Investor Presentation

August 2022

PowerSchool

Forward-Looking Statements

Any statements made in this presentation that are not statements of historical fact, including statements about our beliefs and expectations, are forward-looking statements and should be evaluated as such. Forward-looking statements include information concerning possible or assumed future results of operations, including our financial outlook and descriptions of our business plan and strategies. Forward-looking statements are based on PowerSchool management's beliefs, as well as assumptions made by, and information currently available to, them. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "anticipate," "estimate," "expect," "project," "plan," "intend," "believe," "may," "will," "should," "can have," "likely" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events. Because such statements are based on expectations as to future financial and operating results and are not statements of fact, actual results may differ materially from those projected. Factors which may cause actual results to differ materially from current expectations include, but are not limited to: potential effects on our business of the COVID-19 pandemic; our history of cumulative losses; competition; our ability to attract new customers on a cost-effective basis and the extent to which existing customers renew and upgrade their subscriptions; our ability to sustain and expand revenues, maintain profitability, and to effectively manage our anticipated growth; our ability to retain, hire and integrate skilled personnel including our senior management team; our ability to identify acquisition targets and to successfully integrate and operate acquired businesses; our ability to maintain and expand our strategic relationships with third parties, including with state and local government entities; the seasonality of our sales and customer growth; our reliance on third-party software and intellectual property licenses; our ability to obtain, maintain, protect and enforce intellectual property protection for our current and future solutions; the impact of potential information technology or data security breaches or other cyber-attacks or other disruptions; and the other factors described under the heading "Risk Factors" in the Company's prospectus dated July 27, 2021, filed with the Securities Exchange Commission ("SEC") in connection with our IPO. Copies of such filing may be obtained from the Company or the SEC.

We caution you that the factors referenced above may not contain all of the factors that are important to you. In addition, we cannot assure you that we will realize the results or developments we expect or anticipate or, even if substantially realized, that they will result in the consequences or affect us or our operations in the way we expect. All forward-looking statements reflect our beliefs and assumptions only as of the date of this presentation. We undertake no obligation to update forward-looking statements to reflect future events or circumstances.

PowerSchool

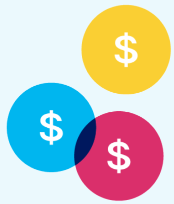
The leading cloud software for K-12 education

45M+
Students as PowerSchool Customers

70%+
of All Students Reached in the U.S. and Canada

15K+
School and District Organizations

$580M
Annual Recurring Revenue (ARR)[1]



31%
Q2`22 Adjusted EBITDA Margin[1]

- ✓ **Comprehensive** Vertical SaaS Solution
- ✓ **Mission-critical** for Essential and Resilient K-12 Vertical
- ✓ Highly **Predictable and Profitable** Financial Profile
- ✓ Multiple levers to **Continue Double-Digit Revenue Growth**

1) Represents Non-GAAP or key business metric. See appendix for definition and/or reconciliation of GAAP to Non-GAAP metrics.

PowerSchool

Our mission is to **power the education ecosystem** with unified technology that **helps educators and students realize their potential**.

PowerSchool

Our Combination of Winning Strategies

Market Leader in K-12 SaaS Solutions

Well-Positioned to Capture Resilient, Large, and Growing Software and Personalized Learning Market

Best-in-Class, Most Comprehensive Cloud Solution Improving Education Outcomes

Extensive Distribution Engine Selling Across All States, Districts, Size, and Personas

Strong Growth Trajectory with Proven M&A Track Record to Drive Double Digit Growth

Highly Recurring, Predictable, Profitable, and Scalable Financial Profile

CX Innovators Awards.

Most Mission-Critical Suite for K-12

PowerSchool's Unified Platform drives workflows that are necessary for operating any K-12 organization

