

The Goodheart-Willcox Company, Inc.
Condensed Financial Information of the First Quarter of Fiscal 2025 Ending July 31, 2024
(Unaudited)

Period Ended July 31 <i>(in Thousands, except share data):</i>	2024	2023
Revenue	\$18,396	\$16,939
Cost of Goods Sold	1,999	1,876
Gross Profit	16,397	15,063
Operating Expenses	8,953	9,074
Operating Profit	7,444	5,989
Other Income (net)	871	452
Earnings Before Income Taxes	8,315	6,441
Income Taxes	1,907	1,243
Net Earnings	\$6,408	\$5,198
Other Comprehensive Income	326	137
Total Comprehensive Income	\$6,734	\$5,335
Earnings per Share	\$15.83	\$13.35
Average Number of Shares Outstanding	404,747	389,255
Selected Balance Sheet Data:	July 31, 2024	April 30, 2024
Total Current Assets	\$87,346	\$84,085
Total Property & Equipment	4,412	4,333
Total Assets	114,640	110,988
Total Current Liabilities	28,002	35,956
Total Noncurrent Liabilities	49,141	44,748
Total Stockholders' Equity	37,497	30,284
Supplemental Data:	2024	2023
Subscription Revenue Deferred	\$11,498	\$11,017
Subscription Revenue Recognized	\$6,125	\$5,688

The above unaudited interim financial information is derived from the Company's financial statements which, in the opinion of management, reflect all adjustments necessary to present fairly the Company's financial position as of July 31, 2024 and its results of operations for the three months ended July 31, 2024 and 2023, respectively, and have been prepared in conformity with the accounting principles reflected in the financial statements and related notes included in the Company's annual report for the fiscal year ended April 30, 2024. Certain information and disclosures normally included in annual financial statements and related notes prepared in accordance with U.S. GAAP have been condensed or omitted.

Historically the Company has experienced its highest level of sales in the first and second quarters and its lowest level of sales in the fourth quarter. The seasonal and cyclical nature of selling products such as textbooks and supplements into the educational market with two separate semesters, coupled with the introduction of new and revised products published for the next calendar/copyright year, affects the operational results of the Company. Thus, the results of operations for the periods above are not necessarily indicative of the results of operations for the respective full fiscal years.

The Company sells digital instructional content by multi-year subscriptions. The Supplemental Data presents *Subscription Revenue Deferred* as sales invoiced to customers to be recognized in future periods, and *Subscription Revenue Recognized* as subscription revenue recognized during the respective current periods shown.