is either:

- a Base Rate Advance equal to the higher of (i) the prime rate, (ii) the prevailing Federal Funds rate plus 0.50% or (iii) the Term SOFR Rate plus 1.00% plus, in each case, an applicable margin ranging from 0.625% to 0.875%, as determined by the Company's prevailing Consolidated Net Leverage Ratio (as defined in the Credit Agreement);

- or -

- a Term SOFR Advance equal to the Term SOFR rate plus an applicable margin ranging from 1.625% to 1.875%, as determined by the Company's prevailing Consolidated Net Leverage Ratio.

As of November 30, 2024, the applicable margin on Base Rate Advances was 0.625% and the applicable margin on SOFR Advances was 1.625%.

The Credit Agreement provides for payment of a commitment fee in respect of the aggregate unused amount of revolving credit commitments ranging from 0.20% to 0.30% per annum based upon the Corporation's then prevailing Consolidated Net Leverage Ratio. As of November 30, 2024, the commitment fee rate was 0.20%.

A portion of the revolving credit facility, up to a maximum of $50.0, is available for the issuance of letters of credit. In addition, a portion of the revolving credit facility, up to a maximum of $15.0, is available for swingline loans. The Credit Agreement has an accordion feature which permits the Company, provided certain conditions are satisfied, to increase the facility by up to an additional $150.0.

As of November 30, 2024, the Company had outstanding borrowings of $250.0 under the Credit Agreement at a weighted average interest rate of 6.8%. While this obligation is not due until the November 26, 2029 maturity date, the Company may, from time to time, make payments to reduce this obligation when cash from operations becomes available for this purpose. No borrowings were outstanding under the Credit Agreement as of November 30, 2023.

The Credit Agreement contains certain financial covenants related to leverage and interest coverage ratios (as defined in the Credit Agreement), limitations on the amount of dividends and other distributions, and other limitations on fundamental changes to the Company or its business. The Company was in compliance with required covenants for all periods presented.

At November 30, 2024, the Company had open standby letters of credit totaling $4.0 issued under certain credit lines, including $0.4 under the Credit Agreement and $3.6 under the domestic credit lines discussed below.

Unsecured Lines of Credit

As of November 30, 2024, the Company's domestic credit lines available under unsecured money market bid rate credit lines totaled $10.0. There were no outstanding borrowings under these credit lines as of November 30, 2024, May 31, 2024 and November 30, 2023. As of November 30, 2024, availability under these unsecured money market bid rate credit lines totaled $6.4, excluding commitments of $3.6. All loans made under these credit lines are at the sole discretion of the lender and at an interest rate and term agreed to at the time each loan is made, but not to exceed 365 days. These credit lines may be renewed, if requested by the Company, at the option of the lender.

As of November 30, 2024, the Company had various local currency international credit lines totaling $16.9 underwritten by banks primarily in the United States and the United Kingdom. Outstanding borrowings under these facilities were $6.2 at November 30, 2024 at a weighted average interest rate of 4.2%, compared to outstanding borrowings of $6.0 at May 31, 2024 at a weighted average interest rate of 4.5%, and $6.3 at November 30, 2023 at a weighted average interest rate of 3.9%. As of November 30, 2024, the amounts available under these facilities totaled $10.7. These credit lines are typically available for overdraft borrowings or loans up to 364 days and may be renewed, if requested by the Company, at the sole option of the lender.

Film Related Obligations

The Company's entertainment business enters into credit facilities with third-party banks to obtain interim financing for certain productions. The interim production credit facilities are secured by an assignment and direction of specific production financing including tax credits and license contract receivables and have varying maturity dates between December 31, 2024 and June 30, 2028. Interest is charged at rates ranging from the bank prime rate plus 0.75% for Canadian dollar loans, SOFR plus 3.0% or U.S. Base Rate plus 0.75% for U.S. dollar loans and Euribor plus 2.0% for Euro loans.

As of November 30, 2024, outstanding borrowings under these facilities were $21.6 at a weighted average interest rate of 6.9%, of which $8.3 were classified as current obligations.

5. COMMITMENTS AND CONTINGENCIES

Legal Matters

Various claims and lawsuits arising in the normal course of business are pending against the Company. The Company accrues a liability for such matters when it is probable that a liability has occurred and the amount of such liability can be reasonably estimated. When only a range can be estimated, the most probable amount in the range is accrued unless no amount within the range is a better estimate than any other amount, in which case the minimum amount in the range is accrued. Legal costs associated with litigation are expensed in the period in which they are incurred. The Company does not expect, in the case of those various claims and lawsuits arising in the normal course of business where a loss is considered probable or reasonably possible, that the reasonably possible losses from such claims and lawsuits (either individually or in the aggregate) would have a material adverse effect on the Company’s consolidated financial position or results of operations.

The Company expects to receive additional recoveries from its insurance programs related to an intellectual property legal settlement accrued during fiscal 2021, however, it is premature to determine with any level of probability or accuracy the amount of those recoveries at this time.

6. EARNINGS (LOSS) PER SHARE

The following table summarizes the reconciliation of the numerators and denominators for the basic and diluted earnings (loss) per share computation for the periods indicated:

	Three months ended November 30,		Six months ended November 30,	
	2024	**2023**	**2024**	**2023**
Net income (loss) attributable to Class A and Common Stockholders	**$ 48.8**	**$ 76.9**	**$ (13.7)**	**$ 2.7**
Weighted average Shares of Class A Stock and Common Stock outstanding for basic earnings (loss) per share (in millions)	28.2	30.7	28.3	31.2
Dilutive effect of Common Stock potentially issuable pursuant to stock-based compensation plans (in millions)*	0.4	0.7	—	0.8
Adjusted weighted average Shares of Class A Stock and Common Stock outstanding for diluted earnings (loss) per share (in millions)	28.6	31.4	28.3	32.0
Earnings (loss) per share of Class A Stock and Common Stock:				
Basic	**$ 1.73**	**$ 2.51**	**$ (0.48)**	**$ 0.09**
Diluted	**$ 1.71**	**$ 2.45**	**$ (0.48)**	**$ 0.09**
Anti-dilutive shares pursuant to stock-based compensation plans*	1.8	1.1	—	0.7

* The Company experienced a net loss for the six months ended November 30, 2024 and therefore did not report any dilutive share impact. The following potential common shares were excluded from the loss per diluted share computation: outstanding options and restricted stock units of 2.8 million and 0.4 million, respectively.

The following table sets forth options outstanding pursuant to stock-based compensation plans as of the dates indicated:

	November 30, 2024	**November 30, 2023**
Options outstanding pursuant to stock-based compensation plans (in millions)	2.8	3.1

As of November 30, 2024, $76.6 remained available for future purchases of common shares under the repurchase authorization of the Board of Directors (the "Board") in effect on that date. See Note 12, "Treasury Stock", for a more complete description of the Company’s share buy-back program.

(Dollar amounts in millions, except per share data)

7. ACQUISITIONS

9 Story Acquisition

On June 20, 2024, the Company completed the acquisition of 100% of the economic interests in the form of non-voting shares and 25% of the voting shares of 9 Story Media Group Inc. ("9 Story"), a leading independent creator, producer and distributor of premium children's content based in Toronto, Canada, with studios or offices in New York, United States, Dublin, Ireland and Bali, Indonesia. The aggregate purchase price was $193.7, subject to further adjustment based on the final determination of purchase price adjustments, and was funded through borrowings under the U.S. credit agreement incurred during the first quarter of fiscal 2025. The acquisition of 9 Story further enhances the Company's development, production and licensing interests, expanding opportunities to leverage its brand and best-selling publishing and global children's franchises across print, screen and merchandising.

Pursuant to ASC Topic 810, *Consolidation*, 9 Story was determined to be a variable interest entity (VIE) and the Company was determined to be its primary beneficiary and therefore obtained a controlling financial interest over 9 Story. Accordingly, 9 Story has been consolidated into the Company's financial results.

9 Story met the definition of a business pursuant to ASC 805, *Business Combinations*, and the acquisition was accounted for as a business combination under the acquisition method of accounting. The Company estimated the preliminary fair value of acquired assets and liabilities as of the date of acquisition based on currently available information. As the Company finalizes the fair value of assets acquired and liabilities assumed, additional purchase price adjustments may be recorded during the measurement period. Refer to Note 8, Goodwill and Other Intangibles, for details regarding measurement period adjustments recorded during the six months ended November 30, 2024. The following table summarizes the preliminary purchase price allocation of fair values of the assets acquired and liabilities assumed at the date of acquisition, inclusive of measurement period adjustments:

Cash and cash equivalents	$	17.5
Accounts receivable		15.9
Investment in film and television programs		42.9
Property, plant and equipment [(1)]		6.0
Operating lease right-of-use assets		6.1
Other Intangible assets:		
Existing content/IP		16.0
Customer contracts/relationships		51.5
Trade names		16.5
Internally developed software		1.3
Other assets [(2)]		35.8
Total assets acquired		**209.5**
Accounts payable		2.3
Accrued expenses		16.3
Deferred revenue		10.9
Film related obligations		34.9
Operating lease liabilities		7.7
Other liabilities		14.7
Total liabilities assumed		**86.8**
Preliminary fair value of net assets acquired		**122.7**
Goodwill		71.0
Preliminary purchase price consideration	**$**	**193.7**

[(1)] Includes a preliminary step-up adjustment of $1.8.
[(2)] Includes $31.9 of receivables related to government tax incentives.

The intangible assets acquired include intellectual property ("IP") related to 9 Story's existing and recognized program titles, customer contracts/relationships related to licensing, distribution and service arrangements, the trade names associated with 9 Story and Brown Bag Films, its animation studio, and internally developed software. The intellectual property and customer contracts/relationships were valued using the multi-period excess earnings valuation method and are being amortized over 10 years, with the exception of contracts/relationships for service arrangements which are being amortized over 5 years. The trade names were valued using the relief-from-royalty valuation method and are being amortized over 10 years. The internally developed software was valued using the replacement cost method and is being amortized over 3 years. The Company classified these fair value measurements as Level 3 due to the significant unobservable inputs used in the analyses, such as internally-developed discounted cash flow forecasts. The difference between the purchase price over the net identifiable tangible and intangible assets acquired was allocated to goodwill, which is not deductible for tax purposes. The goodwill balance is primarily attributable to the expected synergies from the business combination and acquired workforce. The goodwill and intangible assets acquired were allocated to the *Entertainment* segment.

(Dollar amounts in millions, except per share data)

The financial results of 9 Story, since the date of acquisition, were included in the Company's Condensed Consolidated Financial Statements as of November 30, 2024. 9 Story contributed total revenue of $31.9 and net loss of $4.2 from the date of acquisition on June 20, 2024 through November 30, 2024. The operations of 9 Story are reported in the *Entertainment* segment.

The following table summarizes the unaudited pro-forma consolidated results of operations for the three and six months ended November 30, 2024 and 2023 as if the acquisition had occurred on June 1, 2023, the beginning of fiscal 2024:

	Three months ended November 30,		Six months ended November 30,	
	2024	**2023**	**2024**	**2023**
Revenues	$ 544.6	$ 578.8	$ 787.5	$ 827.1
Net income (loss)	48.8	73.9	(15.5)	(4.9)

The unaudited pro-forma consolidated results above are based on the historical financial statements of the Company and 9 Story and are not necessarily indicative of the results of operations that would have been achieved if the acquisition was completed at the beginning of fiscal 2024 and are not indicative of the future operating results of the combined entities. The financial information for 9 Story prior to the acquisition includes certain adjustments to 9 Story's historical consolidated financial statements to align with U.S. GAAP and the Company's accounting policies. The pro-forma consolidated results of operations also include the effects of purchase accounting adjustments, including amortization charges related to the finite-lived intangible assets acquired, fair value adjustments relating to leases and fixed assets, and the related tax effects assuming that the business combination occurred on June 1, 2023.

The Company incurred acquisition-related costs of $0.4 and $2.1 for the three and six months ended November 30, 2024, respectively, which were included in Selling, general and administrative costs in the Condensed Consolidated Statement of Operations.

Purchase of Noncontrolling Interest

On June 1, 2023, the Company acquired the remaining shares of Make Believe Ideas Limited, a UK-based children's book publishing company, for $2.1, increasing the Company's total ownership from 95.0% to 100%. The acquisition was accounted for as an equity transaction as there was no change in control. The carrying value of the noncontrolling interest at the acquisition date was $1.6. The difference between the fair value of consideration paid and the carrying value was recognized as an adjustment to Additional paid-in capital of $0.5.

8. GOODWILL AND OTHER INTANGIBLES

The Company assesses goodwill and other intangible assets with indefinite lives for impairment annually or more frequently if indicators arise. The Company monitors impairment indicators in light of changes in market conditions, near and long-term demand for the Company’s products and other relevant factors.

(Dollar amounts in millions, except per share data)

The following table summarizes the activity in Goodwill for the periods indicated:

	November 30, 2024	May 31, 2024	November 30, 2023
Gross beginning balance	$ 172.4	$ 172.3	$ 172.3
Accumulated impairment	(39.6)	(39.6)	(39.6)
Beginning balance	**$ 132.8**	**$ 132.7**	**$ 132.7**
Additions	70.1	—	—
Measurement period adjustments [1]	0.9	—	—
Foreign currency translation	(1.6)	0.1	0.1
Ending balance	**$ 202.2**	**$ 132.8**	**$ 132.8**

[1] Measurement period adjustments for the 9 Story acquisition reflect an increase to goodwill of $0.9 resulting from a net decrease in the estimated fair value of the net assets acquired. The decrease in the estimated fair value of the net assets acquired consisted of an increase to deferred tax liabilities of $1.4, an increase to operating lease right-of-use assets of $0.3, a decrease to lease liabilities of $0.1, and a decrease to the purchase price as a result of a working capital adjustment of $0.1.

In fiscal 2025, the Company completed the 9 Story acquisition which resulted in the recognition of $71.0 of Goodwill, net of measurement period adjustments, included in the *Entertainment* segment. Refer to Note 7, "Acquisitions", for further details regarding the acquisition.

There were no impairment charges related to Goodwill in any of the periods presented.

The following table summarizes the activity in Other intangible assets for the periods indicated:

	November 30, 2024	May 31, 2024	November 30, 2023
Beginning balance - Other intangibles subject to amortization	$ 8.2	$ 7.8	$ 7.8
Additions	85.3	6.0	5.8
Amortization expense	(5.4)	(2.6)	(1.2)
Foreign currency translation	(1.6)	0.1	0.0
Impairments	—	(3.1)	—
Total other intangibles subject to amortization, net of accumulated amortization of $44.5, $39.1 and $37.7, respectively	$ 86.5	$ 8.2	$ 12.4
Total other intangibles not subject to amortization	$ **2.1**	$ **2.1**	$ **2.1**
Total other intangible assets, net	**$ 88.6**	**$ 10.3**	**$ 14.5**

In fiscal 2025, the Company completed the 9 Story acquisition which resulted in the recognition of $85.3 of amortizable intangible assets. Refer to Note 7, "Acquisitions", for further details regarding the acquisition.

In fiscal 2024, the Company acquired certain amortizable intangible assets related to educational programs for $5.8 and certain amortizable intangible assets of a U.S.- based children's book publishing business for $0.2. These intangible assets are amortized over the estimated useful life of 8 years and 5 years, respectively.

In fiscal 2023, the Company acquired Learning Ovations, Inc., a U.S.-based education technology business, which resulted in the recognition of $4.1 of amortizable intangible assets. During fiscal 2024, the Company assessed the recoverability of these assets as impacted by the shift to the science of reading based approach to literacy instruction within the education market. An asset impairment of $3.1 was recognized in the fourth quarter of fiscal 2024.

Other intangible assets with indefinite lives consist principally of trademark and trade name rights. Other intangible assets with definite lives consist principally of customer lists, customer contracts/relationships, intellectual property, trade names and internally developed software. Intangible assets with definite lives are amortized over their estimated useful lives. The weighted-average remaining useful lives of all amortizable intangible assets is approximately 8.8 years.

There were no impairment charges related to Other intangible assets in the six months ended November 30, 2024 and November 30, 2023.

(Dollar amounts in millions, except per share data)

9. INVESTMENTS

Investments are included in Other assets and deferred charges on the Condensed Consolidated Balance Sheets. The following table summarizes the Company's investments as of the dates indicated:

	November 30, 2024	May 31, 2024	November 30, 2023	Segment
Equity method investments	$ 32.1	$ 31.5	$ 32.4	International
Equity method and other investments	6.5	6.0	6.0	Entertainment
Total Investments	**$ 38.6**	**$ 37.5**	**$ 38.4**	

The Company's 26.2% equity interest in a children's book publishing business located in the UK is accounted for using the equity method of accounting. Equity method income from this investment is reported in the *International* segment.

The Company has a 4.6% ownership interest in a financing and production company that makes film, television, and digital programming designed for the youth market. This equity investment does not have a readily determinable fair value and the Company has elected to apply the measurement alternative and report the investment at cost, less impairment on the Company's Condensed Consolidated Balance Sheets. There have been no impairments or adjustments to the carrying value of the investment. This investment is included in the *Entertainment* segment.

The Company acquired investments of $0.9 as part of the 9 Story acquisition which are included in the *Entertainment* segment. Included in these acquired investments, the Company acquired a 50% ownership interest in certain animated television production companies. These joint venture investments are accounted for using the equity method of accounting. The Company also acquired a 12% ownership interest in a children's book publishing business located in the UK. This investment is accounted for at cost, less impairment on the Company's Condensed Consolidated Balance Sheets. There have been no impairments or adjustments to the carrying value of the investment.

Income from equity investments is reported in Selling, general and administrative expenses in the Condensed Consolidated Statements of Operations and totaled $0.6 and $0.8 for the three and six months ended November 30, 2024, respectively, and $0.1 and $0.3 for the three and six months ended November 30, 2023, respectively.