SIS and Enrollment

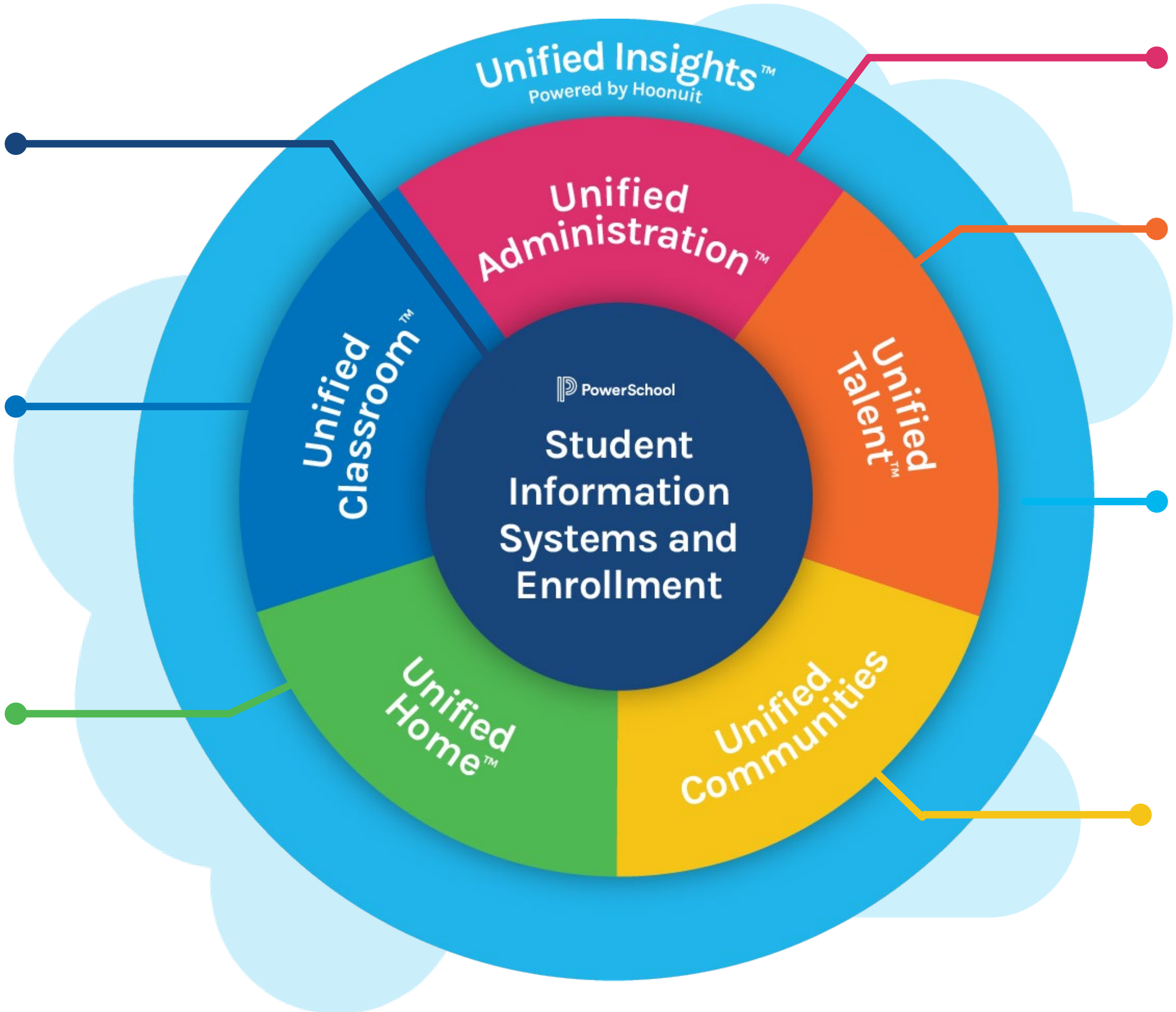
Grades, Attendance, Scheduling, Discipline, Health, and Federal & State Reporting

Unified Classroom

Schoology LMS/Classroom Instruction, Assessments, Special Programs Management

Unified Home

Student Portal, Parent Portal, Mobile Applications



Unified Administration

Finance, HR, and Payroll (ERP)

Unified Talent

Job Board, Applicant Tracking, Employee Records, Substitute Management, Professional Learning, Staff Evaluation

Unified Insights

Student & Community Engagement, Predictive Early Warning/RTI, ESSA & Accountability, Finance & HR Insights

Unified Communities

Naviance/College and Career Exploration and Planning

Serving as the K-12 System of Record, Engagement, and Intelligence

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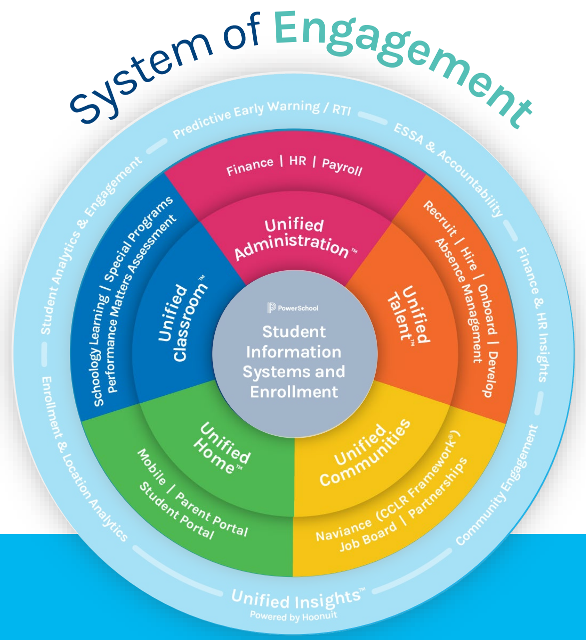

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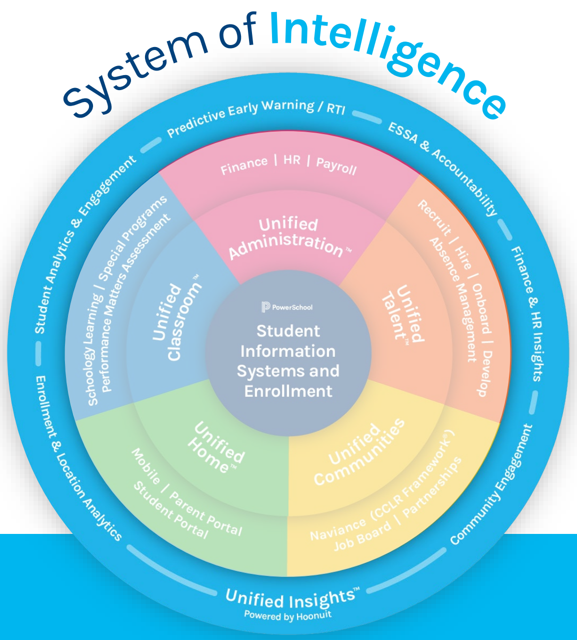

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- **Leading K-12 SIS provider** in the United States
- **Core hub for all student data** from grades, attendance, health and enrollment
- **Data powers** everyday learning, teaching, and school operations

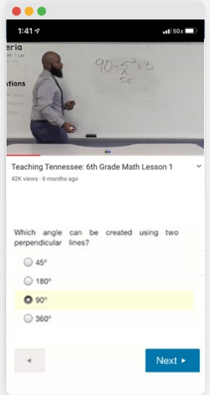
- **Fosters collaboration and engagement** between teachers, administrators, students and parents for better student outcomes
- **Enables the powerful conversions** of user and decision-making ecosystems

