Investor Update

First Quarter ~ Fiscal Year 2022

FranklinCovey

Forward-looking Statements / Non-GAAP

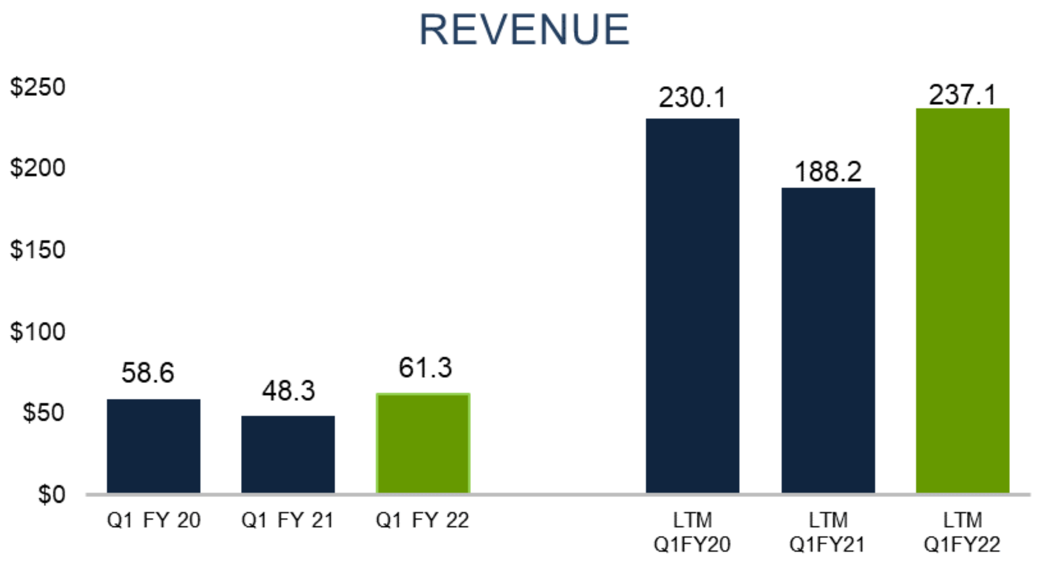
This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based upon management's current expectations and are subject to various risks and uncertainties including, but not limited to: The ability of the Company to stabilize and grow revenues; The acceptance of, and renewal rates for our subscription offerings, including the All Access Pass and *Leader in Me* memberships; The duration and recovery from the COVID-19 pandemic; The ability of the Company to hire productive sales professionals; General economic conditions; Competition in the Company's targeted marketplace; Market acceptance of new offerings or services and marketing strategies; Changes in the Company's market share; Changes in the size of the overall market for the Company's products; Changes in the training and spending policies of the Company's clients, and other factors identified and discussed in the Company's most recent Annual Report on From 10-K and other periodic reports filed with the Securities and Exchange Commission. Many of these conditions are beyond our control or influence, any one of which may cause future results to differ materially from the Company's current expectations, and there can be no assurance the Company's actual future performance will meet management's expectations. These forward-looking statements are based on management's current expectations and we undertake no obligation to update or revise these forward-looking statements to reflect events or circumstances after the date of today's presentation, except as required by law.