(Dollar amounts in millions, except per share data)

10. EMPLOYEE BENEFIT PLANS

The following table sets forth the components of net periodic benefit cost for the periods indicated under the Company's defined benefit pension plan of Scholastic Ltd., an indirect subsidiary of Scholastic Corporation located in the United Kingdom (the "UK Pension Plan"), and the postretirement benefits plan, consisting of certain healthcare and life insurance benefits provided by the Company to its eligible retired United States-based employees (the "US Postretirement Benefits"), for the periods indicated:

	UK Pension Plan Three months ended November 30,		US Postretirement Benefits Three months ended November 30,	
	2024	**2023**	**2024**	**2023**
Components of net periodic benefit cost:				
Interest cost	$ 0.2	$ 0.3	$ 0.1	$ 0.1
Expected return on assets	(0.2)	(0.3)	—	—
Amortization of prior service (credit) loss	0.0	0.0	(0.2)	(0.2)
Amortization of net actuarial (gain) loss	0.4	0.3	0.0	0.0
Total	**$ 0.4**	**$ 0.3**	**$ (0.1)**	**$ (0.1)**

	UK Pension Plan Six months ended November 30,		US Postretirement Benefits Six months ended November 30,	
	2024	**2023**	**2024**	**2023**
Components of net periodic benefit cost:				
Interest cost	$ 0.6	$ 0.7	$ 0.2	$ 0.2
Expected return on assets	(0.5)	(0.6)	—	—
Amortization of prior service (credit) loss	0.0	0.0	(0.4)	(0.4)
Amortization of net actuarial (gain) loss	0.7	0.6	0.0	0.0
Total	**$ 0.8**	**$ 0.7**	**$ (0.2)**	**$ (0.2)**

Actuarial gains and losses are amortized using a corridor approach. The gain or loss corridor is equal to 10% of the greater of the projected benefit obligation and the market-related value of assets. Gains and losses in excess of the corridor are amortized over the future working lifetime.

The Company's funding practice with respect to the UK Pension Plan is to contribute on an annual basis at least the minimum amounts required by applicable law. For the six months ended November 30, 2024, the Company contributed $0.7 to the UK Pension Plan. The Company expects, based on actuarial calculations, to contribute cash of approximately $1.3 to the UK Pension Plan for the fiscal year ending May 31, 2025.

11. STOCK-BASED COMPENSATION

The following table summarizes stock-based compensation expense included in Selling, general and administrative expenses for the periods indicated:

	Three months ended November 30,		Six months ended November 30,	
	2024	**2023**	**2024**	**2023**
Stock option expense	$ 0.2	$ 2.4	$ 0.8	$ 3.0
Restricted stock unit expense	1.7	1.4	3.2	2.9
Management stock purchase plan	0.1	0.3	0.1	0.3
Employee stock purchase plan	0.1	0.0	0.2	0.2
Total stock-based compensation expense	**$ 2.1**	**$ 4.1**	**$ 4.3**	**$ 6.4**

During the second quarter of fiscal 2025, the Company granted performance-based restricted stock units to certain officers and senior management. Compensation expense is recognized over the requisite service period based on expected attainment of pre-established performance goals.

The following table sets forth Common Stock issued pursuant to stock-based compensation plans for the periods indicated:

	Three months ended November 30,		Six months ended November 30,	
	2024	2023	2024	2023
Common Stock issued pursuant to stock-based compensation plans (in millions)	0.1	0.3	0.2	0.4

12. TREASURY STOCK

The Board has authorized the Company to repurchase Common Stock, from time to time as conditions allow, on the open market or through privately negotiated transactions.

The table below represents the Board authorization at the dates indicated:

Authorization		Amount
December 2023		66.2
March 2024		54.6
Total current Board authorizations	**$**	**120.8**
Less repurchases made under these authorizations		(44.2)
Remaining Board authorization at November 30, 2024	**$**	**76.6**

Remaining Board authorization at November 30, 2024 represents the amount remaining under the Board authorization for Common share repurchases announced on December 13, 2023 and the additional $54.6 Board authorization for Common share repurchases announced on March 20, 2024, which is available for further repurchases, from time to time as conditions allow, on the open market or through privately negotiated transactions.

Repurchases of the Company's Common Stock were $5.0 and $10.0 during the three and six months ended November 30, 2024, respectively. The Company's repurchase program may be suspended at any time without prior notice.

(Dollar amounts in millions, except per share data)

13. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following tables summarize the activity in Accumulated other comprehensive income (loss), net of tax, by component, for the periods indicated:

	Three months ended November 30, 2024		
	Foreign currency translation adjustments	Retirement benefit plans	Total
Beginning balance at September 1, 2024	**$ (38.7)**	**$ (5.4)**	**$ (44.1)**
Other comprehensive income (loss) before reclassifications	(11.9)	—	(11.9)
Less amount reclassified from Accumulated other comprehensive income (loss):			
Amortization of net actuarial loss (net of tax of $0.0)	—	0.4	0.4
Amortization of prior service (credit) cost (net of tax of $0.0)	—	(0.2)	(0.2)
Other comprehensive income (loss)	(11.9)	0.2	(11.7)
Ending balance at November 30, 2024	**$ (50.6)**	**$ (5.2)**	**$ (55.8)**

	Three months ended November 30, 2023		
	Foreign currency translation adjustments	Retirement benefit plans	Total
Beginning balance at September 1, 2023	**$ (48.2)**	**$ (5.6)**	**$ (53.8)**
Other comprehensive income (loss) before reclassifications	0.2	—	0.2
Less amount reclassified from Accumulated other comprehensive income (loss):			
Amortization of net actuarial loss (net of tax of $0.0)	—	0.3	0.3
Amortization of prior service (credit) cost (net of tax of $0.0)	—	(0.2)	(0.2)
Other comprehensive income (loss)	0.2	0.1	0.3
Ending balance at November 30, 2023	**$ (48.0)**	**$ (5.5)**	**$ (53.5)**

	Six months ended November 30, 2024		
	Foreign currency translation adjustments	Retirement benefit plans	Total
Beginning balance at June 1, 2024	**$ (46.9)**	**$ (5.6)**	**$ (52.5)**
Other comprehensive income (loss) before reclassifications	(3.7)	—	(3.7)
Less: amount reclassified from Accumulated other comprehensive income (loss)			
Amortization of net actuarial loss (net of tax of $0.0)	—	0.7	0.7
Amortization of prior service (credit) cost (net of tax of $0.1)	—	(0.3)	(0.3)
Other comprehensive income (loss)	(3.7)	0.4	(3.3)
Ending balance at November 30, 2024	**$ (50.6)**	**$ (5.2)**	**$ (55.8)**

	Six months ended November 30, 2023		
	Foreign currency translation adjustments	Retirement benefit plans	Total
Beginning balance at June 1, 2023	**$ (50.0)**	**$ (5.8)**	**$ (55.8)**
Other comprehensive income (loss) before reclassifications	2.0	—	2.0
Less: amount reclassified from Accumulated other comprehensive income (loss)			
Amortization of net actuarial loss (net of tax of $0.0)	—	0.6	0.6
Amortization of prior service (credit) cost (net of tax of $0.1)	—	(0.3)	(0.3)
Other comprehensive income (loss)	2.0	0.3	2.3
Ending balance at November 30, 2023	**$ (48.0)**	**$ (5.5)**	**$ (53.5)**

(Dollar amounts in millions, except per share data)

The following table presents the impact on earnings of reclassifications out of Accumulated other comprehensive income (loss) for the periods indicated:

	Three months ended		Six months ended		Condensed Consolidated Statements of Operations line item
	November 30, 2024	November 30, 2023	November 30, 2024	November 30, 2023	
Employee benefit plans:					
Amortization of net actuarial loss	$ 0.4	$ 0.3	$ 0.7	$ 0.6	Other components of net periodic benefit (cost)
Amortization of prior service (credit) loss	(0.2)	(0.2)	(0.4)	(0.4)	Other components of net periodic benefit (cost)
Less: Tax effect	0.0	0.0	0.1	0.1	Provision (benefit) for income taxes
Total cost, net of tax	**$ 0.2**	**$ 0.1**	**$ 0.4**	**$ 0.3**	

14. FAIR VALUE MEASUREMENTS

The Company determines the appropriate level in the fair value hierarchy for each fair value measurement of assets and liabilities carried at fair value on a recurring basis in the Company’s financial statements. The fair value hierarchy prioritizes the inputs, which refer to assumptions that market participants would use in pricing an asset or liability, based upon the highest and best use, into three levels as follows:

- **Level 1** Unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

- **Level 2** Observable inputs other than quoted prices included in Level 1, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability and inputs derived principally from or corroborated by observable market data.

- **Level 3** Unobservable inputs in which there is little or no market data available, which are significant to the fair value measurement and require the Company to develop its own assumptions.

The Company’s financial assets and liabilities measured at fair value consisted of cash and cash equivalents, debt and foreign currency forward contracts. Cash and cash equivalents are comprised of bank deposits and short-term investments, such as money market funds, the fair value of which is based on quoted market prices, a Level 1 fair value measure. The Company employs Level 2 fair value measurements for the disclosure of the fair value of its various lines of credit and long term debt. The fair value of the Company's debt, including film related obligations, approximates the carrying value for all periods presented. The fair values of foreign currency forward contracts, used by the Company to manage the impact of foreign exchange rate changes, are based on quotations from financial institutions, a Level 2 fair value measure.

Non-financial assets for which the Company employs fair value measures on a non-recurring basis include:
- Long-lived assets, including held for sale
- Operating lease right-of-use (ROU) assets
- Investments
- Assets and liabilities acquired in a business combination
- Impairment assessment of goodwill and other intangible assets

Level 2 and Level 3 inputs are employed by the Company in the fair value measurement of these assets. For the fair value measurements employed by the Company for certain property, plant and equipment, investments, prepublication assets and investment in film and television programs, the Company assessed future expected cash flows attributable to these assets. See Note 9, "Investments", for a more detailed description of the fair value measurements employed. See Note 7, "Acquisitions", for a more detailed description of the assets acquired and fair value measurements employed related to the 9 Story acquisition.

15. INCOME TAXES AND OTHER TAXES

Income Taxes

In calculating the provision for income taxes on an interim basis, the Company uses an estimate of the annual effective tax rate based upon currently known facts and circumstances and applies that rate to its year-to-date earnings or losses. The Company’s effective tax rate is based on expected income and statutory tax rates and takes into consideration permanent differences between financial statement and tax return income applicable to the Company in the various jurisdictions in which the Company operates. The effect of discrete items, such as changes in estimates, changes in rates or tax status, and unusual or infrequently occurring events, is recognized in the interim period in which the discrete item occurs. The accounting estimates used to compute the provision for income taxes may change as new events occur, additional information is obtained or as the result of new judicial interpretations or regulatory or tax law changes.

The Company's interim effective tax rate, inclusive of discrete items, for the three and six month periods ended November 30, 2024 was 30.3% and 37.2%, respectively, compared to 24.2% and 22.9%, respectively, for the prior fiscal year period. The interim effective tax rate for the six months ended November 30, 2024 varies from the statutory rate primarily due to expected state and local income tax and non-deductible compensation for covered executive employees.

The Company, including its domestic subsidiaries, files a consolidated U.S. income tax return, and also files tax returns in various states and other local jurisdictions. Also, certain subsidiaries of the Company file income tax returns in foreign jurisdictions. The Company is routinely audited by various tax authorities. The fiscal 2021 through 2024 tax years remain subject to audit.

The Organization for Economic Cooperation and Development (“OECD”) has implemented the global minimum tax rate of at least 15% for large multinational companies as of 2024 (“Pillar Two”). Under Pillar Two, a top-up tax will be required of such companies for any jurisdiction which has enacted Pillar Two if their effective tax rate falls below the 15% global minimum rate. Additionally, the OECD issued administrative guidance providing transition and safe harbor rules around the implementation of the Pillar Two global minimum tax. Under the safe harbor, companies would be excluded from Pillar Two requirements provided certain criteria are met. The enactment of Pillar Two legislation does not have a material effect on the Company’s financial position. The Company will continue to monitor and reflect the impact of such legislative changes in future periods, as appropriate.

Non-income Taxes

The Company is subject to tax examinations for sales-based taxes. A number of these examinations are ongoing and, in certain cases, have resulted in assessments from taxing authorities. The Company assesses sales tax contingencies for each jurisdiction in which it operates, considering all relevant facts including statutes, regulations, case law and experience. Where a sales tax liability with respect to a jurisdiction is probable and can be reliably estimated for such jurisdiction, the Company has made accruals for these matters which are reflected in the Company’s Condensed Consolidated Financial Statements. These amounts are included in Selling, general and administrative expenses. Future developments relating to the foregoing could result in adjustments being made to these accruals.

16. DERIVATIVES AND HEDGING

The Company enters into foreign currency derivative contracts to economically hedge the exposure to foreign currency fluctuations associated with the forecasted purchase of inventory, the foreign exchange risk associated with certain receivables denominated in foreign currencies and certain future commitments for foreign expenditures. These derivative contracts are economic hedges and are not designated as cash flow hedges.

The Company marks-to-market these instruments and records the changes in the fair value of these items in Selling, general and administrative expenses and recognizes the unrealized gain or loss in Other current assets or Other current liabilities. The notional values of the contracts were $22.8 as of November 30, 2024 and November 30, 2023. A net unrealized gain of $0.6 and $0.3 was recognized for the six months ended November 30, 2024 and November 30, 2023, respectively.

(Dollar amounts in millions, except per share data)

17. OTHER ACCRUED EXPENSES

Other accrued expenses consisted of the following as of the dates indicated:

	November 30, 2024	May 31, 2024	November 30, 2023
Accrued payroll, payroll taxes and benefits	$ 35.6	$ 32.9	$ 32.8
Accrued bonus and commissions	17.7	21.6	13.7
Returns liability	34.8	33.1	37.7
Accrued other taxes	25.0	23.0	28.4
Accrued advertising and promotions	7.8	5.7	9.7
Other accrued expenses	42.3	40.0	40.2
Total accrued expenses	**$ 163.2**	**$ 156.3**	**$ 162.5**

18. SUBSEQUENT EVENTS

On December 11, 2024, the Board declared a quarterly cash dividend of $0.20 per share on the Company’s Class A and Common Stock for the third quarter of fiscal 2025. The dividend is payable on March 14, 2025 to shareholders of record as of the close of business on January 31, 2025.

Overview and Outlook

Revenues for the second quarter ended November 30, 2024 were $544.6 million, compared to $562.6 million in the prior fiscal year quarter, a decrease of $18.0 million or 3%. The Company reported net income per diluted share of Class A and Common Stock of $1.71 in the second quarter of fiscal 2024, compared to a net income per diluted share of $2.45 in the prior fiscal year quarter.

During the second fiscal quarter, the *Children's Book Publishing and Distribution* segment's results reflected timing-related revenue declines, related to the trade publishing plan and book fair deliveries, compared to the prior year period. *Education Solutions* continued to be negatively impacted as school districts focus on adopting and implementing new core programs which resulted in a continued decline in spending on supplemental materials. The Company is developing new supplemental products for schools, which are expected to launch in time for the 2025/2026 school years. Within the *Entertainment* segment, the Company benefited from the addition of 9 Story and continued to execute on an integrated development and production slate, including digital-first growth opportunities, and expanded the reach and monetization of Scholastic IP on advertising-supported distribution platforms leveraging 9 Story's capabilities.

During the remainder of fiscal 2025, revenues are expected to benefit from new releases, including the thirteenth book in Dav Pilkey's global best-selling series, *Dog Man: Big Jim Begins*, which was released in December, and the fifth book in Suzanne Collins' Hunger Games® series, *Sunrise on the Reaping,* which is expected to be released in March 2025. Fair count for the fall season, which includes June through December, is expected to exceed the prior year period, and full year fair count is expected to achieve 90,000 fairs in fiscal 2025. The Company's *Entertainment* segment continues to execute on company-wide synergies which are expected to benefit this segment in fiscal 2026 and beyond.

Results of Operations

Consolidated

Revenues for the quarter ended November 30, 2024 decreased by $18.0 million to $544.6 million, compared to $562.6 million in the prior fiscal year quarter. Within the *Children's Book Publishing and Distribution* segment, revenues decreased by $25.4 million, primarily driven by lower trade channel revenues which reflected the timing of new releases, coupled with lower revenues from the book fairs channel as more fairs shifted into December than in the prior fiscal year quarter. In the *Education Solutions* segment, revenues decreased by $9.8 million primarily due to the continued decline in spending on supplemental materials, coupled with lower subscription revenues from Magazines+™ and lower revenues from sponsored programs. In local currency, the *International* segment revenues decreased by $1.7 million, primarily reflecting lower sales in Australia due to softness in the retail market. *International* segment revenues benefited from favorable foreign exchange of $1.9 million in the quarter ended November 30, 2024. Partially offsetting the overall decrease in revenues, revenues from the *Entertainment* segment increased $16.4 million, reflecting the addition of 9 Story.

Revenues for the six months ended November 30, 2024 decreased by $9.3 million to $781.8 million, compared to $791.1 million in the prior fiscal year period. Revenues in the *Children's Book Publishing and Distribution* segment decreased by $22.4 million, primarily driven by lower trade channel revenues which reflected the timing of new releases, coupled with lower revenues from the book fairs channel as more fairs shifted into December than in the prior fiscal year period. In the *Education Solutions* segment, revenues decreased by $20.1 million primarily due to the continued decline in spending on supplemental materials and lower subscription revenues from Magazines+. In local currency, the *International* segment revenues decreased by $1.9 million, primarily reflecting lower sales in Australia due to softness in the retail market, partly offset by higher revenues in the U.K. *International* segment revenues benefited from favorable foreign exchange of $1.7 million in the period ended November 30, 2024. Partially offsetting the overall decrease in revenues, revenues from the *Entertainment* segment increased $32.6 million, reflecting the addition of 9 Story.