- Enables **data-informed decision making** to drive student and educator success
- **Real-time insights** with reporting tools and dashboards
- Predictive modeling and machine learning for **personalized learning**

Better Student Outcomes

Well-Positioned to Drive Personalized Education

Data and Engagement Enable Opportunity for Revolutionary Insights and Personalization



Machine learning-driven personalized assessment sent to student

Systems of record & engagement **identify opportunity to 'intervene'**

Learning gap identified and alerted teachers & parents

Leading Provider in the Competitive Landscape

~50% of new ARR[1]

from opportunities with no competition, typically replacing:

- Pen & paper
- Spreadsheets
- Legacy systems

	PowerSchool Reach	TOP COMPETITORS
Student Information System	~19M Students	Infinite Campus, Skyward, Edupoint
Classroom	~19M Students	Instructure, illuminate education
Talent	~26M Students	frontline education
Administration	Customers in 48 States & Provinces	tyler technologies
Insights	12 State Contracts	BrightBytes
College & Career Readiness	40% of High Schoolers	xello

1) *See definitions of key business metrics included in this presentation.*

Serving Every Major Type of K-12 Organization

Public Schools of North Carolina
State Board of Education
Department of Public Instruction

Shelby County Schools

Calgary Board of Education

Chicago Public Schools

LDOE
Louisiana Department of Education

San Diego Unified School District

Charter Schools USA

Plan Ceibal
Uruguay

tdsb
Toronto District School Board

Kern High School District

Seattle Public Schools

Santa Clara County
Office of Education

Delaware Department of Education

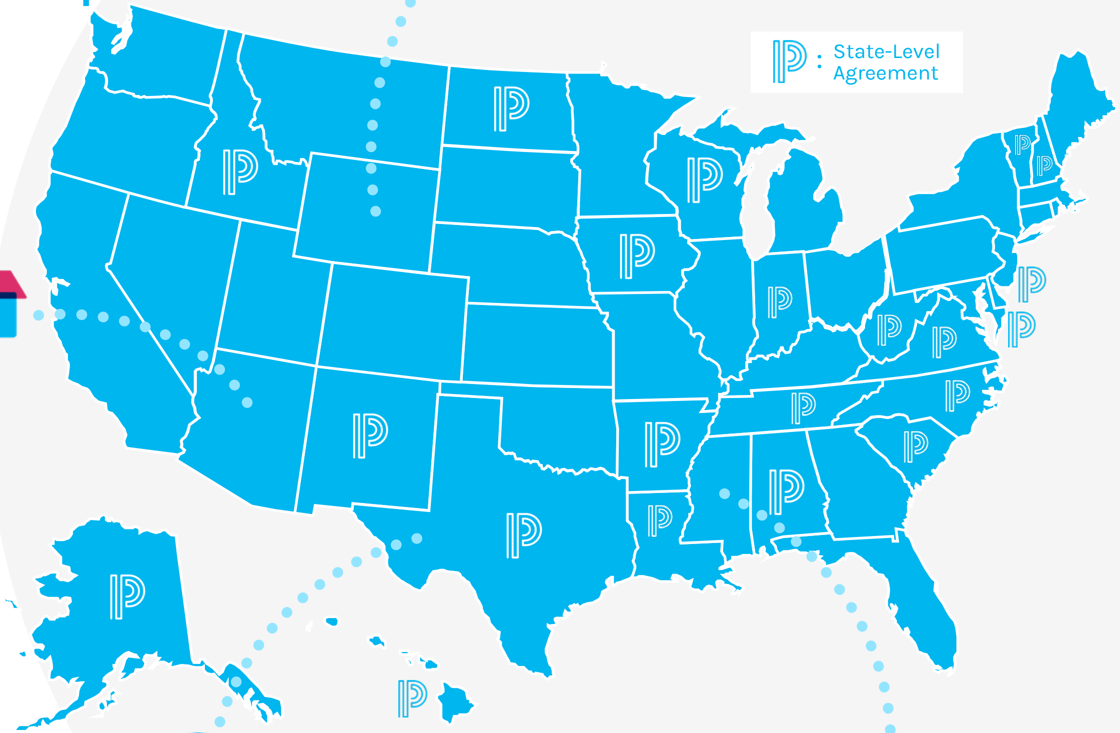
South Carolina State Department of Education

Detroit Public Schools Community District

MISD

Compliance reporting in **45 U.S. states** and **5 Canadian provinces**

30 state-, province-, and territory-wide contracts across the U.S. and Canada



15K+ school and district organizations

Reaching **over 45M students globally**

Contracts with **over 90 of the 100 largest districts in the U.S.**

PowerSchool

Significant Growth Opportunity with Clear Path to **Multi-Billion Dollar Business**

Whitespace

Cross-sell to existing customer base

Greenfield

Sell to districts not served by PowerSchool today

M&A and Platform Expansion

Continue to **acquire and organically innovate** into highly strategic adjacencies