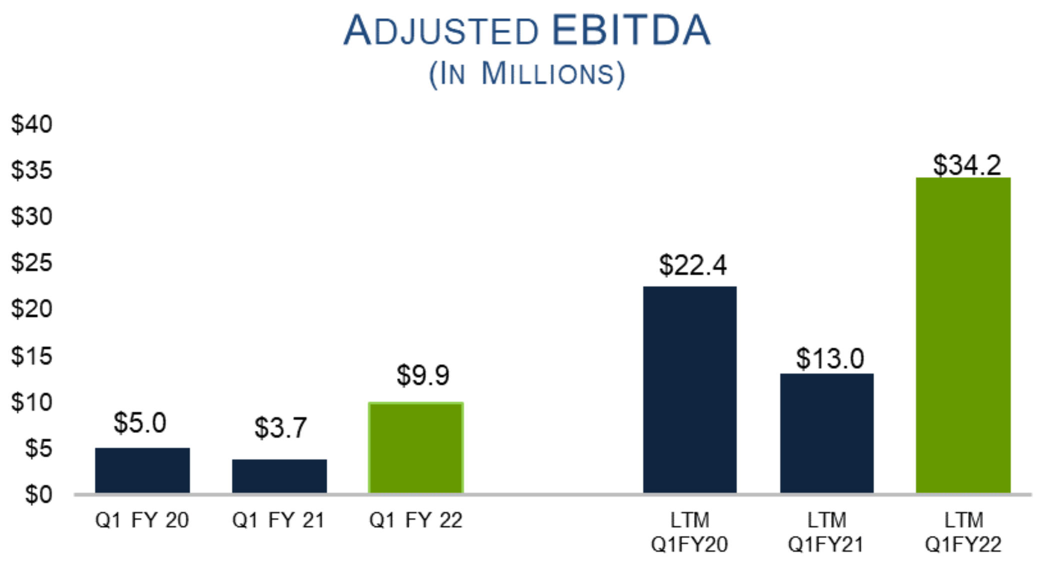
The Securities and Exchange Commission's Regulation G applies to any public disclosure or release of material information that includes a non-GAAP financial measure. In the event of such a disclosure or release, Regulation G requires: (i) the presentation of the most directly comparable financial measure calculated and presented in accordance with GAAP and (ii) a reconciliation of the differences between the non-GAAP financial measure presented and the most directly comparable financial measure calculated and presented in accordance with GAAP. The required presentations and reconciliations are contained herein and can be found at our website at www.franklincovey.com.

Franklin Covey uses the non-GAAP financial measure "earnings before interest, taxes, depreciation and amortization" ("EBITDA") to assess the operating results and effectiveness of the Company's ongoing training and consulting business. In addition, the Company also uses the non-GAAP financial measure "Adjusted EBITDA" as a representation of the Company's operating performance. Adjusted EBITDA is defined as pre-tax net income (loss), plus depreciation and amortization, net interest income (expense), and special charges, such as the gain on the sale of the Japan Products division in Fiscal 2010, restructuring costs, and asset impairment changes. The Company finds these non-GAAP financial measures to be useful when evaluating its operating and financial performance. These non-GAAP financial measures may not be comparable to similar measures used by other companies and should not be used as a substitute for revenue, net income (loss) or other GAAP operating measures.

Franklin Covey: Strong Growth

(in millions and unaudited)





Strong Growth in Key Metrics

+31%
Total Subscription Revenue in Q1FY22

+22%
Total Subscription Revenue in LTM Q1FY22

+32%
Total Subscription & Subscription Services Revenue in Q1FY22

+31%
Total Subscription & Subscription Services Revenue in LTM Q1FY22

+24%
Sum Billed & Unbilled Deferred Revenue in Q1FY22

Key Takeaways

STRONG FIRST QUARTER RESULTS	SUBSCRIPTION BUSINESS GROWING RAPIDLY	BUSINESS TO INCREASINGLY BECOME SUBSCRIPTION	SIGNIFICANT MARKET OPPORTUNITY