Components of Cost of goods sold for the three and six months ended November 30, 2024 and November 30, 2023 are as follows:

	Three months ended				Six months ended			
	November 30, 2024		November 30, 2023		November 30, 2024		November 30, 2023	
($ amounts in millions)		% of Revenue		% of Revenue		% of Revenue		% of Revenue
Product, service and production costs and inventory reserves	$ 132.8	24.4 %	$ 143.0	25.5 %	$ 207.0	26.5 %	$ 215.8	27.3 %
Royalty and participation costs	40.7	7.5 %	40.1	7.1 %	62.7	8.0 %	63.6	8.0 %
Prepublication and production amortization	10.7	1.9 %	6.9	1.2 %	17.4	2.2 %	13.9	1.8 %
Postage, freight, shipping, fulfillment and other	44.4	8.2 %	44.1	7.8 %	69.8	9.0 %	70.8	8.9 %
Total	**$ 228.6**	**42.0 %**	**$ 234.1**	**41.6 %**	**$ 356.9**	**45.7 %**	**$ 364.1**	**46.0 %**

Cost of goods sold for the quarter ended November 30, 2024 was $228.6 million, or 42.0% of revenues, compared to $234.1 million, or 41.6% of revenues, in the prior fiscal year quarter. Cost of goods sold was impacted by the addition of production and participation costs which were not present in the prior period as a result of the 9 Story acquisition in fiscal 2025. This increase was largely offset by the favorable mix of product sold in the quarter ended November 30, 2024, which resulted in lower product costs, primarily in the U.S. book fairs channel, the *Education Solutions* segment and in the U.K.

Cost of goods sold for the six months ended November 30, 2024 was $356.9, or 45.7% of revenues, compared to $364.1 million, or 46.0% of revenues, in the prior fiscal year period. Cost of goods sold benefited from favorable product mix in the U.S. trade and book fairs channels, which resulted in lower product costs, partly offset by the addition of production costs as a result of the 9 Story acquisition.

Selling, general and administrative expenses for the quarter ended November 30, 2024 increased to $224.9 million, compared to $213.1 million in the prior fiscal year quarter. The $11.8 million increase was primarily attributable to higher operating expenses from the addition of 9 Story and $3.8 million of severance expense from the Company's cost-saving initiatives incurred in the quarter ended November 30, 2024.

Selling, general and administrative expenses for the six months ended November 30, 2024 increased to $407.0 million, compared to $397.3 million in the prior fiscal year period. The $9.7 million increase was primarily attributable to the addition of 9 Story, which resulted in $2.1 million of transaction costs and higher operating expenses in the period ended November 30, 2024, partially offset by $1.3 million of lower severance expense from cost-saving initiatives.

Depreciation and amortization expenses for the three and six months ended November 30, 2024 were $16.3 million and $31.6 million, respectively, compared to $14.1 million and $27.5 million, respectively, in the prior fiscal year periods. The increase in Depreciation and amortization was primarily due to amortization expense on the intangible assets acquired as a result of the 9 Story acquisition. The Company continues to shift spending to cloud computing arrangements in which the amortization expense is included in Selling, general and administrative expenses rather than Depreciation and amortization. Amortization related to cloud computing arrangements for the six months ended November 30, 2024 increased by $1.4 million compared to the prior fiscal year period as a result of assets placed into service during fiscal 2024.

Interest expense for the three and six months ended November 30, 2024 was $4.9 million and $8.7 million, respectively, compared to $0.5 million and $0.8 million, respectively, in the prior fiscal year periods. The increase in interest expense was due to borrowings under the U.S. credit agreement incurred during the first quarter of fiscal 2025 to fund the 9 Story acquisition. Interest expense is expected to increase by a similar amount each quarter for the remainder of the fiscal year.

Interest income for the three and six months ended November 30, 2024 was $0.5 million and $1.3 million, respectively, compared to $0.9 million and $2.6 million, respectively, in the prior fiscal year periods. The decrease in interest income was attributable to lower average short term investment balances in the period ended November 30, 2024. The Company invests excess cash in short term investments which earn competitive interest rates that change directionally in relation to the Federal Funds rate.

The Company's interim effective tax rate, inclusive of discrete items, for the three and six months ended November 30, 2024 was 30.3% and 37.2%, compared to 24.2% and 22.9% for the prior fiscal year periods. The interim effective tax rate for the six months ended November 30, 2024 varies from the statutory rate primarily due to expected state and local income tax and non-deductible compensation for covered executive employees.

Net income for the quarter ended November 30, 2024 decreased by $28.1 million to $48.8 million, compared to $76.9 million in the prior fiscal year quarter. Earnings per basic and diluted share of Class A and Common Stock was $1.73 and $1.71, respectively, for the fiscal quarter ended November 30, 2024, compared to $2.51 and $2.45, respectively, in the prior fiscal year quarter.

Net loss for the six months ended November 30, 2024 was $13.7 million compared to net income of $2.7 million in the prior fiscal year period. Loss per basic and diluted share of Class A and Common Stock was $0.48 for the six months ended November 30, 2024, compared to earnings per basic and diluted share of $0.09 in the prior fiscal year period.

Children's Book Publishing and Distribution

	Three months ended November 30,				Six months ended November 30,			
($ amounts in millions)	**2024**	**2023**	**$ Change**	**% Change**	**2024**	**2023**	**$ Change**	**% Change**
Revenues	$ 367.0	$ 392.4	$ (25.4)	(6.5)%	$ 472.4	$ 494.8	$ (22.4)	(4.5)%
Cost of goods sold	143.3	156.1	(12.8)	(8.2)%	202.2	219.4	(17.2)	(7.8)%
Other operating expenses [(1)]	121.6	124.7	(3.1)	(2.5)%	204.7	204.8	(0.1)	(0.0)%
Operating income (loss)	$ 102.1	$ 111.6	$ (9.5)	(8.5)%	$ 65.5	$ 70.6	$ (5.1)	(7.2)%
Operating margin	**27.8 %**	**28.4 %**			**13.9 %**	**14.3 %**		

(1) Other operating expenses include selling, general and administrative expenses, bad debt expenses and depreciation and amortization.

Revenues for the quarter ended November 30, 2024 decreased by $25.4 million to $367.0 million, compared to $392.4 million in the prior fiscal year quarter. Trade channel revenues decreased $15.1 million, primarily reflecting the timing of new releases as the prior fiscal quarter benefited from the release of *Cat Kid Comic Club®: Influencers* and the interactive edition of *Harry Potter and the Prisoner of Azkaban,* in addition to continued sales of the paperback edition of *The Ballad of Songbirds and Snakes* ahead of the title's movie release last fall, and the timing of foreign rights sales. This was partially offset by increased sales of backlist titles from the *Dog Man®* series. New releases in the quarter ended November 30, 2024 included *Christmas at Hogwarts* by J.K. Rowling, *The Bad Guys in One Last Thing* (The Bad Guys® #20), the paperback edition of *The Christmas Pig* and *The Hunger Games: Illustrated Edition*. Revenues from school reading events decreased $10.3 million. Book fairs channel revenues decreased $11.1 million as more fairs shifted into December than in the prior fiscal year quarter, coupled with slightly lower revenue per fair and lower redemptions of book fairs incentive credits. Revenue per fair was impacted by the addition of smaller fairs as the Company continues to grow fair count. Book clubs channel revenues improved slightly by $0.8 million as a result of higher revenue per sponsor. The Company continues to adapt its strategies to reengage sponsors and customers in the book clubs channel.

Revenues for the six months ended November 30, 2024 decreased by $22.4 million to $472.4 million, compared to $494.8 million in the prior fiscal year period. Trade channel revenues decreased $13.7 million, primarily due to lower sales of frontlist titles due to the timing of new releases as the prior year period benefited from the release of several frontlist titles, including *Cat Kid Comic Club: Influencers*, the interactive edition of *Harry Potter and the Prisoner of Azkaban*, and the paperback edition of *The Ballad of Songbirds and Snakes*. This was partially offset by increased sales of backlist titles from the *Dog Man* series and increased foreign rights sales in the period ended November 30, 2024. Revenues from school reading events decreased $8.7 million. Book fairs channel revenues decreased $9.6 million as more fairs shifted into December than in the prior fiscal year period, coupled with slightly lower revenue per fair, due to the addition of smaller fairs, and decreased redemptions of book fairs incentive credits. Book clubs channel revenues improved slightly by $0.9 million as a result of higher revenue per sponsor, as the Company continues to adapt its strategies to reengage sponsors and customers in the book clubs channel.

Cost of goods sold for the quarter ended November 30, 2024 was $143.3 million, or 39.0% of revenues, compared to $156.1 million, or 39.8% of revenues, in the prior fiscal year quarter. Cost of goods sold benefited from the mix of product sold in the book fairs channel in the quarter ended November 30, 2024 compared to the prior fiscal year quarter as lower cost products were redeemed by book fairs incentive credits.

Cost of goods sold for the six months ended November 30, 2024 was $202.2 million, or 42.8% of revenues, compared to $219.4 million, or 44.3% of revenues, in the prior fiscal year period. Cost of goods sold benefited from the mix of product sold in the period ended November 30, 2024, which included higher foreign rights sales in the trade channel and redemptions of book fair incentive credits for lower cost products.

Other operating expenses for the quarter ended November 30, 2024 were $121.6 million, compared to $124.7 million in the prior fiscal year quarter. Other operating expenses decreased $3.1 million primarily driven by lower spending on promotional materials within the book clubs channel and lower labor costs as a result of warehouse efficiencies in the book fairs channel.

Other operating expenses for the six months ended November 30, 2024 were $204.7 million, which were comparable to $204.8 million in the prior fiscal year period.

Segment operating income for the quarter ended November 30, 2024 was $102.1 million, compared to $111.6 million in the prior fiscal year quarter. The $9.5 million decrease was primarily attributable to lower revenues from the book fairs channel, as more fairs shifted into December than in the prior fiscal year quarter, coupled with the timing of new releases in the trade channel and foreign rights sales.

Segment operating income for the six months ended November 30, 2024 was $65.5 million, compared to $70.6 million in the prior fiscal year period. The $5.1 million decrease was primarily attributable to lower revenues from the book fairs channel, as more fairs shifted into December than in the prior fiscal year period, coupled with lower trade channel revenues driven by the continued softness in the retail bookselling market and the timing of new releases.

Education Solutions

	Three months ended November 30,				Six months ended November 30,			
($ amounts in millions)	**2024**	**2023**	**$ Change**	**% Change**	**2024**	**2023**	**$ Change**	**% Change**
Revenues	$ 71.2	$ 81.0	$ (9.8)	(12.1)%	$ 126.9	$ 147.0	$ (20.1)	(13.7)%
Cost of goods sold	27.3	30.7	(3.4)	(11.1)%	54.7	63.3	(8.6)	(13.6)%
Other operating expenses (1)	44.4	44.5	(0.1)	(0.2)%	89.7	96.6	(6.9)	(7.1)%
Operating income (loss)	$ (0.5)	$ 5.8	$ (6.3)	(108.6)%	$ (17.5)	$ (12.9)	$ (4.6)	(35.7)%
Operating margin	**NM**	**7.2 %**			**NM**	**NM**		

(1) Other operating expenses include selling, general and administrative expenses, bad debt expenses and depreciation and amortization.
NM Not meaningful

Revenues for the quarter ended November 30, 2024 decreased by $9.8 million to $71.2 million, compared to $81.0 million in the prior fiscal year quarter. The decrease in segment revenues was primarily driven by the continued impact of market conditions as school districts focus on adopting and implementing new core programs and decrease spending on supplemental materials not aligned with Science of Reading based approaches to literacy. The decrease in revenues was also attributable to the timing of revenues from sponsored programs and lower subscription revenues from Magazines+. Partially offsetting the decline, the segment benefited from increased sales of the Company's *Ready4Reading*™ phonics curriculum and *Rising Voices Library*® offering.

Revenues for the six months ended November 30, 2024 decreased by $20.1 million to $126.9 million, compared to $147.0 million in the prior fiscal year period. The decrease in segment revenues was primarily driven by the continued impact of market conditions as school districts focus on adopting and implementing new core programs and decrease spending on supplemental materials. In addition, subscription revenues from

Magazines+ and revenues from literacy initiatives decreased from the prior fiscal year period. Partially offsetting the decline, the segment benefited from increased sales of the Company's *Ready4Reading*™ phonics curriculum and *Rising Voices Library*® offering as well as increased revenues from sponsored programs in the first quarter.

Cost of goods sold for the quarter ended November 30, 2024 was $27.3 million, or 38.3% of revenues, compared to $30.7 million, or 37.9% of revenues, in the prior fiscal year quarter. Cost of goods sold as a percentage of revenues increased due to higher outbound freight costs related to sponsored programs, largely offset by lower prepublication amortization as a result of the impairment of certain education products in fiscal 2024 and lower product costs associated with the mix of products sold during the period ended November 30, 2024, primarily related to classroom libraries and paperback collections.

Cost of goods sold for the six months ended November 30, 2024 was $54.7 million, or 43.1% of revenues, compared to $63.3 million, or 43.1% of revenues, in the prior fiscal year period. Cost of goods sold benefited from lower prepublication amortization as a result of the impairment of certain education products in fiscal 2024, largely offset by higher outbound freight costs related to sponsored programs.

Other operating expenses for the quarter ended November 30, 2024 were $44.4 million, which were comparable to $44.5 million in the prior fiscal year quarter.

Other operating expenses for the six months ended November 30, 2024 were $89.7 million, compared to $96.6 million in the prior fiscal year period. The $6.9 million decrease in Other operating expenses was primarily attributable to lower commission expense driven by the lower revenues and lower external labor costs.

Segment operating loss for the quarter ended November 30, 2024 was $0.5 million, compared to operating income of $5.8 million in the prior fiscal year quarter. The $6.3 million decline was primarily driven by lower revenues resulting from decreased spending on supplemental materials and lower subscription revenues from Magazines+.

Segment operating loss for the six months ended November 30, 2024 was $17.5 million, compared to $12.9 million in the prior fiscal year period. The $4.6 million decline was primarily driven by lower revenues resulting from the decreased spending on supplemental materials, partially offset by lower external labor costs.

Entertainment

	Three months ended November 30,				Six months ended November 30,			
($ amounts in millions)	**2024**	**2023**	**$ Change**	**% Change**	**2024**	**2023**	**$ Change**	**% Change**
Revenues	$ 16.8	$ 0.4	$ 16.4	NM	$ 33.4	$ 0.8	$ 32.6	NM
Cost of goods sold	10.6	—	10.6	NM	18.9	—	18.9	NM
Other operating expenses [1]	10.9	1.2	9.7	NM	19.7	2.1	17.6	NM
Operating income (loss)	$ (4.7)	$ (0.8)	$ (3.9)	NM	$ (5.2)	$ (1.3)	$ (3.9)	NM
Operating margin	**NM**	**NM**			**NM**	**NM**		

(1) Other operating expenses include selling, general and administrative expenses, bad debt expenses, severance and depreciation and amortization.
NM Not meaningful

The *Entertainment* segment includes the operations of 9 Story Media Group Inc. ("9 Story") and Scholastic Entertainment Inc. ("SEI"). SEI was reported in the *Children's Book Publishing and Distribution* segment in prior periods. The financial results for SEI for the three months and six months ended November 30, 2023 have been reclassified to *Entertainment* to reflect this change. Refer to Note 7 of Notes to Condensed Consolidated Financial Statements - unaudited in Item 1, "Financial Statements" for further details regarding the acquisition of 9 Story.

Revenues for the three and six months ended November 30, 2024 were $16.8 million and $33.4 million, respectively, compared to $0.4 million and $0.8 million, respectively, in the prior fiscal year period. The increase reflected the addition of 9 Story from the date of acquisition on June 20, 2024 through November 30, 2024 in which a majority of the revenues were driven by production revenue related to episodic deliveries, production services provided to third parties and, to a lesser extent, revenues from royalties and distribution. Entertainment revenues have been impacted by delays in production greenlights from major platforms.

Cost of goods sold for the three and six months ended November 30, 2024 was $10.6 million, or 63.1% of revenues, and $18.9 million, or 56.6% of revenues, respectively. Cost of goods sold primarily consists of production costs and amortization, participation expenses and interest on film related obligations.

Other operating expenses for the three months ended November 30, 2024 were $10.9 million, which included $0.4 million of transaction costs related to the 9 Story acquisition and $0.4 million of severance expense related to cost-saving initiatives.

Other operating expenses for the six months ended November 30, 2024 were $19.7 million, which included $2.1 million of transaction costs related to the 9 Story acquisition and $0.4 million of severance expense related to cost-saving initiatives.

Segment operating loss for the three and six months ended November 30, 2024 was $4.7 million and $5.2 million, respectively.

International

	Three months ended November 30,				Six months ended November 30,			
($ amounts in millions)	**2024**	**2023**	**$ Change**	**% Change**	**2024**	**2023**	**$ Change**	**% Change**
Revenues	$ 86.7	$ 86.5	$ 0.2	0.2 %	$ 143.5	$ 143.7	$ (0.2)	(0.1)%
Cost of goods sold	48.9	48.9	0.0	0.0 %	84.2	84.8	(0.6)	(0.7)%
Other operating expenses (1)	32.1	29.6	2.5	8.4 %	61.9	59.1	2.8	4.7 %
Operating income (loss)	$ 5.7	$ 8.0	$ (2.3)	(28.8)%	$ (2.6)	$ (0.2)	$ (2.4)	NM
Operating margin	**6.6 %**	**9.2 %**			**NM**	**NM**		

(1) Other operating expenses include selling, general and administrative expenses, bad debt expenses, severance and depreciation and amortization.
NM Not meaningful

Revenues for the quarter ended November 30, 2024 increased by $0.2 million to $86.7 million, compared to $86.5 million in the prior fiscal year quarter. Local currency revenues across the Company's foreign operations decreased by $1.7 million, excluding favorable foreign exchange impact of $1.9 million. In Australia and New Zealand, local currency revenues decreased $1.8 million, primarily driven by lower trade channel sales in Australia due to softness in the retail market. Export channel sales also decreased $0.5 million as compared to the prior fiscal year quarter. The overall decrease in segment revenues was partially offset by a $0.3 million increase in local currency revenues in Asia driven by growth in India and a $0.2 million increase in local currency revenues in the U.K., primarily driven by higher fair count in the book fairs channel. In Canada, local currency revenues increased $0.1 million as higher revenues from the book fairs and book clubs channels were offset by lower trade channel sales. Canada also benefited from lower trade sales returns from its major customers which partially offset the decline in trade channel sales.