Personalized Learning

AI/ML-based content recommendations for personalized learning paths

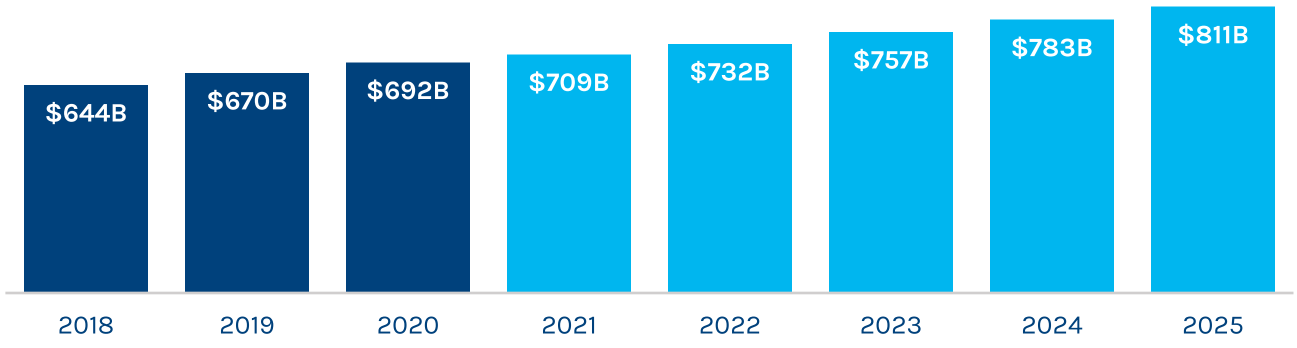
International

Expand into the international market **representing most of the global population**

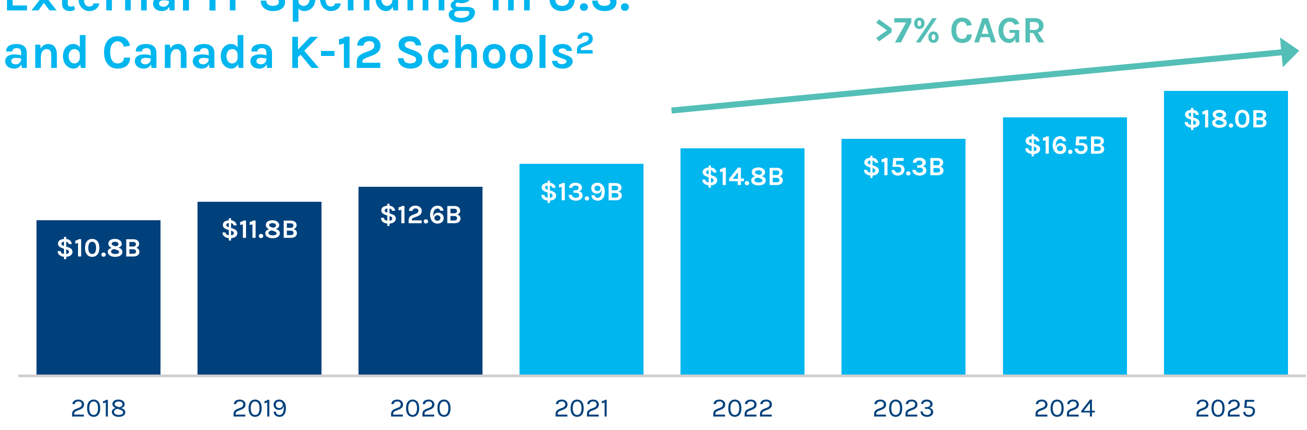
The K-12 Education Market is Large & Expanding

- **HIGHLY RESILIENT** and Growing End-Market
- **3RD-HIGHEST** discretionary spend category by the United States Government
- **>$7B OF US/CANADA** K-12 IT spending is allocated towards software and IT services[2]
- **COVID-19 HAS DRAWN MORE ATTENTION** to education and the technology gap, with an expected growth in K-12 funding

U.S. K-12 Total Expenditures[1]



External IT Spending in U.S. and Canada K-12 Schools[2]



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1) U.S. Department of Education National Center for Education Statistics: Project of Education Statistics. Represents unadjusted (or "current") dollars that have not been adjusted to compensate for inflation.
2) Gartner.

Large, Underpenetrated TAM with Strong Tailwinds

Current ARR Represents a Fraction of US and Canada K-12 Software spending of $7B

Current ARR

$0.5B

($ in Billions)

Current Software and IT Services Spend

>$7B

U.S. and Canada Spending[1]

International + Personalized Learning + B2C TAM

>$25B

Global TAM[2]

>$100B

Personalized Learning[3]

Current PowerSchool ARR is a fraction of both US/CAN TAM and whitespace

On average, customers have **~2 of 19 available PS products**

Represents **over 1.3 billion students globally**

Uniquely positioned to **deliver Personalized Learning and B2B & B2C Spend[3]** on supplemental education

PowerSchool

1) Gartner
2) Frost & Sullivan
3) HSBC, "The Value of Education", 2017

Unified Platform Enables Cross-Sell

Detroit Public Schools, MI

Alabama State DOE

Colorado Springs School District 11, CO

Delaware DOE

Platform strategy and two-pronged GTM approach **maximizes cross-sell** by leveraging integration, deep relationships, and product expertise:

~2
Products Per Customer Out of 19 Available

107%
Net Revenue Retention Rate (NRR)[1]

>2,500
Sales Transactions of $10K or Higher over last 12 months[2]

1) NRR as of June 30, 2022. See definitions of key business metrics included in this presentation.
2) Trailing 12 months as of June 30, 2022.

Building on Strong Tailwind

Strong stimulus and ongoing funding increase

Higher usage, adoption, and demand across our solutions

Uniquely positioned to drive holistic digital transformation, identify at-risk students, and accelerate learning gains :

$13B
of additional funding from CARES (March 2020)[1]

$54B
of additional funding from ESSER II (December 2020)[1]

TEA Texas Education Agency
2-Year State-Level LMS Using CARES Funding

$122B
of additional funding from ESSER III for next 3 years (March 2021)[1]

Only ~12%
of $122B ESSER III funds spent (as of June 2022)[1]

$3,460
per student, per district to be spent over next 3 years[2]

1) U.S. Department of Education
2) $3,460 calculated as follows: $13B + $54B + $128B = $195B / 56.343M students (NCES 2021P) = $3,460

Proven Platform for **M&A**

- 8 Strategic Acquisitions Since Beginning of 2019
- Focus on Product-Driven, Growth Accretive Targets
- History of Meeting or Exceeding Integration and Value Creation Targets
- Universe of 120+ Partners Provides Unique Vantage into Adjacencies

Rapid Value Expansion

Increase Share of Wallet Potential

Established Integration Playbook

schoology®

A PowerSchool Unified Classroom™ Product

Leading provider of Learning Management Systems to K-12 districts in the U.S.