Key Takeaways

STRONG FIRST QUARTER RESULTS

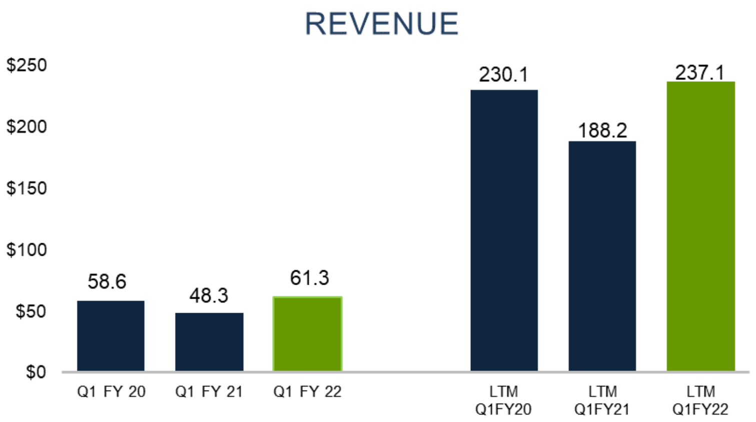
SUBSCRIPTION BUSINESS GROWING RAPIDLY

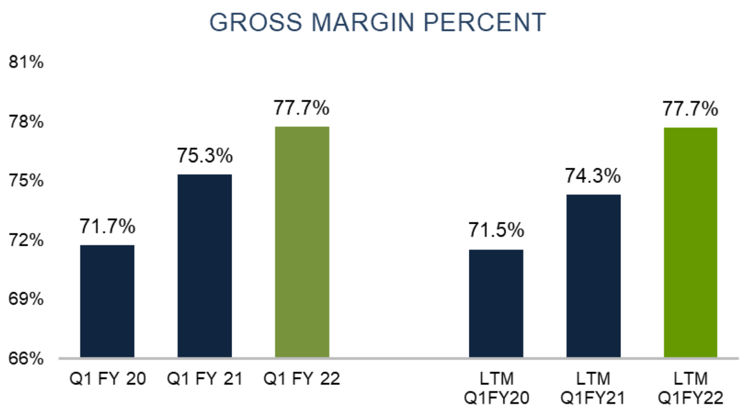
BUSINESS TO INCREASINGLY BECOME SUBSCRIPTION

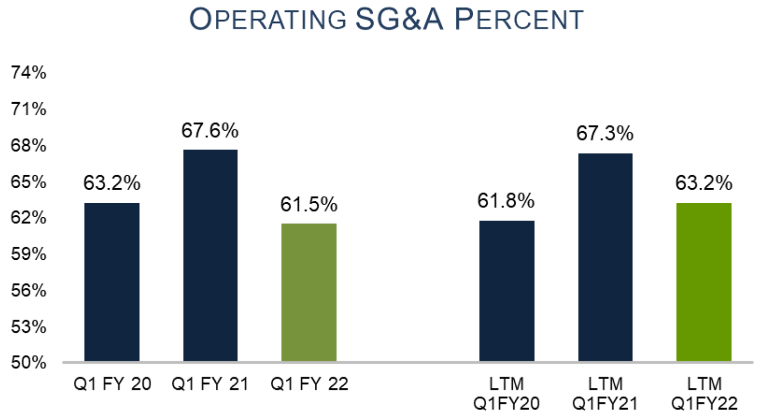
SIGNIFICANT MARKET OPPORTUNITY

Franklin Covey: Highlights

(in millions and unaudited)