Revenues for the six months ended November 30, 2024 decreased by $0.2 million to $143.5 million, compared to $143.7 million in the prior fiscal year period. Local currency revenues across the Company's foreign operations decreased by $1.9 million, excluding favorable foreign exchange impact of $1.7 million. In Australia and New Zealand, local currency revenues decreased $2.0 million, primarily driven by lower trade channel sales in Australia due to softness in the retail market. In Canada, local currency revenues decreased $0.4 million, driven by lower trade sales, partly offset by lower sales returns in the trade channel and higher sales from the book fairs and book clubs channels. Export channel revenues also decreased $0.9 million as compared to the prior fiscal year period. The decline in segment revenues was partially offset by a $1.3 million increase in local currency revenues in the U.K., driven by higher fair count in the book fairs channel and higher sales in the trade channel which benefited from the release of *Jonty Gentoo: The Adventures of a Penguin* by Julia Donaldson and Axel Scheffler. Local currency revenues in Asia were relatively consistent with the prior year period, increasing $0.1 million.

Cost of goods sold for the quarter ended November 30, 2024 was $48.9 million, or 56.4% of revenues, compared to $48.9 million, or 56.5% of revenues, in the prior fiscal year quarter. Cost of goods sold for the six months ended November 30, 2024 was $84.2 million, or 58.7% of revenues, compared to $84.8 million, or 59.0% of revenues, in the prior fiscal year period. Lower product costs in the U.K. due to the mix of product sold in the period ended November 30, 2024 were offset by increased fulfillment costs in Australia on lower revenues.

Other operating expenses for the three and six months ended November 30, 2024 were $32.1 million and $61.9 million, respectively, compared to $29.6 million and $59.1 million in the prior fiscal year quarter. The increase in Other operating expenses for the three and six months periods ended November 30, 2024 was primarily due to severance expense from the Company's cost-saving initiatives in Asia of $1.4 million incurred in the period ended November 30, 2024, coupled with higher general overhead costs.

Segment operating income for the quarter ended November 30, 2024 was $5.7 million, compared to $8.0 million in the prior fiscal year quarter. The decrease was primarily due to lower revenues in Australia, coupled with severance expense from cost-saving initiatives in Asia and higher general overhead costs. This was partly offset by improved profitability in the U.K. as a result of lower product costs and in Canada which benefited from lower trade sales returns in the quarter ended November 30, 2024.

Segment operating loss for the six months ended November 30, 2024 was $2.6 million compared to $0.2 million in the prior fiscal year period. The increase in operating loss was primarily due to lower revenues in Australia, coupled with severance expense from cost-saving initiatives in Asia and higher general overhead costs. This was partly offset by improved profitability in the U.K. as a result of lower product costs and in Canada which benefited from lower trade sales returns in the quarter ended November 30, 2024.

Overhead

Unallocated overhead expense for the quarter ended November 30, 2024 increased by $4.6 million to $27.9 million, from $23.3 million in the prior fiscal year quarter. The increase was primarily attributable to higher employee-related costs, which included severance expense from the Company's cost-saving initiatives of $2.0 million incurred in the quarter ended November 30, 2024 as well as higher medical expense. This was partially offset by higher rental income of $0.6 million as a result of a new tenant leasing space in the Company's headquarters.

Unallocated overhead expense for the six months ended November 30, 2024 was $54.0 million, consistent with the prior year period. Higher medical expense incurred in the period ended November 30, 2024 was offset by lower severance expense from the Company's cost-saving initiatives of $1.9 million and higher rental income of $0.8 million as a result of a new tenant leasing space in the Company's headquarters.

Seasonality

The Company’s *Children’s Book Publishing and Distribution* school-based book club and book fair channels and most of its *Education Solutions* businesses operate on a school-year basis; therefore, the Company’s business is highly seasonal. As a result, the Company’s revenues in the first and third quarters of the fiscal year generally are lower than its revenues in the other two fiscal quarters. Typically, school-based channels and magazine revenues are minimal in the first quarter of the fiscal year as schools are not in session. Education channel revenues are generally higher in the fourth quarter. Trade channel and *Entertainment* segment revenues can vary throughout the year due to the timing of published titles' release dates and program production deliveries and the start dates of distribution license agreements.

Liquidity and Capital Resources

Cash provided by operating activities was $29.3 million for the six months ended November 30, 2024, compared to cash provided by operating activities of $71.6 million for the prior fiscal year period, representing a decrease in cash provided by operating activities of $42.3 million. The decrease in cash provided was primarily driven by increased inventory purchases and lower customer remittances on receivable balances in the period ended November 30, 2024, as well as increased medical claim payments, interest payments related to the Company's borrowings and higher spending in *Entertainment* due to the acquisition of 9 Story in fiscal 2025. This was partially offset by lower tax payments in the period ended November 30, 2024.

Cash used in investing activities was $217.2 million for the six months ended November 30, 2024, compared to cash used in investing activities of $49.1 million in the prior fiscal year period, representing an increase in cash used in investing activities of $168.1 million. The increase in cash used was driven by the cash paid for the 9 Story acquisition of $176.2 million, net of cash acquired, during the six months ended November 30, 2024, as compared to the prior year period in which the Company acquired certain amortizable intangible assets related to educational programs for $5.8 million and purchased the remaining noncontrolling interest related to Make Believe Ideas Limited for $2.1 million.

Cash provided by financing activities was $214.5 million for the six months ended November 30, 2024, compared to cash used in financing activities of $97.8 million for the prior fiscal year period, representing an increase in cash provided by financing activities of $312.3 million. The increase in cash provided was primarily attributable to borrowings of $250 million under the U.S. credit agreement incurred during the six months ended November 30, 2024 to fund the 9 Story acquisition and working capital needs. In addition, the Company repurchased common stock of $10.0 million, compared to repurchases of $90.2 million in the prior fiscal year quarter, which also resulted in lower dividends of $1.5 million, partially offset by $14.6 million of net repayments of film related obligations in the six months ended November 30, 2024.

Cash Position

The Company's cash and cash equivalents totaled $139.6 million at November 30, 2024, $113.7 million at May 31, 2024 and $149.5 million at November 30, 2023. Cash and cash equivalents held by the Company's U.S. operations totaled $86.5 million at November 30, 2024, $54.9 million at May 31, 2024 and $115.1 million at November 30, 2023. Due to the seasonal nature of its business as discussed under "Seasonality", the Company usually experiences negative cash flows in the June through September time period.

The Company's operating philosophy is to use cash provided by operating activities to create value by paying down debt, reinvesting in existing businesses and, from time to time, making acquisitions that will complement its portfolio of businesses or acquiring other strategic assets, as well as engaging in shareholder enhancement initiatives, such as share repurchases or dividend declarations. Under the Company's open-market buy-back program, $76.6 million remained available for future purchases of common shares as of November 30, 2024.

The Company has maintained, and expects to maintain for the foreseeable future, sufficient liquidity to fund ongoing operations, including working capital requirements, pension contributions, postretirement benefits, debt service, planned capital expenditures and other investments, as well as dividends and share repurchases. As of November 30, 2024, the Company's primary sources of liquidity consisted of cash and cash equivalents of $139.6 million, cash from operations and the Company's U.S. Credit Agreement. On November 26, 2024, the U.S. Credit Agreement was amended, which, among other things, increased the borrowing limit from $300.0 million to $400.0 million and extended the maturity to November 26, 2029. See Note 4 of Notes to the Financial Statements - Unaudited in Item 1, "Financial Statements," for more information regarding the U.S. Credit Agreement. The Company expects the U.S. Credit Agreement to provide it with an appropriate level of flexibility to strategically manage its business operations. The Company's U.S. Credit Agreement, less commitments of $0.4 million, has $149.6 million of availability. Additionally, the Company has short-term credit facilities of $26.9 million, less current borrowings of $6.2 million and commitments of $3.6 million, resulting in $17.1 million of current availability under these facilities at November 30, 2024. Accordingly, the Company believes these sources of liquidity are sufficient to finance its currently anticipated ongoing operating needs, as well as its financing and investing activities.

Financing

The Company is party to the U.S. Credit Agreement and certain credit lines with various banks, including those related to film related obligations, as described in Note 4 of Notes to Condensed Consolidated Financial Statements - unaudited in Item 1, "Financial Statements." The Company had $250.0 million in outstanding borrowings under the U.S. Credit Agreement as of November 30, 2024. Subsequent to November 30, 2024, the Company repaid borrowings of $25.0 million under the U.S. Credit Agreement. As indicated above, on November 26, 2024, the Company amended the U.S. Credit Agreement, which included an increase in the maximum commitments, an increase in interest pricing margins and an extension of the maturity date. Subsequent to November 30, 2024, based on the Company's prevailing Consolidated Net Leverage Ratio, the Company expects the applicable margin on Base Rate Advances to be 0.75%, the applicable margin on SOFR Advances to be 1.75% , and the commitment fee rate to be 0.25%.

New Accounting Pronouncements

Reference is made to Note 1 of Notes to Financial Statements - unaudited in Item 1, "Financial Statements," for information concerning recent accounting pronouncements since the filing of the Company's Annual Report on Form 10-K for the fiscal year ended May 31, 2024.

Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements. Additional written and oral forward-looking statements may be made by the Company from time to time in Securities and Exchange Commission ("SEC") filings and otherwise. The Company cautions readers that results or expectations expressed by forward-looking statements, including, without limitation, those relating to the Company's future business prospects and strategic plans, ecommerce and digital initiatives, new product introductions, strategies, new education standards, goals, revenues, improved efficiencies, general operating costs, including transportation and labor costs and the extent such costs are impacted by inflationary pressures, manufacturing costs, medical costs, potential cost savings, tax incentives, merit pay, operating margins, working capital, liquidity, capital needs, the cost and timing of capital projects, interest costs, cash flows and income, are subject to risks and uncertainties, which may have an impact on the Company's operations and could cause actual results to differ materially from those indicated in the forward-looking statements, due to factors including those noted in the Annual Report and this Quarterly Report and other risks and factors identified from time to time in the Company's filings with the SEC. The Company disclaims any intention or obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

The Company conducts its business in various foreign countries, and as such, its cash flows and earnings are subject to fluctuations from changes in foreign currency exchange rates. The Company sells products from its domestic operations to its foreign subsidiaries, creating additional currency risk. The Company manages its exposures to this market risk through internally established procedures and, when deemed appropriate, through the use of short-term forward exchange contracts, which were not significant as of November 30, 2024. The Company does not enter into derivative transactions or use other financial instruments for trading or speculative purposes.

Market risks relating to the Company's operations result primarily from changes in interest rates in its variable-rate borrowings. The Company is subject to the risk that market interest rates and its cost of borrowing will increase and thereby increase the interest charged under its variable-rate debt.

Additional information relating to the Company's outstanding financial instruments is included in Note 4 of Notes to Condensed Consolidated Financial Statements - unaudited in Item 1, "Financial Statements."

The following table sets forth information about the Company's debt instruments as of November 30, 2024:

($ amounts in millions)	**Fiscal Year Maturity**							
	2025 [1]	**2026**	**2027**	**2028**	**2029**	**Thereafter**	**Total**	**Fair Value at 11/30/2024**
Debt Obligations								
Lines of credit and current portion of long-term debt	$ 6.2	$ —	$ —	$ —	$ —	$ —	$ 6.2	$ 6.2
Average interest rate	4.2 %	—	—	—	—	—		
Long-term debt	$ —	$ —	$ —	$ —	$ —	$ 250.0	$ 250.0	$ 250.0
Average interest rate	—	—	—	—	—	6.8 %		
Film related obligations	$ 3.8	$ 9.0	$ 6.9	$ 0.6	$ 1.3	$ —	$ 21.6	$ 21.6
Average interest rate	6.6 %	7.2 %	6.8 %	6.7 %	6.7 %	—		

(1) Fiscal 2025 includes the remaining six months of the current fiscal year ending May 31, 2025.

The Chief Executive Officer and the Chief Financial Officer of the Corporation, after conducting an evaluation, together with other members of the Company’s management, of the effectiveness of the design and operation of the Corporation’s disclosure controls and procedures as of November 30, 2024, have concluded that the Corporation’s disclosure controls and procedures were effective to ensure that information required to be disclosed by the Corporation in its reports filed or submitted under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the SEC and accumulated and communicated to members of the Company’s management, including the Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure. There was no change in the Corporation’s internal control over financial reporting that occurred during the quarter ended November 30, 2024 that has materially affected, or is reasonably likely to materially affect, the Corporation’s internal control over financial reporting.

PART II – OTHER INFORMATION

SCHOLASTIC CORPORATION
Item 1. Business

In Item 1 (Business) in Part I of the Company's Annual Report on Form 10-K for the fiscal year ended May 31, 2024, the Company included a description of its business activities. Except as set forth below, as of the date of this Quarterly Report on Form 10-Q there have been no material changes to the business described in the Company's Annual Report for the fiscal year ended May 31, 2024.

The Company categorizes its businesses into four reportable segments: *Children's Book Publishing and Distribution, Education Solutions, International* and the newly formed *Entertainment* segment. The *Entertainment* segment includes the operations of 9 Story Media Group Inc. ("9 Story"), and Scholastic Entertainment Inc. ("SEI"). SEI was reported in the *Children's Book Publishing and Distribution* segment in prior periods. Refer to Note 7 of Notes to Condensed Consolidated Financial Statements - unaudited in Item 1, "Financial Statements" for further details regarding the acquisition of 9 Story. There have been no other changes to the Company's segments. A description of the *Entertainment* segment is below.

ENTERTAINMENT

The *Entertainment* segment includes the development, production, distribution and licensing of kids and family film and television content. This segment creates, develops, and produces award-winning branded properties using owned or licensed IP through its creative affairs group. The Company has an in-house animation studio, Brown Bag Films, which is recognized for producing high-quality and popular programs such as "Doc McStuffins®," "Daniel Tiger's Neighborhood®," "Octonauts®," "Wild Kratts®," "Blue's Clue's & You!®," and "The Magic School Bus Rides Again".

This segment is also responsible for exploiting the Company's film and television assets, which include a large television programming library based on the Company's IP as well as third party programs. The Company distributes its animated and, to a lesser extent, live-action programming through various domestic and international channels, including subscription video on demand (SVOD), linear TV (traditional broadcast) and advertising-based video on demand (AVOD) including YouTube.

The Company has a consumer products division which builds global entertainment brands for kids, with expertise across creative, brand marketing, licensing and merchandising, working closely with television and digital distribution teams, as well as third party IP owners, licensees and retailers to ensure coordinated and strategic brand management.

In Item 1A (Risk Factors) in Part I of the Company’s Annual Report on Form 10-K for the fiscal year ended May 31, 2024, the Company described material risk factors which could affect its business. Except as set forth below, as of the date of this Quarterly Report on Form 10-Q there have been no material changes to the risk factors described in the Company’s Annual Report for the fiscal year ended May 31, 2024. Any of the risks identified in such Annual Report, in this Quarterly Report on Form 10-Q or in other reports the Company files with the SEC, and other risks the Company has not anticipated or discussed, could have a material adverse impact on the Company’s business, financial condition or results of operations.

Changes in tax laws or a change in tax status may result in a loss of government tax credits in the Company's entertainment business.

The Company, through its economic control of 9 Story, presently benefits from significant Canadian government tax credits at both the federal and provincial level. The Company's entertainment business finances a significant portion of its production budgets from such government tax credits and certain anticipated government tax credits are used as collateral for the production loans. Pursuant to an opinion issued by the Minister of Canadian Heritage with respect to the Company’s investment in 9 Story, the Company anticipates that 9 Story will continue to be eligible for such tax credits. The Company could lose its Canadian government tax credits and incentives if the Canadian regulated business into which the Company has invested (9 Story) ceases to be controlled by Canadian nationals. In order to preserve the benefits, the Company's voting equity ownership of 9 Story is limited to 25% of the total voting equity shares outstanding. Further, 9 Story’s business is managed by a board of directors, a majority of whose members are Canadian nationals who are not otherwise affiliated with the Company, consistent with the Company’s representations to the Canadian Ministry of Heritage. There can be no assurance that the individual tax incentive programs currently available to the Company will not be reduced, amended, or eliminated or that the Company or any specific production will continue to qualify for them, any of which may have an adverse effect on the Company’s entertainment business, results of operations, or financial condition.

The Company's entertainment business depends on key relationships with buyers of film and television content and uncertainty with buyers or changes in demand for film and television content may impact the financial performance of the entertainment business.

The media and content industry in which the Company's entertainment business operates is rapidly evolving, including the market and demand for film and television content, with the entrance of new major streaming platforms and consolidation of traditional platforms, as well as the changing viewing habits of children and youth. While the Company believes that the demand for high-quality content will continue, industry trends may continue to change and the Company's entertainment business may be adversely affected by such changing industry trends, including potential impacts of mergers and acquisitions in the industry. There can be no certainty that demand for content will be sustained over the long term, that consumers will have an appetite for the programming produced by the Company's entertainment business or that the Company will be able to identify and be responsive to new content trends.

The Company may not be able to sustain, manage or effectively execute on its strategy with respect to its acquisition of 9 Story, which may impact the Company's financial performance.