~5M students
added in 2020

Financial Highlights

Profitable & Consistent Top-Line Growth

107%
Net Revenue Retention Rate (NRR)[1]

86%
Recurring Revenue Mix[2]

68%
Adjusted Gross Margin[2]

$580M
Annual Recurring Revenue (ARR)[1]

31%
Adjusted EBITDA Margin[2]

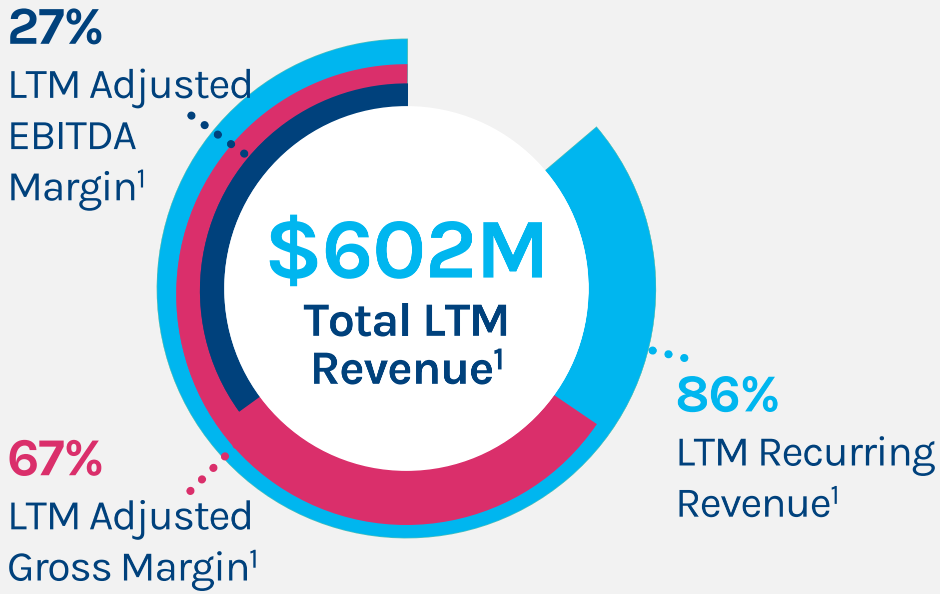
- ✓ **Double-Digit** Cloud Growth
- ✓ **Highly Predictable** Revenue Stream
- ✓ Demonstrated **Cross-Sell** Growth Opportunity
- ✓ Strong and **Expanding Margin** Profile
- ✓ Proven **M&A** Track Record