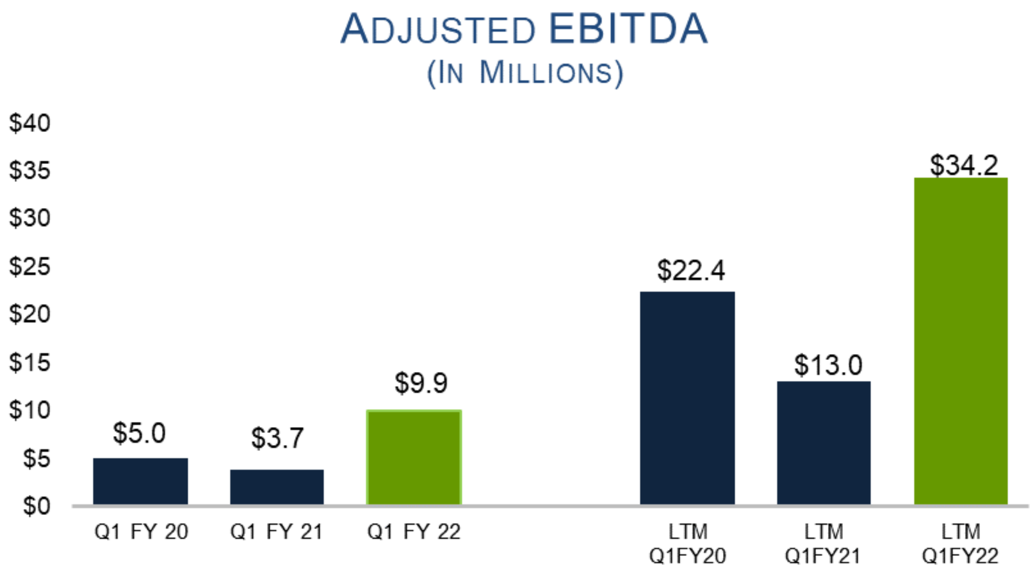


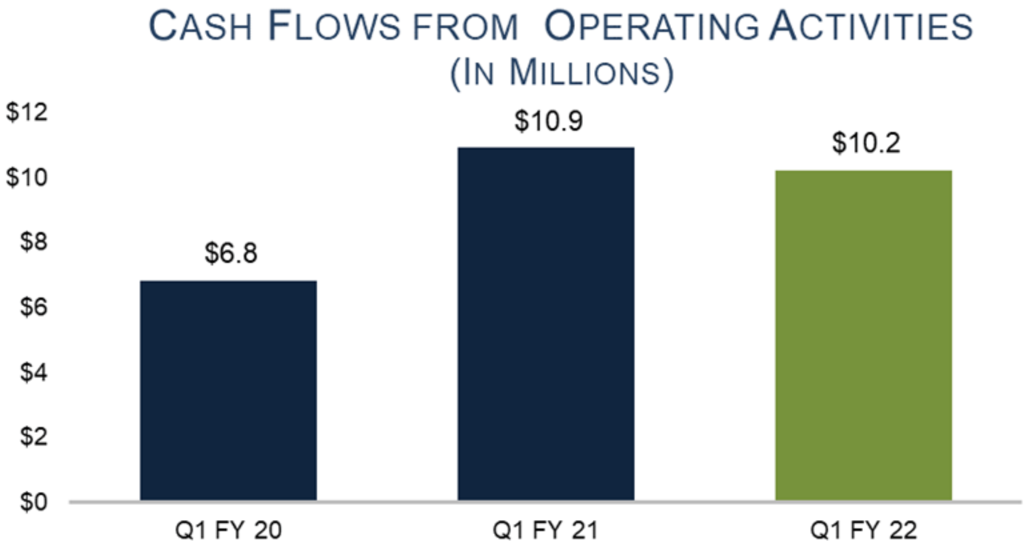




Franklin Covey: Highlights

(in millions and unaudited)





Free Cash Flow

(in thousands and unaudited)

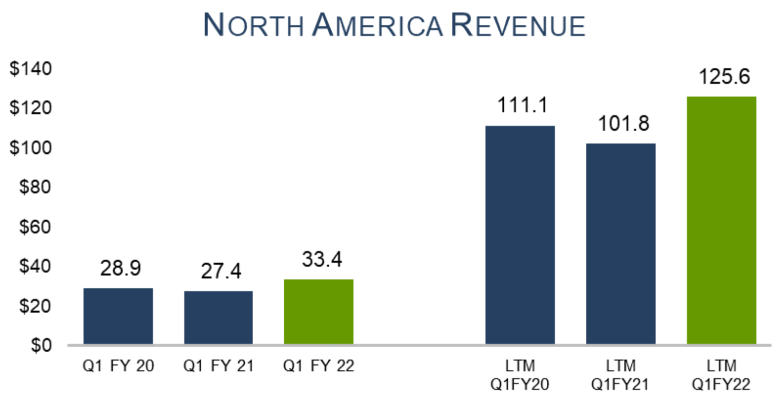
	Quarter Ended	
	November 30, 2021	November 30, 2020
	(unaudited)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ 3,812	$ (892)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	2,710	2,872
Amortization of capitalized curriculum costs	789	889
Stock-based compensation	1,649	1,158
Deferred income taxes	679	(111)
Change in fair value of contingent consideration liabilities	28	62
Amortization of right-of-use operating lease assets	225	259
Net change in working capital	272	6,639
Net cash provided by operating activities	10,164	10,876
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(520)	(185)
Curriculum development costs	(243)	(263)
Net cash used for investing activities	(763)	(448)
Free Cash Flow	$ 9,401	$ 10,428

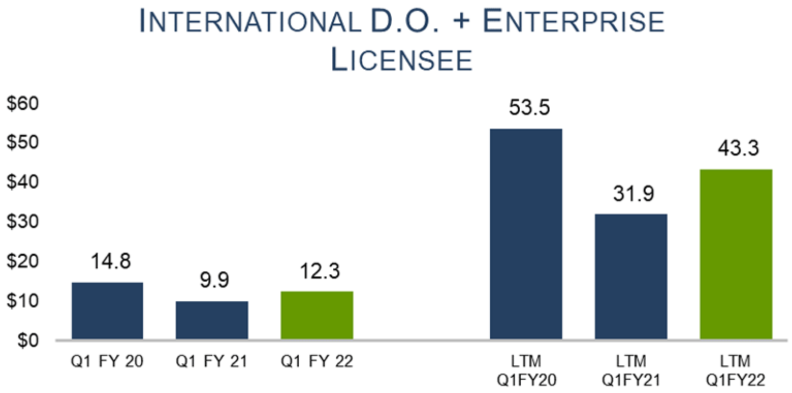
Notes:

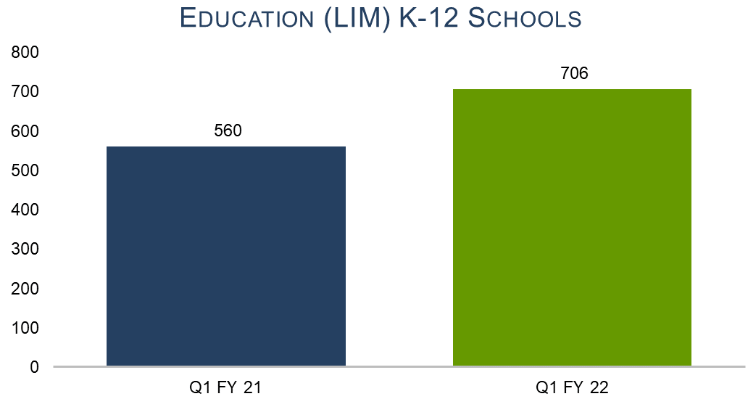
- Net Cash Generated is a measure used by management to monitor the amount of available cash generated by the operations of the company. Net Cash Generated includes the items listed above and excludes other cash activities shown on the Consolidated Statements of Cash Flows, such as cash paid for taxes, acquisitions, changes in working capital, other SG&A, and payments on term notes and financing obligations.
- Please refer to the Appendix for the definition of Adjusted EBITDA and for the reconciliation of Adjusted EBITDA to Net Income.
- Please also refer to the Condensed Consolidated Statements of Cash Flows.

Franklin Covey: Highlights

(in millions and unaudited)