The expected financial benefits of the Company's acquisition of 9 Story depend, among other things, on its ability to realize synergies with 9 Story and develop new programming utilizing Scholastic's current and future IP that achieves market and audience acceptance. If the Company is unable to do this, the Company's business, financial condition, and performance could be materially and adversely affected.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table provides information with respect to repurchases of shares of Common Stock by the Corporation during the three months ended November 30, 2024:

Issuer Purchases of Equity Securities
(Dollars in millions, except per share amounts)

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Maximum number of shares (or approximate dollar value) that may yet be purchased under the plans or programs (i)
September 1 through September 30, 2024	—	—	—	$81.6
October 1 through October 31, 2024	185,378	$28.60	185,378	$76.6
November 1 through November 30, 2024	—	—	—	$76.6
Total	**185,378**		**185,378**	**$76.6**

(i) Represents the amount remaining at November 30, 2024 under the Board authorization for Common share repurchases announced on December 13, 2023 and the additional $54.6 Board authorization for Common share repurchases announced on March 20, 2024, which is available for further repurchases, from time to time as conditions allow, on the open market or through privately negotiated transactions. See Note 12 of Notes to Condensed Consolidated Financial Statements - unaudited in Item 1, "Financial Statements," for a description of the Company's share buy-back program and share repurchase authorizations.

Item 5. Other Information

During the three months ended November 30, 2024, none of our directors or officers informed us of the adoption or termination of a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" (as each term is defined in Item 408(a) of Regulation S-K).

Exhibits:

10.1*	Offer Letter dated July 11, 2022 between Jeffrey N. Matthews and Scholastic Inc.
10.2*	Performance Stock Unit Agreement between Scholastic Corporation and Peter Warwick, dated July 16, 2024.
10.3*	Form of Performance Restricted Stock Unit Agreement under the Scholastic Corporation 2021 Stock Incentive Plan.
10.4*	Performance Stock Unit Agreement between Scholastic Corporation and Jeffrey N. Mathews, dated October 1, 2024.
10.5*	Restricted Stock Unit Agreement between Scholastic Corporation and Jeffrey N. Mathews, dated October 1, 2024.
10.6	Third Amendment, dated as of November 26, 2024, to the Amended and Restated Credit Agreement dated as of October 27, 2021 (the "Credit Agreement") by and between Scholastic Corporation and Scholastic Inc., the lenders from time to time party thereto, and Bank of America, N.A., as administrative agent (incorporated by reference to Form 8-K filed December 3, 2024).
21	Subsidiaries of the Corporation, as of November 30, 2024.
31.1	Certification of the Chief Executive Officer of Scholastic Corporation filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Chief Financial Officer of Scholastic Corporation filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certifications of the Chief Executive Officer and Chief Financial Officer of Scholastic Corporation furnished pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	Financial Statements from the Quarterly Report on Form 10-Q of the Company for the quarter ended November 30, 2024 formatted in Inline Extensible Business Reporting Language: (i) Condensed Consolidated Statements of Operations; (ii) Condensed Consolidated Statements of Comprehensive Income (Loss), (iii) Condensed Consolidated Balance Sheets; (iv) Condensed Consolidated Statements of Changes in Stockholders' Equity; (v) Condensed Consolidated Statements of Cash Flows; and (vi) Notes to Condensed Consolidated Financial Statements.
104	Cover Page, formatted in Inline Extensible Business Reporting Language and contained in Exhibit 101.

*The referenced exhibit is a management contract or compensation plan or arrangement described in Item 601(b) (10) (iii) of Regulation S-K.

SCHOLASTIC CORPORATION
QUARTERLY REPORT ON FORM 10-Q, DATED November 30, 2024
Exhibits Index

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21	Subsidiaries of the Corporation, as of November 30, 2024.
31.1	Certification of the Chief Executive Officer of Scholastic Corporation filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Chief Financial Officer of Scholastic Corporation filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certifications of the Chief Executive Officer and Chief Financial Officer of Scholastic Corporation furnished pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	Financial Statements from the Quarterly Report on Form 10-Q of the Company for the quarter ended November 30, 2024 formatted in Inline Extensible Business Reporting Language: (i) Condensed Consolidated Statements of Operations; (ii) Condensed Consolidated Statements of Comprehensive Income (Loss), (iii) Condensed Consolidated Balance Sheets; (iv) Condensed Consolidated Statements of Changes in Stockholders' Equity; (v) Condensed Consolidated Statements of Cash Flows; and (vi) Notes to Condensed Consolidated Financial Statements.
104	Cover Page, formatted in Inline Extensible Business Reporting Language and contained in Exhibit 101.

*The referenced exhibit is a management contract or compensation plan or arrangement described in Item 601(b) (10) (iii) of Regulation S-K.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

		SCHOLASTIC CORPORATION (Registrant)
Date: December 20, 2024	By:	/s/ Peter Warwick
		Peter Warwick *President and Chief Executive Officer* *(Principal Executive Officer)*
Date: December 20, 2024	By:	/s/ Haji L. Glover
		Haji L. Glover *Executive Vice President and Chief Financial Officer* *(Principal Financial Officer)*

SCHOLASTIC

July 11, 2022

Jeffrey N. Mathews

Dear Jeff:

It is my pleasure to confirm our offer of employment with Scholastic Corporation as Executive Vice President, Corporate Development and Investor Relations. As we have discussed, in these positions you will report directly to me. After Joining Scholastic, you will receive a base salary at the rate of $560,000 per annum, which will be paid to you on a bi-weekly basis. We anticipate your start date will be September 5, 2022. We will make an announcement internally in August 2022.

Your performance and salary will be reviewed annually by the compensation committee of our Board of Directors starting in October 2023.

You will be eligible to participate in our Scholastic Short-Term Incentive Plan (STIP) with a bonus target percentage of 50% of your base salary. You must be an active employee of Scholastic at the time bonus payments are made under the STIP in order to receive payment.

We will recommend to the compensation committee of our Board of Directors that you receive annual equity incentive grants under the Scholastic Corporation 2021 Stock Incentive Plan with a value of $400,000 per year, with the grant dates expected to be in September 2022, September 2023 and September 2024, such value to be paid 60% in restricted stock units and 40% in stock options. The number of stock options granted will be determined based on the Black Scholes model of calculating the fair value of a stock option on the date of each grant, and the number of restricted stock units awarded will be determined by using the fair market value of the Scholastic common stock on the date of each grant. These grants will vest in three equal annual installments over three years, with the first installment vesting on the first anniversary of the date of the applicable grant. You will continue to be eligible for long term equity incentives thereafter.

We will also recommend to the compensation committee of our Board of Directors that as a new hire, you receive a one-time award under the Scholastic Corporation 2021 Stock Incentive Plan of 13,835 Restricted Stock Units, vesting in equal annual installments over three years.

You will receive 4 weeks of vacation annually. Vacation is accrued on a fiscal year basis.

Your medical coverage, life insurance and 401(k) benefits will commence the day you begin work, provided you enroll within the first 31 days of employment. Scholastic is committed to helping our employees and their families lead healthy, productive lives. Our benefits packages and wellness programs help our employees succeed at work and at home. We offer an array of flexible plans with options that allow employees to select the plan most appropriate for them. Following your acceptance of this offer, I will arrange for someone to provide initial orientation in New York and introduce you to our benefits programs and how to enroll, as well as to take you through the payroll and other forms and policies which will need to be accomplished in order for your paycheck to be processed.

Jeffrey N. Mathews

July 11, 2022

Page 2

In the event that your employment is terminated without cause, you will be eligible to receive compensation equivalent to 24 months' salary.

Please return to me a scanned copy of this offer letter, signed by you, along with valid identification (i.e., social security card and driver's license or passport, visa or green card) as proof of employment eligibility, which will also be required as part of the onboarding process.

While we normally require background checks, in this case because you are a former employee of the Company we will waive that circumstance. Employment at Scholastic is at the will of the Company and/or you and as such this letter does not create a contract of permanent employment. If you have any other questions, please do not hesitate to contact me.

And finally, welcome to Scholastic! I am both pleased and excited by your re-joining the Company and am confident that you will make a significant contribution to Scholastic's success and will play an important role within our Company. I am looking forward to working with you.

Sincerely,

/s/ Peter Warwick
Peter Warwick
President and Chief Executive Officer
Scholastic Inc.
557 Broadway
New York, NY 10012

/s/ Jeffrey N. Mathews July 11, 2022
Jeffrey N. Mathews Date

FY25 Annual Performance-Based Restricted Stock Units (“P-RSUs”) Award

SCHOLASTIC CORPORATION 2021 STOCK INCENTIVE PLAN

Restricted Stock Unit Agreement

Effective as of July 16, 2024 (the “Grant Date”), SCHOLASTIC CORPORATION, a Delaware corporation (the “Company”), hereby grants to Peter Warwick (the “Participant”) an Award consisting of a number of Restricted Stock Units determined as a percentage of the target award of 26,420 Restricted Stock Units (the “Target Award”) in respect of shares of common stock, par value $.01 per share, of the Company (the “Common Stock”) on the terms set forth herein, and in all respects subject to the terms and provisions of the Scholastic Corporation 2021 Stock Incentive Plan (the “Plan”), which terms and provisions are incorporated by reference herein. Unless the context herein otherwise requires, the terms defined in the Plan shall have the same meanings in this Agreement. The award of Restricted Stock Units hereunder is also subject to the terms and conditions of that certain employment agreement effective as of August 1, 2024, between the Company and the Participant (as the same may be amended, the "Employment Agreement") and constitutes the fiscal year 2025 Annual Performance-Based RSU Award (as defined in the Employment Agreement).

1. **Vesting and Payment.**

(a) **Earned Units.** Except as otherwise provided herein, the number of Restricted Stock Units as a percentage of the Target Award that are earned by the Participant (“Earned Units”) will be determined by the Committee based on its determination, in its sole discretion, of the level of attainment of the applicable Performance Goals set forth in <u>Annex A</u> hereto (which <u>Annex A</u> is incorporated by reference and is made part of this Agreement). The Committee's determination shall be made following the end of the Performance Period (defined as the twelve (12) months constituting the fiscal year ending May 31, 2025). The Committee may, in its sole discretion, adjust (upward or downward as the Committee may determine) the Target Award to determine the number of Earned Units to which the Participant may become entitled to hereunder based upon its assessment of the Participant’s individual performance in the context of the Performance Goals as determined by the Committee. No Restricted Stock Units will be earned until the Committee certifies that the Performance Goals have been met and certifies the extent to which they have been met. The maximum number of Earned Units which may be earned hereunder is equal to 150% of the Target Award. All determinations made by the Committee under this Agreement will be final and binding on the Participant.

(b) **Vesting.** Subject to the attainment of the applicable Performance Goals, as determined by the Committee pursuant to Section 1(a) above and subject to Participant having been continuously employed by the Company or any of its Affiliates (including any period during which the Participant is on leave of absence or any other break in employment in accordance with the Company's policies and procedures), any Earned Units awarded under Section 1(a) will become vested upon the Committee's certification as provided above (the “Vesting Date”), except as otherwise provided in Section 2 of this Agreement.

(c) **Payment.** A share of Common Stock shall be distributed with respect to each Earned Unit on the applicable Vesting Date, except as provided in Section 2. Notwithstanding anything to contrary in this Agreement or otherwise, the provisions regarding accelerated vesting upon Retirement set forth in Section 9.2(b) of the Plan shall not apply to the Restricted Stock Units granted under this Agreement.

2. **Termination of Employment.**

(a) **Death or Disability.** Upon a Termination of Employment as a result of the Participant‘s death or Disability, all outstanding unvested Restricted Stock Units shall immediately vest at target level attainment and a share of Common Stock with respect to each such vested Restricted Stock Unit shall be distributed within fifty-five (55) days following such termination. For purposes of this Agreement, "Disability" shall have the meaning given such term under the Employment Agreement.

(b) **Termination without Cause or Termination by the Participant for Good Reason**. Subject to the requirements of Section 10(e) of the Employment Agreement, in the event the Participant’s Termination of Employment is by the Company without "Cause" or by the Participant voluntarily with "Good Reason," unvested Restricted Stock Units shall immediately vest at target level attainment and a share of Common Stock with respect to each such vested Restricted Stock Unit shall be distributed within fifty-five (55) days following such termination. For purposes of this Agreement, the terms "Cause" and "Good Reason" shall have the meaning given such terms under the Employment Agreement.

(c) **Termination for Cause; Termination by the Participant other than for Good Reason.** In the event the Participant’s Termination of Employment is for "Cause" or if the Participant terminates his employment voluntarily other than for "Good Reason," all unvested Restricted Stock Units shall be immediately forfeited for no consideration.

(d) **Section 409A Award.** Notwithstanding the foregoing, to the extent required by Section 409A of the Code upon a Termination of Employment (other than as a result of death) of the Participant as a result of the Participant being a Specified Employee, distributions determined, in whole or in part, to constitute a Section 409A Award shall be delayed until six months after such Termination of Employment if such termination constitutes a “separation from service” (within the meaning of Section 409A of the Code) and such distribution shall be made at the beginning of the seventh month following the date of the Participant’s Termination of Employment.

(e) **Section 409A Compliance.** No distribution in respect of a Section 409A Award shall be made upon the Participant's Termination of Employment unless such termination constitutes a "separation from service" within the meaning of Section 409A of the Code. This Agreement is intended to comply with Section 409A of the Code and the Company shall construe, interpret and amend the provisions of this Agreement in such manner as the Company deems necessary, in its sole discretion, to comply with Section 409A of the Code with respect to a Section 409A Award but in no event shall the foregoing provisions or any other provision of this Agreement or the Plan be construed as a guarantee by the Company of any particular tax treatment.

3. **Withholding Tax Liability.** In connection with the vesting and payment of the Restricted Stock Units, the Company and the Participant will incur liability for income or withholding tax. The Company shall have the right to withhold from any payment in respect of Restricted Stock Units, transfer of Common Stock, or payment made to the Participant or to any person hereunder, whether such payment is to be made in cash or in Common Stock, all applicable minimum federal, state, city or other taxes as shall be required, in the determination of the Company, pursuant to any statute or governmental regulation or ruling. In its discretion, the Company may satisfy such withholding obligation by any one or combination of the following methods: (i) by requiring the Participant to pay such amount in cash or check; (ii) by deducting such amount from the Participant's current compensation; (iii) by allowing the Participant to surrender other shares of Common Stock of the Company which (a) in the case of shares initially acquired from the Company (upon exercise of a stock option or otherwise), have been owned by the Participant for such period (if any) as may be required to avoid a charge to the Company's earnings, and (b) have a fair market value on the date of surrender equal to the amount required to be withheld; (iv) by delivery by the Participant of a properly executed notice together with irrevocable instructions to a broker approved by the Company to sell shares of Common Stock and deliver promptly to the Company the amount of sale or loan proceeds required to pay the amount required to be withheld, or (v) by withholding a number of shares of Common Stock to be issued upon delivery of Common Stock which have a fair market value equal to the minimum statutory amount required to be withheld. For these purposes, the fair market value of the shares to be withheld shall be determined by the Company on the date that the amount of tax to be withheld is to be determined. The Company shall also be authorized to sell any shares of Common Stock to the extent required to satisfy the Company's withholding obligations.

4. **Nontransferability of Restricted Stock Units**. The Restricted Stock Units may not be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, whether for value or no value and whether voluntary or involuntary (including by operation of law), other than by will or by the laws of descent and distribution. Subject to the foregoing and the terms of the Plan, the terms of this Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Participant.

5. **No Enlargement of Rights.** This Agreement is not an agreement of employment. Neither the Plan nor this Agreement shall confer upon the Participant any

right to continue as an officer, employee, or consultant of the Company or any Affiliate. Nothing contained in the Plan or this Agreement shall interfere in any way with the rights of the Company or any Affiliate to terminate the employment of the Participant at any time or to modify the Participant's employment or compensation. The Participant shall have only such rights and interests with respect to the Restricted Stock Units as are expressly provided in this Agreement, the Employment Agreement and the Plan.

6. **No Shareholder Rights before Exercise and Issuance.**

(a) **No Shareholder Rights.** No rights as a stockholder shall exist with respect to the Common Stock subject to the Restricted Stock Units as a result of the grant of the Restricted Stock Units, and no adjustments shall be made for dividends in cash or other property, distributions or other rights in respect of any such shares, except as otherwise specifically provided for in the Plan or in subparagraph 6(b) below. Shareholder rights shall exist only after issuance of stock following the settlement of Earned Units by delivery of Common Stock as provided in the Plan.

(b) **Dividend Equivalents.** Cash dividend equivalents shall be credited to a separate Restricted Stock Unit dividend book entry account on behalf of the Participant with respect to each Restricted Stock Unit and adjusted at such time as the number of Earned Units is determined in accordance with this Agreement to apply only to such number of Earned Units. Vested dividend equivalents shall be distributed in cash (or used for tax withholding) to the Participant at the same time a share of Common Stock is distributed with respect to the Earned Unit to which the dividend equivalent relates.

7. **Effect of the Plan on Restricted Stock Unit.** The Restricted Stock Units are subject to, and the Company and the Participant agree to be bound by, all of the terms and conditions of the Plan, as such may be amended from time to time in accordance with the terms thereof. The Participant acknowledges that he has received a copy of the Plan and has had an opportunity to review the Plan. Without the consent of the Participant, the Company may amend or modify this Agreement in any manner not inconsistent with the Plan or the Employment Agreement, including without limitation, to change the date or dates as of which a Restricted Stock Unit becomes vested, or to cure any ambiguity, defect or inconsistency, provided such amendment, modification or change does not adversely affect the rights of the Participant.

8. **Entire Agreement.** The terms of this Agreement and the Plan constitute the entire agreement between the Company and the Participant with respect to the subject matter hereof and supersede any and all previous agreements between the Company and the Participant and all prior communications, representations and negotiations in respect thereto. No waiver by any party of any breach by the other of any provision of this Agreement or the Employment Agreement shall be deemed to be a waiver of any other breaches thereof or the waiver of any such or other provision of this Agreement or the Employment Agreement. Subject to the restrictions on assignment and transfer set forth above, this Agreement shall be binding upon and inure to the benefit of the parties

hereto, their estates, personal representatives, successors and assigns. This Agreement may be signed in counterparts.

9. **Severability.** If any provision of this Agreement, or the application of such provision to any person or circumstances, is held invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held valid or unenforceable, shall not be affected thereby.

10. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Delaware (regardless of the law that might otherwise govern under applicable Delaware principles of conflict of laws).