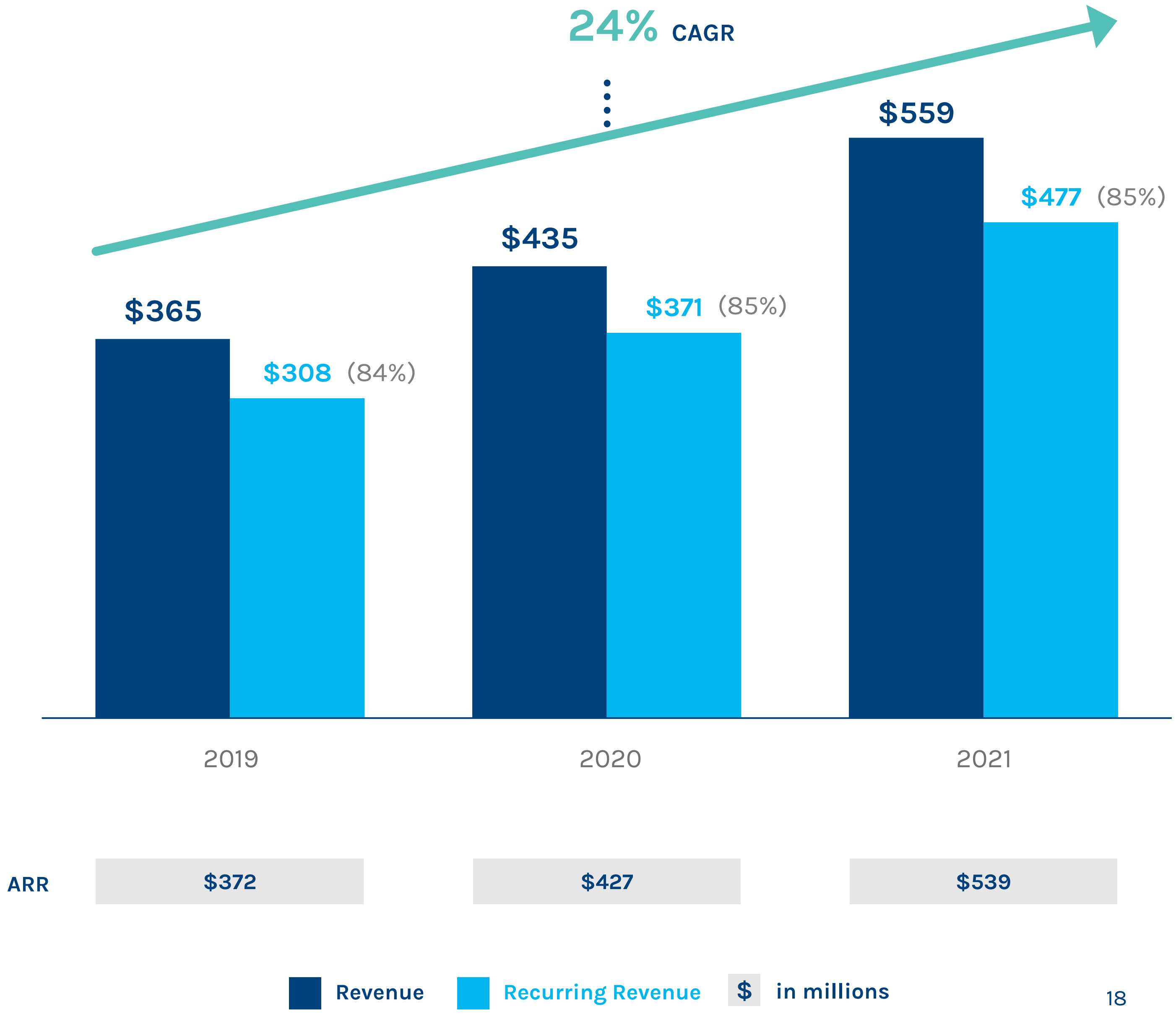
PowerSchool

1) ARR and NRR as of June 30, 2022. See definitions of key business metrics included in this presentation.
2) Results for the 3 months ended June 30, 2022. See reconciliation of non-GAAP measures included in this presentation.

Premium Financial Profile

Profitable and consistent top-line growth **driven by cross-sell and retention success**





1) Results for the 12 months ended June 30, 2022. See reconciliation of non-GAAP measures included in this presentation.

Clear Capital Allocation Priorities

1 Growth accretive opportunities

- In-year opportunities that expand platform and are accretive to margins and overall financial profile

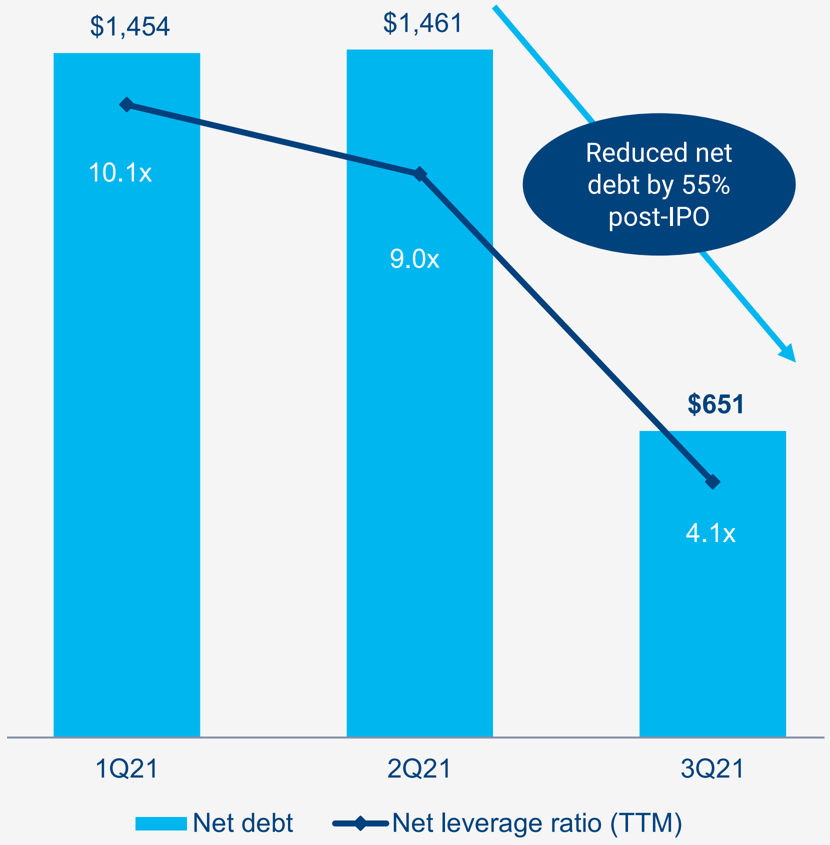
2 Strategic M&A

- Focused on leading products that can scale and have connectivity into core products like SIS
- Careful evaluation of buy, build or partner
- Long-term focus on building out personalized learning vision

3 Deleveraging

- Reduced net debt by $810M in Q3 of 2021
- Long-term net leverage target of 3x-4x

Significant Progress on Deleveraging



Long-term Net Leverage Target → **3x – 4x**

- During Q3 2021, used IPO proceeds and cash from operations to repay in full:
  - $320M outstanding principal on Bridge Loan
  - $365M on Second Lien term loans
  - $95M on Revolver
  - $69.1M on Incremental Facility
- Only First Lien term loans remain outstanding, with July 2025 maturity
- Predictable recurring revenue, stable customer base and profitable business model create comfort in operating with debt balance

Note: Net leverage ratio defined as net debt at end of period divided by adjusted EBITDA over the trailing twelve months. Net debt is defined as total debt less cash and cash equivalents.

PowerSchool's Impact on Education:

Driving Social Impact

EVERETT PUBLIC SCHOOLS

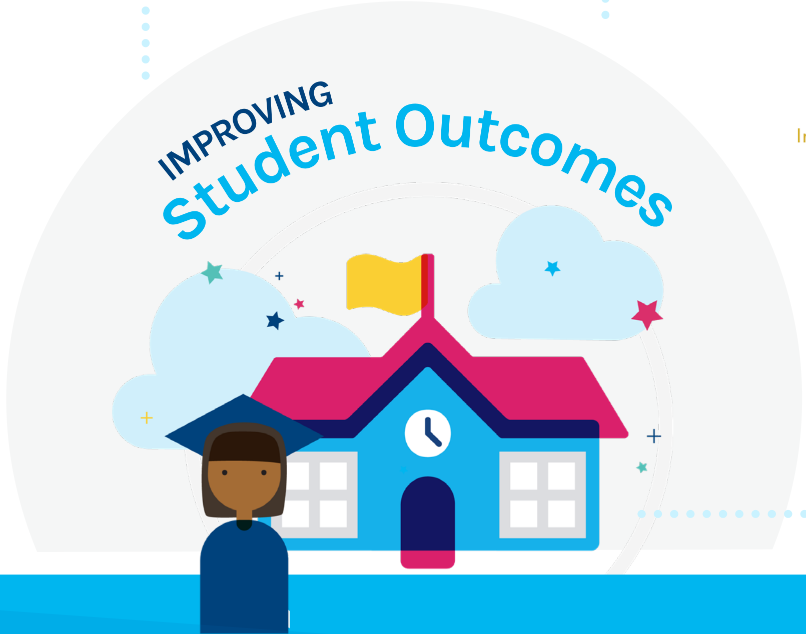
Halved Dropout Rate

+38% Graduation Rate

Santa Clara Unified School District

-50% Suspensions for Latinx Students

+5.1% Increase in Graduation Rate



Alief Independent School District

+37% AP Test Pass Rate

~18 Million PowerSchool SIS Mobile App Downloads

schoology
A PowerSchool Unified Classroom™ Product

>8 Trillion Student Interactions in 2020

BRYAN INDEPENDENT SCHOOL DISTRICT

97% Learner Engagement

PowerSchool Experienced Management Team

Established team with K-12, enterprise software, and public company experience

Hardeep Gulati
CEO
23 Years of Relevant Experience
ORACLE sumtotal

Eric Shander
CFO
29 Years of Relevant Experience
Red Hat Lenovo IBM

Craig Greenseid
CHIEF REVENUE OFFICER
21 Years of Relevant Experience
Blackboard AUTODESK IBM

Maulik Datanwala
CHIEF OPERATING OFFICER
16 Years of Relevant Experience
sumtotal

Marcy Daniel
CHIEF PRODUCT OFFICER
27 Years of Relevant Experience
ia interactive achievement

Devendra Singh
CHIEF TECHNOLOGY OFFICER
28 Years of Relevant Experience
ORACLE agile

Fred Studer
CHIEF MARKETING OFFICER
30 Years of Relevant Experience
TIBCO FINANCIALFORCE ORACLE NETSUITE

Alan Taylor
SVP CORPORATE DEVELOPMENT
10 Years of Relevant Experience
VISTA EQUITY PARTNERS MITRATECH

PowerSchool

Appendix

Definitions of Key Business Metrics

Annualized Recurring Revenue (“ARR”)

ARR represents the annualized value of all recurring contracts as of the end of the period. ARR mitigates fluctuations due to seasonality, contract term, one-time discounts given to help customers meet their budgetary and cash flow needs and the sales mix for recurring and non-recurring revenue. ARR does not have any standardized meaning and is therefore unlikely to be comparable to similarly titled measures presented by other companies. ARR should be viewed independently of revenue and deferred revenue and is not intended to be combined with or to replace either of those items. ARR is not a forecast, and the active contracts at the end of a reporting period used in calculating ARR may or may not be extended or renewed by our customers.

Net Revenue Retention Rate (“NRR”)

We believe that our ability to retain and grow recurring revenues from our existing customers over time strengthens the stability and predictability of our revenue base and is reflective of the value we deliver to them through upselling and cross selling our solution portfolio. We assess our performance in this area using a metric we refer to as Net Revenue Retention Rate (“NRR”). Beginning in the first quarter of 2021, we intend to exclude from our calculation of NRR any changes in ARR attributable to Intersect customers, as this product is sold through our channel partnership with EAB and is pursuant to annual revenue minimums, therefore the business will not be managed based on NRR. We calculate our dollar-based NRR as of the end of a reporting period as follows:

- Denominator. We measure ARR as of the last day of the prior year comparative reporting period.
- Numerator. We measure ARR from renewed and new sale opportunities booked as of the last day of the current reporting period from customers with associated ARR as of the last day of the prior year comparative reporting period.

The quotient obtained from this calculation is our dollar-based net revenue retention rate. Our NRR provides insight into the impact on current year recurring revenues of expanding adoption of our solutions by our existing customers during the current period. Our NRR is subject to adjustments for acquisitions, consolidations, spin-offs and other market activity.

Non-GAAP Financial Measures

In addition to our results determined in accordance with GAAP, we believe the following non-GAAP measures are useful in evaluating our operating performance. We believe that non-GAAP financial information, when taken collectively, may be helpful to investors because it provides consistency and comparability with past financial performance and assists in comparisons with other companies, some of which use similar non-GAAP financial information to supplement their GAAP results. The non-GAAP financial information is presented for supplemental informational purposes only, and should not be considered a substitute for financial information presented in accordance with GAAP, and may be different from similarly-titled non-GAAP measures used by other companies. A reconciliation is provided below for each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP. Investors are encouraged to review the related GAAP financial measures and the reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures.