11. **Notices.** Any notice or communication given hereunder shall be in writing and shall be deemed to have been duly given when delivered in person, or by United States mail, to the appropriate party at the address set forth below (or such other address as the party shall from time to time specify): If to the Company, to: Scholastic Corporation, 557 Broadway, New York, New York 10012, Attention: Corporate Secretary. If to the Participant, to the most recent address on file with the Company. Notwithstanding the foregoing, the Company may require that any notice by the Participant be provided electronically or in writing to the Company or to the stock plan administrator pursuant to such procedures as the Company shall establish from time to time in its sole discretion.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first set forth above.

SCHOLASTIC CORPORATION ("Company")

By: /s/ Cristina Juvier

Title: Chief People Officer

PETER WARWICK ("Participant")

/s/ Peter Warwick

SCHOLASTIC CORPORATION 2021 STOCK INCENTIVE PLAN

Performance Restricted Stock Unit Agreement

Effective as of (the “Grant Date”), SCHOLASTIC CORPORATION, a Delaware corporation (the “Company”), hereby grants to
(the “Participant”) an Award consisting of a number of Restricted Stock Units determined as a percentage of the target Award of Restricted Stock Units (the “Target Award”) in respect of shares of common stock, par value $.01 per share, of the Company (the “Common Stock”) on the terms set forth herein, and in all respects subject to the terms and provisions of the Scholastic Corporation 2021 Stock Incentive Plan (the “Plan”), which terms and provisions are incorporated by reference herein. Unless the context herein otherwise requires, the terms defined in the Plan shall have the same meanings in this Agreement.

1. **Vesting and Payment.**

(a) **Earned Units**. Except as otherwise provided herein, the Restricted Stock Units as a percentage of the Target Award that may be earned by the Participant will be determined in accordance with Annex A hereto (which Annex A is incorporated by reference and is made part of this Agreement).

(b) **Vesting.** Notwithstanding Section 9.2 of the Plan, except as provided in Section 2 of this Agreement, Earned Units (as defined in Annex A), if any, shall vest on the three-year anniversary of the Grant Date, provided that the Participant has not had a Termination of Employment or Termination of Consultancy (including any period during which the Participant is on leave of absence or any other break in employment or consultancy in accordance with the Company‘s policies and procedures) before such date. The date described in this Section 1(b) shall be the “Vesting Date.”

(c) **Settlement.** A share of Common Stock shall be distributed with respect to each vested Earned Unit (as defined in Annex A) which vests in accordance with Section 1(b) above within thirty (30) days following the date the Committee makes the determination of Earned Units pursuant to Section 2 of Annex A (which shall occur no later than November 1 of the calendar year which includes the end of the Performance Period), except as provided in Section 2 below.

2. **Termination of Employment or Consultancy.**

(a) **Death.** Upon a Termination of Employment or Termination of Consultancy prior to the Vesting Date as a result of the Participant's death, a number of Restricted Stock Units equal to the Target Award, shall immediately vest and a share of Common Stock with respect to each such vested Restricted Stock Unit shall be distributed as soon as practicable following the Participant's death but in no event later than December 31 of the calendar year following the calendar year in which the Participant's death occurs.

(b) **Disability.** Upon a Termination of Employment or Termination of Consultancy prior to the Vesting Date as a result of termination by the Company for Disability, the Participant shall be entitled to the number of Earned Units determined under Annex A and a share of Common Stock with respect to each such Earned Unit shall be distributed at the time described in Section 1(c) above.

(c) **Retirement.** Upon a Termination of Employment or Termination of Consultancy (as applicable) prior to the Vesting Date as a result of the Participant's Retirement and such Termination of Employment or Termination of Consultancy is on or after the one year anniversary of the Grant Date, the Participant shall be entitled to the number of Earned Units determined under Annex A and a share of Common Stock with respect to each such Earned Unit shall be distributed at the time described in Section 1(c) above.

(d) **Other Termination.** Notwithstanding Section 9.2 of the Plan, except as otherwise provided in Sections 2(a), 2(b) and 2(c) of this Agreement, all Restricted Stock Units or Earned Units that are not vested as of the date of the Participant‘s Termination of Employment or Termination of Consultancy for any reason shall terminate and be forfeited in their entirety as of the date of such Termination of Employment or Termination of Consultancy.

(e) **Section 409A Award.** Notwithstanding the foregoing, to the extent required by Section 409A of the Code any settlement of shares made as a result of a Termination of Employment or Termination of Consultancy (other than as a result of death) of a Specified Employee, distributions determined, in whole or in part, to constitute a Section 409A Award shall be delayed until six months after such Termination of Employment or Termination of Consultancy if such termination constitutes a “separation from service” (within the meaning of Section 409A of the Code) and such distribution shall be made at the beginning of the seventh month following the date of the Specified Employee’s Termination of Employment or Termination of Consultancy.

(f) **Section 409A Compliance.** No distribution in respect of a Section 409A Award shall be made upon a Participant’s Termination of Employment or Termination of Consultancy unless such termination constitutes a “separation from service” within the meaning of Section 409A of the Code. This Agreement is intended to comply with Section 409A of the Code and the Company shall construe, interpret and amend the provisions of this Agreement in such manner as the Company deems necessary, in its sole discretion, to comply with Section 409A of the Code with respect to a Section 409A Award but in no event shall the foregoing provisions or any other provision of this Agreement or the Plan be construed as a guarantee by the Company of any particular tax treatment.

3. **Withholding Tax Liability.** In connection with the vesting and payment of any Restricted Stock Unit, the Company and the Participant will incur liability for income or withholding tax. The Company shall have the right to withhold from any payment in respect of Restricted Stock Units or Earned Units, transfer of Common Stock, or payment made to the Participant or to any person hereunder, whether such payment is to be made in cash or in Common Stock, all applicable minimum federal, state, city or other taxes as shall be required, in the determination of the Company, pursuant to any statute or governmental regulation or ruling. In its discretion, the Company may satisfy such withholding obligation by any one or combination of the following methods: (i) by requiring the Participant to pay such amount in cash or check; (ii) by deducting such amount from the Participant's current compensation; (iii) by allowing the Participant to surrender other shares of Common Stock of the Company which (a) in the case of shares initially acquired from the Company (upon exercise of a stock option or otherwise), have been owned by the Participant for such period (if any) as may be required to avoid a charge to the Company's earnings, and (b) have a fair market value on the date of surrender equal to the amount required to be withheld; (iv) by delivery by the Participant of a properly executed notice together with irrevocable instructions to a broker approved by the Company to sell shares of Common Stock and deliver promptly to the Company the amount of sale or loan proceeds required to pay the amount required to be withheld, or (v) by withholding a number of shares of Common Stock to be issued upon delivery of Common Stock which have a fair market value equal to the minimum statutory amount required to be withheld. For these purposes, the fair market value of the shares to be withheld shall be determined by the Company on the date that the amount of tax to be withheld is to be determined. The Company shall also be authorized to sell any shares of Common Stock to the extent required to satisfy the Company’s withholding obligations.

4. **Nontransferability of Restricted Stock Unit**. The Restricted Stock Units granted under this Agreement (including for the avoidance of doubt Restricted Stock Units which are Earned Units), Restricted Stock may not be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily by operation of law, whether for value or no value and whether voluntary or involuntary (including by operation of law) other than by will or by the laws of descent and distribution. Subject to the foregoing and the terms of the Plan, the terms of this Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Participant.

5. **No Enlargement of Rights.** This Agreement is not an agreement of employment or consultancy. Neither the Plan nor this Agreement shall confer upon the Participant any right to continue as an officer or employee of the Company or any Affiliate. Nothing contained in the Plan or this Agreement shall interfere in any way with the rights of the Company or any Affiliate to terminate the employment or consultancy of the Participant at any time or to modify the Participant’s employment, consultancy or compensation. The Participant shall have only such rights and interests with respect to the Restricted Stock Units as are expressly provided in this Agreement and the Plan.

6. **No Shareholder Rights before Exercise and Issuance.**

(a) **No Shareholder Rights.** No rights as a stockholder shall exist with respect to the Common Stock subject to the Restricted Stock Unit as a result of the grant of the Restricted Stock Unit, and no adjustments shall be made for dividends in cash or other property, distributions or other rights in respect of any such shares, except as otherwise specifically provided for in the Plan or in subparagraph 6(b) below. Shareholder rights shall exist only after issuance of stock following the settlement of vested Restricted Stock Units by delivery of Common Stock as provided in the Plan.

(b) **Dividend Equivalents.** Cash dividend equivalents shall be credited to Earned Units with respect to any dividend on Common Stock with a record date occurring after the Grant Date but prior to the Vesting Date, or if sooner, the Participant's date of death with respect to Restricted Stock Units settled in connection with the Participant's death. Cash dividend equivalents shall be credited to a separate Restricted Stock Unit dividend book entry account on behalf of each Participant with respect to each Restricted Stock Unit that is an Earned Unit held by a Participant, provided that the right of each Participant to actually receive such dividend equivalent shall be subject to the same vesting restrictions as apply to the Earned Unit to which the dividend relates. Vested dividend equivalents shall be distributed in cash (or used for tax withholding) to a Participant at the same time a share of Common Stock is distributed with respect to the Earned Unit to which the dividend equivalent relates.

7. **Effect of the Plan on Restricted Stock Unit.** The Restricted Stock Units granted under this Agreement, if any, are subject to, and the Company and the Participant agree to be bound by, all of the terms and conditions of the Plan, as such may be amended from time to time in accordance with the terms thereof. The Participant acknowledges that he/she has received a copy of the Plan and has had an opportunity to review the Plan. Without the consent of the Participant, the Company may amend or modify this Agreement in any manner not inconsistent with the Plan, including without limitation, to change the date or dates as of which a Restricted Stock Unit becomes vested, or to cure any ambiguity, defect or inconsistency, provided such amendment, modification or change does not adversely affect the rights of the Participant.

8. **Clawback Acknowledgement**. The Participant acknowledges that the Participant may become subject to the Scholastic Corporation Clawback Policy adopted pursuant to Rule 10D-1 promulgated under the Exchange Act and Nasdaq Rule 5608, or any successor rule (the "Clawback Policy"). The Participant understands that if the Participant is or becomes subject to the Clawback Policy, the Company and/or the Board shall be entitled to recover all Erroneously Awarded Compensation (as defined in the Clawback Policy) from the Participant pursuant to such means as the Company and/or the Board may elect. The Participant agrees that the Participant shall take all required action to enable such recovery. The Participant understands that such recovery may be sought and occur after the Participant's employment or service with the Company terminates. The Participant further agrees that the Participant is not entitled to indemnification for any erroneously awarded compensation or for any claim or losses arising out of or in any way related to erroneously awarded compensation recovered pursuant to the Clawback

Policy and, to the extent any agreement or organizational document purports to provide otherwise, the Participant hereby irrevocably agrees to forgo such indemnification. The Participant acknowledges and agrees that the Participant has received and has had an opportunity to review the Clawback Policy. Any action by the Company to recover erroneously awarded compensation under the Clawback Policy from the Participant shall not, whether alone or in combination with any other action, event or condition, be deemed (i) an event giving rise to a right to resign for “good reason” or other similar term under any agreement between the Participant and the Company or serve as a basis for a claim of constructive termination under any benefits or compensation arrangement applicable to the Participant, or (ii) to constitute a breach of a contract or other arrangement to which the Participant is a party. This Section 8 is a material term of this Agreement.

9. **Entire Agreement.** The terms of this Agreement and the Plan constitute the entire agreement between the Company and the Participant with respect to the subject matter hereof and supersede any and all previous agreements between the Company and the Participant and all prior communications, representations and negotiations in respect thereto. No waiver by any party of any breach by the other of any provision of this Agreement shall be deemed to be a waiver of any other breaches thereof or the waiver of any such or other provision of this Agreement. Subject to the restrictions on assignment and transfer set forth above, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their estates, personal representatives, successors and assigns. This Agreement may be signed in counterparts.

10. **Severability.** If any provision of this Agreement, or the application of such provision to any person or circumstances, is held invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby.

11. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware (regardless of the law that might otherwise govern under applicable Delaware principles of conflict of laws).

12. **Notices.** Any notice or communication given hereunder shall be in writing and shall be deemed to have been duly given when delivered in person, or by United States mail, to the appropriate party at the address set forth below (or such other address as the party shall from time to time specify): If to the Company, to: Scholastic Corporation, 557 Broadway, New York, New York 10012, Attention: Corporate Secretary. If to the Participant, to the most recent address on file with the Company. Notwithstanding the foregoing, the Company may require that any notice by the Participant be provided electronically or in writing to the Company or to the stock plan administrator pursuant to such procedures as the Company shall establish from time to time in its sole discretion.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first set forth above.

SCHOLASTIC CORPORATION

By: ______________________________
Title: _____________________________

PARTICIPANT

____

ANNEX A

Subject to the other terms of this Agreement, the percentage of the Target Award that may be earned by the Participant is based on the achievement of the Performance Goals as set forth below.

1. Definitions

For the purposes of this Annex A, the following terms shall have the meanings set forth below:

(a) "Attainment Percentage" means the total determined by adding each Fiscal Adjusted EBITDA Percentage for each Fiscal Year in the Performance Period plus the total of each Fiscal Net Revenue Percentage for each Fiscal Year in the Performance Period and dividing the sum so obtained by six (6).

(b) "Adjusted EBITDA" means the Company's Net Revenue less total operating costs and expenses from continuing operations plus depreciation and amortization expenses as reported (GAAP) excluding non-standard items (e.g., one-time items as disclosed in earnings releases or calls and press releases, legal or tax settlements, changes to accounting policies or impaired assets), as determined by the Committee.

(c) "Adjusted EBITDA Growth Percentage" means the actual percentage increase or decrease in Adjusted EBITDA for a Fiscal Year included in the Performance Period over the Adjusted EBITDA of the immediately prior Fiscal Year, as determined by the Committee.

(d) "Adjusted EBITDA Growth Target Percentage" means a target percentage increase in Adjusted EBITDA for a Fiscal Year included in the Performance Period over the Adjusted EBITDA of the immediately prior Fiscal Year and which shall be five percent (5%) for each Fiscal Year of the Performance Period.

(e) "Adjusted EBITDA Growth Threshold Percentage" means a target percentage increase in Adjusted EBITDA for a Fiscal Year included in the Performance Period over the Adjusted EBITDA of the immediately prior Fiscal Year that is less than the Adjusted EBITDA Growth Target Percentage for such Fiscal Year and which shall be three percent (3%) for each Fiscal Year of the Performance Period.

(f) "Adjusted EBITDA Growth Maximum Percentage" means a target percentage increase in Adjusted EBITDA for a Fiscal Year included in the Performance Period over the Adjusted EBITDA of the immediately prior Fiscal Year that is greater than the Adjusted EBITDA Growth Target Percentage for such Fiscal Year and which shall be thirteen percent (13%) for each Fiscal Year of the Performance Period.

(g) "Fiscal Adjusted EBITDA Percentage" means with respect to each Fiscal Year in the Performance Period:

(i) 0% if the actual Adjusted EBITDA Growth Percentage is not at least equal to the Adjusted EBITDA Growth Threshold Percentage for such Fiscal Year;

(ii) 50% if the actual Adjusted EBITDA Growth Percentage is equal to the Adjusted EBITDA Growth Threshold Percentage for such Fiscal Year;

(iii) 100% if the actual Adjusted EBITDA Growth Percentage is equal to the Adjusted EBITDA Growth Target Percentage for such Fiscal Year;

(iv) 200% if the actual Adjusted EBITDA Growth Percentage is equal to or greater than the Adjusted EBITDA Growth Maximum Percentage for such Fiscal Year; and

(v) if the actual Adjusted EBITDA Growth Percentage is between the Adjusted EBITDA Growth Threshold Percentage and the Adjusted EBITDA Growth Target Percentage or between the Adjusted EBITDA Growth Target Percentage and the Adjusted EBITDA Growth Maximum Percentage, the Fiscal Adjusted EBITDA Percentage will be determined on a linear interpolated basis as determined by the Committee.

(h) "Fiscal Net Revenue Percentage" means with respect to each Fiscal Year in the Performance Period:

(i) 0% if the actual Net Revenue Growth Percentage is not at least equal to the Net Revenue Growth Threshold Percentage for such Fiscal Year;

(ii) 50% if the actual Net Revenue Growth Percentage is equal to the Net Revenue Growth Threshold Percentage for such Fiscal Year;

(iii) 100% if the actual Net Revenue Growth Percentage is equal to the Net Revenue Growth Target Percentage for such Fiscal Year;

(iv) 200% if the actual Net Revenue Growth Percentage is equal to or greater than the Net Revenue Growth Maximum Percentage for such Fiscal Year; and

(v) if the actual Net Revenue Growth Percentage is between the Net Revenue Growth Threshold Percentage and the Net Revenue Growth Target Percentage or between the Net Revenue Growth Target Percentage and the Net Revenue Growth Maximum Percentage, the Fiscal Net Revenue Percentage will be determined on a linear interpolated basis as determined by the Committee.

(i) “Fiscal Year” means each financial fiscal year of the Company commencing on June 1 and ending on May 31.

(j) “Net Revenue” means GAAP Net Revenue of the Company which is generally gross Net Revenue less any adjustments, as determined by the Committee.

(k) “Net Revenue Growth Percentage” means the actual percentage increase or decrease in Net Revenue for a Fiscal Year included in the Performance Period over the Net Revenue of the immediately prior Fiscal Year.

(l) “Net Revenue Growth Target Percentage” means a target percentage increase in Net Revenue for a Fiscal Year included in the Performance Period over the Net Revenue of the immediately prior Fiscal Year and which shall be five percent (5%) for each Fiscal Year of the Performance Period.

(m) “Net Revenue Growth Threshold Percentage’ means a target percentage increase in Net Revenue for a Fiscal Year included in the Performance Period over the Net Revenue of the immediately prior Fiscal Year that is less than the Net Revenue Growth Target Percentage for such Fiscal Year and which shall be three percent (3%) for each Fiscal Year of the Performance Period.

(n) “Net Revenue Growth Maximum Percentage” means a target percentage increase in Net Revenue for a Fiscal Year included in the Performance Period over the Net Revenue of the immediately prior Fiscal Year that is greater than the Net Revenue Growth Target Percentage for such Fiscal Year and which shall be eight percent (8%) for each Fiscal Year of the Performance Period.

(o) “Performance Period” means the period commencing June 1, 2024 and ending May 31, 2027.

2. Award Amount Calculation

A Participant's Award Amount for a Performance Period, if any, will be calculated by multiplying the Target Award by the Attainment Percentage. At the end of the Performance Period, the Committee will determine the extent to which, if any, a Performance Target has been met and the number of Restricted Stock Units to which the Participant may become entitled hereunder. No Restricted Stock Units will be earned until the Committee certifies the Attainment Percentage. Any Restricted Stock Units that are determined in accordance with this Annex A are referred to as “Earned Units.” Earned Units will be subject to the vesting schedule set forth in Section 1(b) of this Agreement, subject to Section 2 of this Agreement. All determinations made by the Committee under this Agreement will be final and binding on the Participant.

SCHOLASTIC CORPORATION 2021 STOCK INCENTIVE PLAN

Performance Restricted Stock Unit Agreement

Effective as of **10/01/2024** (the “Grant Date”), SCHOLASTIC CORPORATION, a Delaware corporation (the “Company”), hereby grants to **JEFFREY N MATHEWS** (the “Participant”) an Award consisting of a number of Restricted Stock Units determined as a percentage of the target Award of **24,326** Restricted Stock Units (the “Target Award”) in respect of shares of common stock, par value $.01 per share, of the Company (the “Common Stock”) on the terms set forth herein, and in all respects subject to the terms and provisions of the Scholastic Corporation 2021 Stock Incentive Plan (the “Plan”), which terms and provisions are incorporated by reference herein. Unless the context herein otherwise requires, the terms defined in the Plan shall have the same meanings in this Agreement.

1. **Vesting and Payment.**

(a) **Earned Units**. Except as otherwise provided herein, the Restricted Stock Units as a percentage of the Target Award that may be earned by the Participant will be determined in accordance with Annex A hereto (which Annex A is incorporated by reference and is made part of this Agreement).

(b) **Vesting.** Notwithstanding Section 9.2 of the Plan, except as provided in Section 2 of this Agreement, Earned Units (as defined in Annex A), if any, shall vest on the three-year anniversary of the Grant Date, provided that the Participant has not had a Termination of Employment or Termination of Consultancy (including any period during which the Participant is on leave of absence or any other break in employment or consultancy in accordance with the Company‘s policies and procedures) before such date. The date described in this Section 1(b) shall be the “Vesting Date.”

(c) **Settlement.** A share of Common Stock shall be distributed with respect to each vested Earned Unit (as defined in Annex A) which vests in accordance with Section 1(b) above within thirty (30) days following the date the Committee makes the determination of Earned Units pursuant to Section 2 of Annex A (which shall occur no later than November 1 of the calendar year which includes the end of the Performance Period), except as provided in Section 2 below.

2. **Termination of Employment or Consultancy.**

(a) **Death.** Upon a Termination of Employment or Termination of Consultancy prior to the Vesting Date as a result of the Participant's death, a number of Restricted Stock Units equal to the Target Award, shall immediately vest and a share of Common Stock with respect to each such vested Restricted Stock Unit shall be distributed as soon as practicable following the Participant's death but in no event later than December 31 of the calendar year following the calendar year in which the Participant's death occurs.

(b) **Disability.** Upon a Termination of Employment or Termination of Consultancy prior to the Vesting Date as a result of termination by the Company for Disability, the Participant shall be entitled to the number of Earned Units determined under Annex A and a share of Common Stock with respect to each such Earned Unit shall be distributed at the time described in Section 1(c) above.

(c) **Retirement.** Upon a Termination of Employment or Termination of Consultancy (as applicable) prior to the Vesting Date as a result of the Participant's Retirement and such Termination of Employment or Termination of Consultancy is on or after the one year anniversary of the Grant Date, the Participant shall be entitled to the number of Earned Units determined under Annex A and a share of Common Stock with respect to each such Earned Unit shall be distributed at the time described in Section 1(c) above.

(d) **Other Termination.** Notwithstanding Section 9.2 of the Plan, except as otherwise provided in Sections 2(a), 2(b) and 2(c) of this Agreement, all Restricted Stock Units or Earned Units that are not vested as of the date of the Participant‘s Termination of Employment or Termination of Consultancy for any reason shall terminate and be forfeited in their entirety as of the date of such Termination of Employment or Termination of Consultancy.

(e) **Section 409A Award.** Notwithstanding the foregoing, to the extent required by Section 409A of the Code any settlement of shares made as a result of a Termination of Employment or Termination of Consultancy (other than as a result of death) of a Specified Employee, distributions determined, in whole or in part, to constitute a Section 409A Award shall be delayed until six months after such Termination of Employment or Termination of Consultancy if such termination constitutes a “separation from service” (within the meaning of Section 409A of the Code) and such distribution shall be made at the beginning of the seventh month following the date of the Specified Employee’s Termination of Employment or Termination of Consultancy.

(f) **Section 409A Compliance.** No distribution in respect of a Section 409A Award shall be made upon a Participant’s Termination of Employment or Termination of Consultancy unless such termination constitutes a “separation from service” within the meaning of Section 409A of the Code. This Agreement is intended to comply with Section 409A of the Code and the Company shall construe, interpret and amend the provisions of this Agreement in such manner as the Company deems necessary, in its sole discretion, to comply with Section 409A of the Code with respect to a Section 409A Award but in no event shall the foregoing provisions or any other provision of this Agreement or the Plan be construed as a guarantee by the Company of any particular tax treatment.

3. **Withholding Tax Liability.** In connection with the vesting and payment of any Restricted Stock Unit, the Company and the Participant will incur liability for income or withholding tax. The Company shall have the right to withhold from any payment in respect of Restricted Stock Units or Earned Units, transfer of Common Stock, or payment made to the Participant or to any person hereunder, whether such payment is to be made in cash or in Common Stock, all applicable minimum federal, state, city or other taxes as shall be required, in the determination of the Company, pursuant to any statute or governmental regulation or ruling. In its discretion, the Company may satisfy such withholding obligation by any one or combination of the following methods: (i) by requiring the Participant to pay such amount in cash or check; (ii) by deducting such amount from the Participant's current compensation; (iii) by allowing the Participant to surrender other shares of Common Stock of the Company which (a) in the case of shares initially acquired from the Company (upon exercise of a stock option or otherwise), have been owned by the Participant for such period (if any) as may be required to avoid a charge to the Company's earnings, and (b) have a fair market value on the date of surrender equal to the amount required to be withheld; (iv) by delivery by the Participant of a properly executed notice together with irrevocable instructions to a broker approved by the Company to sell shares of Common Stock and deliver promptly to the Company the amount of sale or loan proceeds required to pay the amount required to be withheld, or (v) by withholding a number of shares of Common Stock to be issued upon delivery of Common Stock which have a fair market value equal to the minimum statutory amount required to be withheld. For these purposes, the fair market value of the shares to be withheld shall be determined by the Company on the date that the amount of tax to be withheld is to be determined. The Company shall also be authorized to sell any shares of Common Stock to the extent required to satisfy the Company’s withholding obligations.

4. **Nontransferability of Restricted Stock Unit**. The Restricted Stock Units granted under this Agreement (including for the avoidance of doubt Restricted Stock Units which are Earned Units), Restricted Stock may not be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner, either voluntarily or involuntarily by operation of law, whether for value or no value and whether voluntary or involuntary (including by operation of law) other than by will or by the laws of descent and distribution. Subject to the foregoing and the terms of the Plan, the terms of this Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Participant.

5. **No Enlargement of Rights.** This Agreement is not an agreement of employment or consultancy. Neither the Plan nor this Agreement shall confer upon the Participant any right to continue as an officer or employee of the Company or any Affiliate. Nothing contained in the Plan or this Agreement shall interfere in any way with the rights of the Company or any Affiliate to terminate the employment or consultancy of the Participant at any time or to modify the Participant’s employment, consultancy or compensation. The Participant shall have only such rights and interests with respect to the Restricted Stock Units as are expressly provided in this Agreement and the Plan.

6. **No Shareholder Rights before Exercise and Issuance.**

(a) **No Shareholder Rights.** No rights as a stockholder shall exist with respect to the Common Stock subject to the Restricted Stock Unit as a result of the grant of the Restricted Stock Unit, and no adjustments shall be made for dividends in cash or other property, distributions or other rights in respect of any such shares, except as otherwise specifically provided for in the Plan or in subparagraph 6(b) below. Shareholder rights shall exist only after issuance of stock following the settlement of vested Restricted Stock Units by delivery of Common Stock as provided in the Plan.

(b) **Dividend Equivalents.** Cash dividend equivalents shall be credited to Earned Units with respect to any dividend on Common Stock with a record date occurring after the Grant Date but prior to the Vesting Date, or if sooner, the Participant's date of death with respect to Restricted Stock Units settled in connection with the Participant's death. Cash dividend equivalents shall be credited to a separate Restricted Stock Unit dividend book entry account on behalf of each Participant with respect to each Restricted Stock Unit that is an Earned Unit held by a Participant, provided that the right of each Participant to actually receive such dividend equivalent shall be subject to the same vesting restrictions as apply to the Earned Unit to which the dividend relates. Vested dividend equivalents shall be distributed in cash (or used for tax withholding) to a Participant at the same time a share of Common Stock is distributed with respect to the Earned Unit to which the dividend equivalent relates.

7. **Effect of the Plan on Restricted Stock Unit.** The Restricted Stock Units granted under this Agreement, if any, are subject to, and the Company and the Participant agree to be bound by, all of the terms and conditions of the Plan, as such may be amended from time to time in accordance with the terms thereof. The Participant acknowledges that he/she has received a copy of the Plan and has had an opportunity to review the Plan. Without the consent of the Participant, the Company may amend or modify this Agreement in any manner not inconsistent with the Plan, including without limitation, to change the date or dates as of which a Restricted Stock Unit becomes vested, or to cure any ambiguity, defect or inconsistency, provided such amendment, modification or change does not adversely affect the rights of the Participant.

8. **Clawback Acknowledgement**. The Participant acknowledges that the Participant may become subject to the Scholastic Corporation Clawback Policy adopted pursuant to Rule 10D-1 promulgated under the Exchange Act and Nasdaq Rule 5608, or any successor rule (the "Clawback Policy"). The Participant understands that if the Participant is or becomes subject to the Clawback Policy, the Company and/or the Board shall be entitled to recover all Erroneously Awarded Compensation (as defined in the Clawback Policy) from the Participant pursuant to such means as the Company and/or the Board may elect. The Participant agrees that the Participant shall take all required action to enable such recovery. The Participant understands that such recovery may be sought and occur after the Participant's employment or service with the Company terminates. The Participant further agrees that the Participant is not entitled to indemnification for any erroneously awarded compensation or for any claim or losses arising out of or in any way related to erroneously awarded compensation recovered pursuant to the Clawback

Policy and, to the extent any agreement or organizational document purports to provide otherwise, the Participant hereby irrevocably agrees to forgo such indemnification. The Participant acknowledges and agrees that the Participant has received and has had an opportunity to review the Clawback Policy. Any action by the Company to recover erroneously awarded compensation under the Clawback Policy from the Participant shall not, whether alone or in combination with any other action, event or condition, be deemed (i) an event giving rise to a right to resign for "good reason" or other similar term under any agreement between the Participant and the Company or serve as a basis for a claim of constructive termination under any benefits or compensation arrangement applicable to the Participant, or (ii) to constitute a breach of a contract or other arrangement to which the Participant is a party. This Section 8 is a material term of this Agreement.

9. **Entire Agreement.** The terms of this Agreement and the Plan constitute the entire agreement between the Company and the Participant with respect to the subject matter hereof and supersede any and all previous agreements between the Company and the Participant and all prior communications, representations and negotiations in respect thereto. No waiver by any party of any breach by the other of any provision of this Agreement shall be deemed to be a waiver of any other breaches thereof or the waiver of any such or other provision of this Agreement. Subject to the restrictions on assignment and transfer set forth above, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their estates, personal representatives, successors and assigns. This Agreement may be signed in counterparts.

10. **Severability.** If any provision of this Agreement, or the application of such provision to any person or circumstances, is held invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby.

11. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware (regardless of the law that might otherwise govern under applicable Delaware principles of conflict of laws).

12. **Notices.** Any notice or communication given hereunder shall be in writing and shall be deemed to have been duly given when delivered in person, or by United States mail, to the appropriate party at the address set forth below (or such other address as the party shall from time to time specify): If to the Company, to: Scholastic Corporation, 557 Broadway, New York, New York 10012, Attention: Corporate Secretary. If to the Participant, to the most recent address on file with the Company. Notwithstanding the foregoing, the Company may require that any notice by the Participant be provided electronically or in writing to the Company or to the stock plan administrator pursuant to such procedures as the Company shall establish from time to time in its sole discretion.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first set forth above.

SCHOLASTIC CORPORATION

By: /s/ Cristina Juvier
Title: Chief People Officer

PARTICIPANT

/s/ Jeffrey Mathews

ANNEX A

Subject to the other terms of this Agreement, the percentage of the Target Award that may be earned by the Participant is based on the achievement of the Performance Goals as set forth below.

1. Definitions

For the purposes of this Annex A, the following terms shall have the meanings set forth below:

(a) "Attainment Percentage" means the total determined by adding each Fiscal Adjusted EBITDA Percentage for each Fiscal Year in the Performance Period plus the total of each Fiscal Net Revenue Percentage for each Fiscal Year in the Performance Period and dividing the sum so obtained by six (6).

(b) "Adjusted EBITDA" means the Company's Net Revenue less total operating costs and expenses from continuing operations plus depreciation and amortization expenses as reported (GAAP) excluding non-standard items (e.g., one-time items as disclosed in earnings releases or calls and press releases, legal or tax settlements, changes to accounting policies or impaired assets), as determined by the Committee.

(c) "Adjusted EBITDA Growth Percentage" means the actual percentage increase or decrease in Adjusted EBITDA for a Fiscal Year included in the Performance Period over the Adjusted EBITDA of the immediately prior Fiscal Year, as determined by the Committee.

(d) "Adjusted EBITDA Growth Target Percentage" means a target percentage increase in Adjusted EBITDA for a Fiscal Year included in the Performance Period over the Adjusted EBITDA of the immediately prior Fiscal Year and which shall be five percent (5%) for each Fiscal Year of the Performance Period.

(e) "Adjusted EBITDA Growth Threshold Percentage" means a target percentage increase in Adjusted EBITDA for a Fiscal Year included in the Performance Period over the Adjusted EBITDA of the immediately prior Fiscal Year that is less than the Adjusted EBITDA Growth Target Percentage for such Fiscal Year and which shall be three percent (3%) for each Fiscal Year of the Performance Period.

(f) "Adjusted EBITDA Growth Maximum Percentage" means a target percentage increase in Adjusted EBITDA for a Fiscal Year included in the Performance Period over the Adjusted EBITDA of the immediately prior Fiscal Year that is greater than the Adjusted EBITDA Growth Target Percentage for such Fiscal Year and which shall be thirteen percent (13%) for each Fiscal Year of the Performance Period.

(g) "Fiscal Adjusted EBITDA Percentage" means with respect to each Fiscal Year in the Performance Period:

(i) 0% if the actual Adjusted EBITDA Growth Percentage is not at least equal to the Adjusted EBITDA Growth Threshold Percentage for such Fiscal Year;

(ii) 50% if the actual Adjusted EBITDA Growth Percentage is equal to the Adjusted EBITDA Growth Threshold Percentage for such Fiscal Year;

(iii) 100% if the actual Adjusted EBITDA Growth Percentage is equal to the Adjusted EBITDA Growth Target Percentage for such Fiscal Year;

(iv) 200% if the actual Adjusted EBITDA Growth Percentage is equal to or greater than the Adjusted EBITDA Growth Maximum Percentage for such Fiscal Year; and

(v) if the actual Adjusted EBITDA Growth Percentage is between the Adjusted EBITDA Growth Threshold Percentage and the Adjusted EBITDA Growth Target Percentage or between the Adjusted EBITDA Growth Target Percentage and the Adjusted EBITDA Growth Maximum Percentage, the Fiscal Adjusted EBITDA Percentage will be determined on a linear interpolated basis as determined by the Committee.

(h) "Fiscal Net Revenue Percentage" means with respect to each Fiscal Year in the Performance Period:

(i) 0% if the actual Net Revenue Growth Percentage is not at least equal to the Net Revenue Growth Threshold Percentage for such Fiscal Year;

(ii) 50% if the actual Net Revenue Growth Percentage is equal to the Net Revenue Growth Threshold Percentage for such Fiscal Year;

(iii) 100% if the actual Net Revenue Growth Percentage is equal to the Net Revenue Growth Target Percentage for such Fiscal Year;

(iv) 200% if the actual Net Revenue Growth Percentage is equal to or greater than the Net Revenue Growth Maximum Percentage for such Fiscal Year; and

(v) if the actual Net Revenue Growth Percentage is between the Net Revenue Growth Threshold Percentage and the Net Revenue Growth Target Percentage or between the Net Revenue Growth Target Percentage and the Net Revenue Growth Maximum Percentage, the Fiscal Net Revenue Percentage will be determined on a linear interpolated basis as determined by the Committee.

(i) "Fiscal Year" means each financial fiscal year of the Company commencing on June 1 and ending on May 31.

(j) “Net Revenue” means GAAP Net Revenue of the Company which is generally gross Net Revenue less any adjustments, as determined by the Committee.

(k) “Net Revenue Growth Percentage” means the actual percentage increase or decrease in Net Revenue for a Fiscal Year included in the Performance Period over the Net Revenue of the immediately prior Fiscal Year.