Adjusted Gross Profit: Adjusted Gross Profit is a supplemental measure of operating performance that is not made under GAAP and that does not represent, and should not be considered as, an alternative to gross profit, as determined in accordance with GAAP. We define Adjusted Gross Profit as gross profit, adjusted for depreciation, unit-based compensation expense, restructuring and acquisition-related expenses and amortization of acquired intangible assets and capitalized product development costs. We use Adjusted Gross Profit to understand and evaluate our core operating performance and trends, to prepare and approve our annual budget, and to develop short-term and long-term operating plans. We believe that Adjusted Gross Profit is a useful measure to us and to our investors because it provides consistency and comparability with our past financial performance and between fiscal periods, as the metric generally eliminates the effects of the variability of depreciation, unit-based compensation, restructuring expense, acquisition-related expenses, and amortization of acquired intangibles and capitalized product development costs from period to period, which may fluctuate for reasons unrelated to overall operating performance. We believe that the use of this measure enables us to more effectively evaluate our performance period-over-period and relative to our competitors.

Non-GAAP Net Income (loss), Non-GAAP Cost of Revenue and Operating Expenses, and Adjusted EBITDA: Non-GAAP Net Income (loss), Non-GAAP Cost of Revenue, Non-GAAP Operating Expenses and Adjusted EBITDA are supplemental measures of operating performance that are not made under GAAP and that do not represent, and should not be considered as, an alternative to net income (loss), GAAP cost of revenue and GAAP operating expenses, as applicable. We define Non-GAAP Net Income (loss) as net income (loss) adjusted for depreciation and amortization, share-based compensation expense and the related employer payroll tax, management fees, restructuring and acquisition-related expenses. We define Non-GAAP Cost of Revenue and Operating Expenses as their respective GAAP measures adjusted for share-based compensation expense and the related employer payroll tax, management fees, restructuring expense, and acquisition-related expense. We define Adjusted EBITDA as net income (loss) adjusted for all of the above items, net interest expense and provision for (benefit from) income tax. We use Non-GAAP Net Income, Non-GAAP Cost of Revenue, Non-GAAP Operating Expenses and Adjusted EBITDA to understand and evaluate our core operating performance and trends and to develop short-term and long-term operating plans. We believe that Non-GAAP Net Income and Adjusted EBITDA facilitate comparison of our operating performance on a consistent basis between periods and, when viewed in combination with our results prepared in accordance with GAAP, help provide a broader picture of factors and trends affecting our results of operations.

These non-GAAP financial measures have their limitations as an analytical tool, and you should not consider them in isolation, or as a substitute for analysis of our results as reported under GAAP. Because of these limitations, these non-GAAP financial measures should not be considered as a replacement for their respective comparable financial measures, as determined by GAAP, or as a measure of our profitability or liquidity. We compensate for these limitations by relying primarily on our GAAP results and using non-GAAP measures only for supplemental purposes.

For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measure, see “Non-GAAP Reconciliations.”

Non-GAAP Reconciliations

Reconciliation of Gross Profit to Adjusted Gross Profit

(in thousands)	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Gross profit	**$89,606**	**$81,615**	**$80,253**	**$85,620**
Add:				
Amortization	14,005	13,685	12,565	12,604
Depreciation	265	275	449	489
Share-based compensation	2,146	2,167	2,070	1,324
Restructuring	1,129	973	712	905
Acquisition-related expense	91	200	107	233
Adjusted Gross profit	**$107,242**	**$98,915**	**$96,156**	**$101,175**
Gross Margin	*56.9%*	*54.6%*	*54.9%*	*57.5%*
Adjusted Gross Margin	*68.1%*	*66.1%*	*65.8%*	*67.9%*

Reconciliation of Net Loss to Adjusted EBITDA

(in thousands)	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Net loss	**($6,458)**	**($14,120)**	**($15,876)**	**($25,128)**
Add:				
Amortization	29,075	28,654	27,451	27,530
Depreciation	1,333	1,264	1,564	1,667
Net interest expense	8,743	7,022	7,519	12,857
Income tax expense (benefit)	(2,933)	4,538	(2,380)	(2,685)
Share-based compensation	12,242	12,395	11,670	10,719
Management fees	93	84	39	424
Restructuring	10,037	145	1,271	839
Acquisition-related expense	(3,393)	2,628	1,988	923
Loss on extinguishment of debt	-	-	-	12,905
Adjusted EBITDA	**$48,739**	**$42,610**	**$33,246**	**$40,051**
Net loss margin	*(4.1%)*	*(9.4%)*	*(10.9%)*	*(16.9%)*
Adjusted EBITDA margin	*30.9%*	*28.5%*	*22.8%*	*26.9%*

Reconciliation of Net Loss to Non-GAAP Net Income

(in thousands, except share and per share data)	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Net loss	**($6,458)**	**($14,120)**	**($15,876)**	**n/a**
Add:				
Amortization	29,075	28,654	27,451	n/a
Depreciation	1,333	1,264	1,564	n/a
Share-based compensation	12,242	12,395	11,670	n/a
Management fees	93	84	39	n/a
Restructuring	10,037	145	1,271	n/a
Acquisition-related expense	(3,393)	2,628	1,988	n/a
Loss on extinguishment of debt	-	-	-	n/a
Non-GAAP Net Income	**$42,929**	**$31,050**	**$28,107**	**n/a**
Weighted-average Class A common stock outstanding used in computing GAAP net loss per share, basic and diluted	158,229,171	158,112,296	157,996,637	n/a
GAAP net loss attributable to the PowerSchool Holdings, Inc. per share of Class A common stock - basic and diluted	**($0.03)**	**($0.08)**	**($0.08)**	n/a
Weighted-average shares Class A common stock outstanding used in computing Non-GAAP net income, basic	158,229,171	158,112,296	157,996,637	n/a
Weighted-average shares Class A common stock outstanding used in computing Non-GAAP net income, diluted	198,209,855	198,098,043	199,090,415	n/a
Non-GAAP net income per share of Class A common stock - basic	**$0.27**	**$0.20**	**$0.18**	n/a
Non-GAAP net income per share of Class A common stock - diluted	**$0.22**	**$0.16**	**$0.14**	n/a