(l) “Net Revenue Growth Target Percentage” means a target percentage increase in Net Revenue for a Fiscal Year included in the Performance Period over the Net Revenue of the immediately prior Fiscal Year and which shall be five percent (5%) for each Fiscal Year of the Performance Period.

(m) “Net Revenue Growth Threshold Percentage’ means a target percentage increase in Net Revenue for a Fiscal Year included in the Performance Period over the Net Revenue of the immediately prior Fiscal Year that is less than the Net Revenue Growth Target Percentage for such Fiscal Year and which shall be three percent (3%) for each Fiscal Year of the Performance Period.

(n) “Net Revenue Growth Maximum Percentage” means a target percentage increase in Net Revenue for a Fiscal Year included in the Performance Period over the Net Revenue of the immediately prior Fiscal Year that is greater than the Net Revenue Growth Target Percentage for such Fiscal Year and which shall be eight percent (8%) for each Fiscal Year of the Performance Period.

(o) “Performance Period” means the period commencing June 1, 2024 and ending May 31, 2027.

2. Award Amount Calculation

A Participant's Award Amount for a Performance Period, if any, will be calculated by multiplying the Target Award by the Attainment Percentage. At the end of the Performance Period, the Committee will determine the extent to which, if any, a Performance Target has been met and the number of Restricted Stock Units to which the Participant may become entitled hereunder. No Restricted Stock Units will be earned until the Committee certifies the Attainment Percentage. Any Restricted Stock Units that are determined in accordance with this Annex A are referred to as “Earned Units.” Earned Units will be subject to the vesting schedule set forth in Section 1(b) of this Agreement, subject to Section 2 of this Agreement. All determinations made by the Committee under this Agreement will be final and binding on the Participant.

SCHOLASTIC CORPORATION 2021 STOCK INCENTIVE PLAN

Restricted Stock Unit Agreement

Effective as of **10/01/2024** (the"Grant Date"), SCHOLASTIC CORPORATION, a Delaware corporation (the "Company"), hereby grants to **JEFFREY N MATHEWS** (the "Participant") **24,327** Restricted Stock Units in respect of shares of common stock, par value $.01 per share, of the Company (the "Common Stock") on the terms set forth herein, and in all respects subject to the terms and provisions of the Scholastic Corporation 2021 Stock Incentive Plan (the "Plan"), which terms and provisions are incorporated by reference herein. Unless the context herein otherwise requires, the terms defined in the Plan shall have the same meanings in this Agreement.

1. **Vesting and Payment.**

(a) **Vesting.** Except as provided in Section 2 of this Agreement, the Restricted Stock Units shall vest at the rate of 33.33% per year beginning one year from the Grant Date and on each anniversary thereafter, provided that the Participant is continuously employed by the Company or any of its Affiliates (including any period during which the Participant is on leave of absence or any other break in employment in accordance with the Company's policies and procedures) on each applicable vesting date.

(b) **Payment.** A share of Common Stock shall be distributed with respect to each vested Restricted Stock Unit on the applicable vesting date, except as provided in Section 2. Notwithstanding the foregoing, in the case of a Participant who, on the date of grant is, or during the vesting period becomes, eligible for Retirement, a share of Common Stock shall be distributed with respect to each vested Restricted Stock Unit on the earlier to occur of (i) the applicable vesting date, or (ii) the date of Termination of Employment or Termination of Consultancy.

2. **Termination of Employment or Termination of Consultancy.**

(a) **Death, Disability, or Retirement.** Upon a Termination of Employment or Termination of Consultancy (as applicable) as a result of the Participant's death, Disability or Retirement, all outstanding unvested Restricted Stock Units shall immediately vest and a share of Common Stock with respect to each such vested Restricted Stock Unit shall be distributed within thirty (30) days following such termination. Notwithstanding the foregoing, in the case of a Participant who, on the date of grant or within one year of the date of grant, is or becomes eligible for Retirement, upon a Termination of Employment or Termination of Consultancy for Retirement within one year from the date of grant, no portion of the Restricted Stock Units shall be treated vested.

(b) **Other Termination.** Except as otherwise provided in Section 2(a) of this Agreement, Restricted Stock Units that are not vested as of the date of the Participant's Termination of Employment or Termination of Consultancy for any reason shall terminate and be forfeited in their entirety as of the date of such termination.

(c) **Section 409A Award.** Notwithstanding the foregoing, to the extent required by Section 409A of the Code upon a Termination of Employment or Termination of Consultancy (other than as a result of death) of a Specified Employee, distributions determined, in whole or in part, to constitute a Section 409A Award shall be delayed until six months after such Termination of Employment or Termination of Consultancy if such termination constitutes a “separation from service” (within the meaning of Section 409A of the Code) and such distribution shall be made at the beginning of the seventh month following the date of the Specified Employee’s Termination of Employment or Termination of Consultancy.

(d) **Section 409A Compliance.** No distribution in respect of a Section 409A Award shall be made upon a Participant’s Termination of Employment or a Termination of Consultancy unless such termination constitutes a “separation from service” within the meaning of Section 409A of the Code. This Agreement is intended to comply with Section 409A of the Code and the Company shall construe, interpret and amend the provisions of this Agreement in such manner as the Company deems necessary, in its sole discretion, to comply with Section 409A of the Code with respect to a Section 409A Award but in no event shall the foregoing provisions or any other provision of this Agreement or the Plan be construed as a guarantee by the Company of any particular tax treatment.

3. **Withholding Tax Liability.** In connection with the vesting and payment of the Restricted Stock Unit, the Company and the Participant will incur liability for income or withholding tax. The Company shall have the right to withhold from any payment in respect of Restricted Stock Units, transfer of Common Stock, or payment made to the Participant or to any person hereunder, whether such payment is to be made in cash or in Common Stock, all applicable minimum federal, state, city or other taxes as shall be required, in the determination of the Company, pursuant to any statute or governmental regulation or ruling. In its discretion, the Company may satisfy such withholding obligation by any one or combination of the following methods: (i) by requiring the Participant to pay such amount in cash or check; (ii) by deducting such amount from the Participant's current compensation; (iii) by allowing the Participant to surrender other shares of Common Stock of the Company which (a) in the case of shares initially acquired from the Company (upon exercise of a stock option or otherwise), have been owned by the Participant for such period (if any) as may be required to avoid a charge to the Company's earnings, and (b) have a fair market value on the date of surrender equal to the amount required to be withheld; (iv) by delivery by the Participant of a properly executed notice together with irrevocable instructions to a broker approved by the Company to sell shares of Common Stock and deliver promptly to the Company the amount of sale or loan proceeds required to pay the amount required to be withheld, or (v) by withholding a number of shares of Common Stock to be issued upon delivery of Common Stock which have a fair market value equal to the minimum statutory amount required to be withheld. For these purposes, the fair market value of the shares to be withheld shall be determined by the Company on the date that the amount of tax to be withheld is to be determined. The Company shall also be authorized to sell any shares of Common Stock to the extent required to satisfy the Company’s withholding obligations.

4. **Nontransferability of Restricted Stock Unit**. The Restricted Stock Unit may not be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner either voluntarily or involuntarily by operation of law, whether for value or no value and whether voluntary or involuntary (including by operation of law) other than by will or by the laws of descent and distribution. Subject to the foregoing and the terms of the Plan, the terms of this Agreement shall be binding upon the executors, administrators, heirs, successors and assigns of the Participant.

5. **No Enlargement of Rights.** This Agreement is not an agreement of employment. Neither the Plan nor this Agreement shall confer upon the Participant any right to continue as an officer, employee, or consultant of the Company or any Affiliate. Nothing contained in the Plan or this Agreement shall interfere in any way with the rights of the Company or any Affiliate to terminate the employment (or consulting arrangement) of the Participant at any time or to modify the Participant's employment or compensation. The Participant shall have only such rights and interests with respect to the Restricted Stock Units as are expressly provided in this Agreement and the Plan.

6. **No Shareholder Rights before Exercise and Issuance.**

(a) **No Shareholder Rights.** No rights as a stockholder shall exist with respect to the Common Stock subject to the Restricted Stock Unit as a result of the grant of the Restricted Stock Unit, and no adjustments shall be made for dividends in cash or other property, distributions or other rights in respect of any such shares, except as otherwise specifically provided for in the Plan or in subparagraph 6(b) below. Shareholder rights shall exist only after issuance of stock following the settlement of vested Restricted Stock Units by delivery of Common Stock as provided in the Plan.

(b) **Dividend Equivalents.** Cash dividend equivalents shall be credited to a separate Restricted Stock Unit dividend book entry account on behalf of each Participant with respect to each Restricted Stock Unit held by a Participant, provided that the right of each Participant to actually receive such dividend equivalent shall be subject to the same vesting restrictions as apply to the Restricted Stock Unit to which the dividend relates. Vested dividend equivalents shall be distributed in cash (or used for tax withholding) to a Participant at the same time a share of Common Stock is distributed with respect to the Restricted Stock Unit to which the dividend equivalent relates.

7. **Effect of the Plan on Restricted Stock Unit.** The Restricted Stock Unit is subject to, and the Company and the Participant agree to be bound by, all of the terms and conditions of the Plan, as such may be amended from time to time in accordance with the terms thereof. The Participant acknowledges that he/she has received a copy of the Plan and has had an opportunity to review the Plan. Without the consent of the Participant, the Company may amend or modify this Agreement in any manner not inconsistent with the Plan, including without limitation, to change the date or dates as of which a Restricted Stock Unit becomes vested, or to cure any ambiguity, defect or inconsistency, provided such amendment, modification or change does not adversely affect the rights of the Participant.

8. **Entire Agreement.** The terms of this Agreement and the Plan constitute the entire agreement between the Company and the Participant with respect to the subject matter hereof and supersede any and all previous agreements between the Company and the Participant and all prior communications, representations and negotiations in respect thereto. No waiver by any party of any breach by the other of any provision of this Agreement shall be deemed to be a waiver of any other breaches thereof or the waiver of any such or other provision of this Agreement. Subject to the restrictions on assignment and transfer set forth above, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their estates, personal representatives, successors and assigns. This Agreement may be signed in counterparts.

9. **Severability.** If any provision of this Agreement, or the application of such provision to any person or circumstances, is held invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held valid or unenforceable, shall not be affected thereby.

10. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Delaware (regardless of the law that might otherwise govern under applicable Delaware principles of conflict of laws).

11. **Notices.** Any notice or communication given hereunder shall be in writing and shall be deemed to have been duly given when delivered in person, or by United States mail, to the appropriate party at the address set forth below (or such other address as the party shall from time to time specify): If to the Company, to: Scholastic Corporation, 557 Broadway, New York, New York 10012, Attention: Corporate Secretary. If to the Participant, to the most recent address on file with the Company. Notwithstanding the foregoing, the Company may require that any notice by the Participant be provided electronically or in writing to the Company or to the stock plan administrator pursuant to such procedures as the Company shall establish from time to time in its sole discretion.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first set forth above.

SCHOLASTIC CORPORATION

By: /s/ Cristina Juvier
Title: Chief People Officer

PARTICIPANT

/s/ Jeffrey Mathews

Exhibit 21
SCHOLASTIC CORPORATION – incorporated in Delaware, USA.
SUBSIDIARY LIST – as of November 30, 2024
(Subsidiaries are indented under its direct parent)

Scholastic Inc.	New York
Scholastic Entertainment Inc.	New York
524 Films L.L.C.	Delaware
Listen Inn LLC (formerly Retroranch L.L.C.)	Delaware
Yellow Bus, LLC	Delaware
Out of the Blue Enterprises LLC dba 9 Story USA	New York
Out of the Blue Worldwide LLC	New York
OOTB Productions Inc.	New York
Colorforms Brand LLC	New York
PT Bali Animasi Solusi Ekakarsa[1]	Indonesia
PT Bali Animation Studio[2]	Indonesia
9 Story Media Group Inc.[3]	Ontario
9 Story Production Holdings 2 Inc.	Ontario
Carl Squared Productions, Inc.	Ontario
CITH Productions Inc.	Ontario
Groundling Marsh Productions Inc.	Ontario
Homeschooled Production Inc.	Ontario
Oliver Fits Productions Inc.	Ontario
Portfolio Completed Projects Inc.	Ontario
Roboroach Productions III Inc.	Ontario
SFN Productions Inc.	Ontario
9 Story Interactive Inc.	Ontario
9 Story Development Inc.	Ontario
9 Story Digital Inc.	Ontario
Banana Productions Inc.	Ontario
BC 4 Productions Inc.	Ontario
BC 5 Productions Inc.	Ontario
Bot Productions Inc.	Ontario
BRB 1 Productions Inc.	Ontario
Camp Wild Productions Inc.	Ontario
D6 Canada Inc.	Ontario
D7 Canada Inc.	Ontario
D8 Canada Inc.	Ontario
DD 1 Productions Inc.	Ontario
DNH 6 Productions Inc.	Ontario
DNH 7 Productions Inc.	Ontario
DNH 8 Productions Inc.	Ontario
ER 1 Productions Inc.	Ontario
FTT 1 Productions Inc.	Ontario
LBL Productions Inc.	Ontario
RS 1 Productions Inc.	Ontario
Ruby Productions Inc. (formerly Alexaland Productions Inc.)	Ontario
Ruby 2 Productions Inc.	Ontario
SG 1 Productions Inc. (formerly RR 1 Productions Inc.)	Ontario
9 Story Distribution (Canada) Inc. (formerly SG 2 Productions Inc.)	Ontario
The Monster Factory Corporation	Ontario
Why Productions Inc.	Ontario
WK 7 Productions Inc.	Ontario
WK Amalco Inc.	Ontario
XR 2 Productions Inc	Ontario
Niagara Films Ireland Limited	Ireland
9 Story Distribution International Limited	Ireland
Brown Bag Films Unlimited Company	Ireland
ACBB Productions Limited	Ireland
ADAT Productions DAC	Ireland
ADAT 2 Productions DAC	Ireland

[1] 0.5% owned by Scholastic Entertainment Inc.
[2] 0.5% owned by Scholastic Entertainment Inc.
[3] 25% voting shares and 100% common shares owned by Scholastic Inc. and accounted for as a variable interest entity whose financial results are consolidated into the financial statements of Scholastic Corporation.

Exhibit 21
SCHOLASTIC CORPORATION – incorporated in Delaware, USA.
SUBSIDIARY LIST – as of November 30, 2024
(Subsidiaries are indented under its direct parent)

B5 Elk Productions DAC	Ireland
Bhean Productions Limited	Ireland
BOGO Productions DAC	Ireland
Bolgmor Productions DAC	Ireland
BOZ Productions Limited	Ireland
Brown Bag Films UK Ltd.	England
NK2 Productions Limited	England
PRS Productions Limited	England
The Knight Productions Limited	England
Kind of Productions Limited	England
Cone Productions DAC	Ireland
ERK Film Productions DAC	Ireland
IMNI Productions DAC	Ireland
KOSA Productions DAC	Ireland
KWBB Productions Limited	Ireland
KWD Productions DAC	Ireland
Lubird Productions DAC	Ireland
OG Productions DAC	Ireland
RYD Productions DAC	Ireland
RYD 2 Productions DAC	Ireland
Silver Slipper Productions DAC	Ireland
Scholastic UK Ltd.	England
Scholastic Book Clubs Limited	England
Make Believe Ideas Ltd.	England
Chicken House Publishing Limited	England
Scholastic Limited	England
Scholastic Ireland Ltd.	Ireland
Weston Woods Studios, Inc.	Delaware
Georgetown Studios, Inc.	Connecticut
Children’s Music Library, Inc.	New York
The Scholastic Store, Inc.	New York
Scholastic Distribution Services L.L.C.	Delaware
Klutz	California
Scholastic Export Inc.	Delaware
Scholastic Book Fairs, Inc.	Delaware
Scholastic 557 Broadway, LLC	Delaware
Scholastic Australia Pty. Ltd.	Australia
Scholastic Canada Ltd.	Canada
Ooka Island Inc.	Canada
Scholastic Hong Kong Ltd.	Hong Kong
Scholastic India Private Limited[4]	India
Scholastic Mexico S. de R. L. de C.V.	Mexico
Scholastic New Zealand Ltd.	New Zealand
Scholastic Argentina S.R.L.	Argentina
Scholastic Education Information Consulting (Shanghai) Co., Ltd.	China
Scholastic International IT Support Centre Private Limited	India
Scholastic Education International (Singapore) Private Limited	Singapore
Scholastic Reading (Beijing) Culture Development Co. Ltd.	China
Scholastic (Asia) SDN. BHD	Malaysia
Grolier Incorporated	Delaware
Scholastic Library Publishing, Inc.	Delaware
Grolier International, Inc.	Delaware
Grolier International Finance Inc. (Philippines)	Philippines
Grolier International Private Limited (India)	India
Grolier Overseas Incorporated	Delaware
Caribe Grolier, Inc.	Puerto Rico

[4] 1% owned by Scholastic Export Inc.

Exhibit 31.1

I, Peter Warwick, the principal executive officer of Scholastic Corporation, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Scholastic Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d- 15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 20, 2024

/s/ Peter Warwick

Peter Warwick
President and Chief Executive Officer

Exhibit 31.2

I, Haji L. Glover, the principal financial officer of Scholastic Corporation, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Scholastic Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 20, 2024

/s/ Haji L. Glover

Haji L. Glover
Executive Vice President and Chief Financial Officer

Exhibit 32

Certification
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
with Respect to the Quarterly Report on Form 10-Q
for the Quarter ended November 30, 2024
of Scholastic Corporation

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Scholastic Corporation, a Delaware corporation (the "Company"), does hereby certify, to the best of such officer's knowledge, that:

1. The Company's Quarterly Report on Form 10-Q for the quarter ended November 30, 2024 (the "Form 10-Q") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. Information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 20, 2024

/s/ Peter Warwick
Peter Warwick
Chief Executive Officer

Date: December 20, 2024

/s/ Haji L. Glover
Haji L. Glover
Chief Financial Officer

The certification set forth above is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and is not being filed as part of the Form 10-Q or as a separate disclosure document of the Company or the certifying officers.