Key Takeaways

STRONG FIRST QUARTER RESULTS

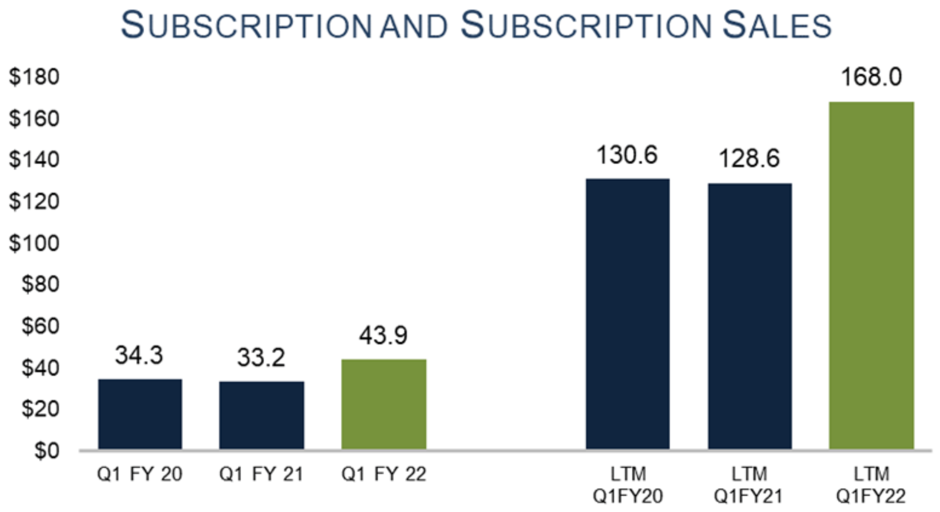
SUBSCRIPTION BUSINESS GROWING RAPIDLY

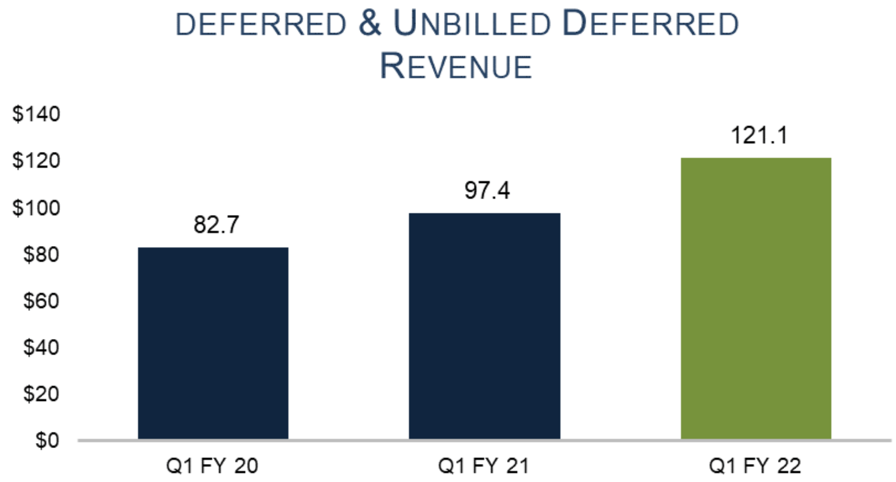
BUSINESS TO INCREASINGLY BECOME SUBSCRIPTION

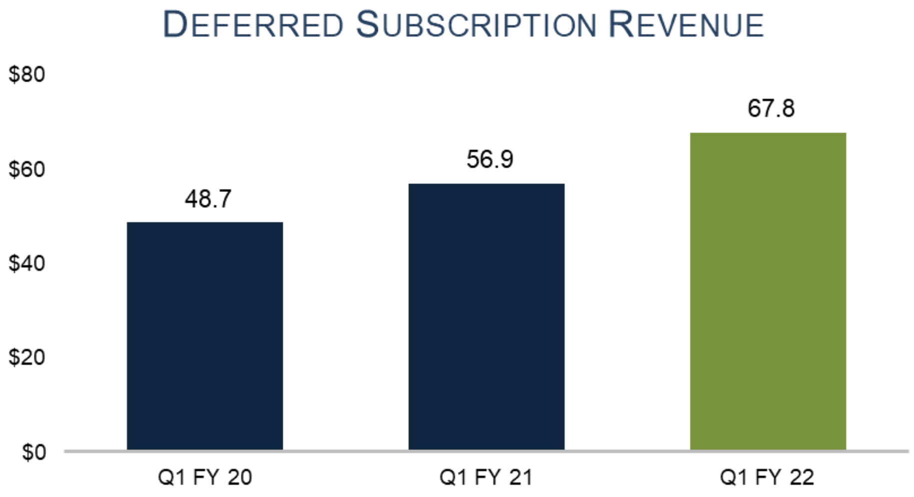
SIGNIFICANT MARKET OPPORTUNITY

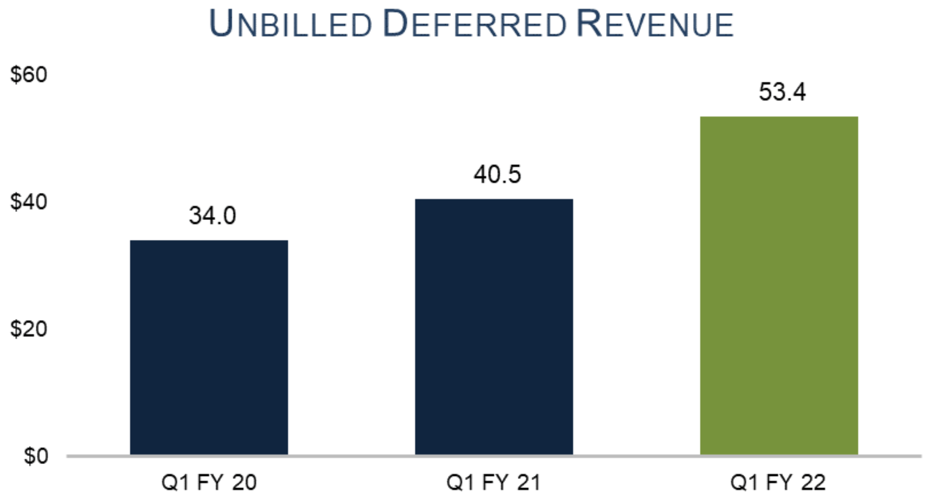
Franklin Covey: Strength of Subscription Business Model

(in millions and unaudited)



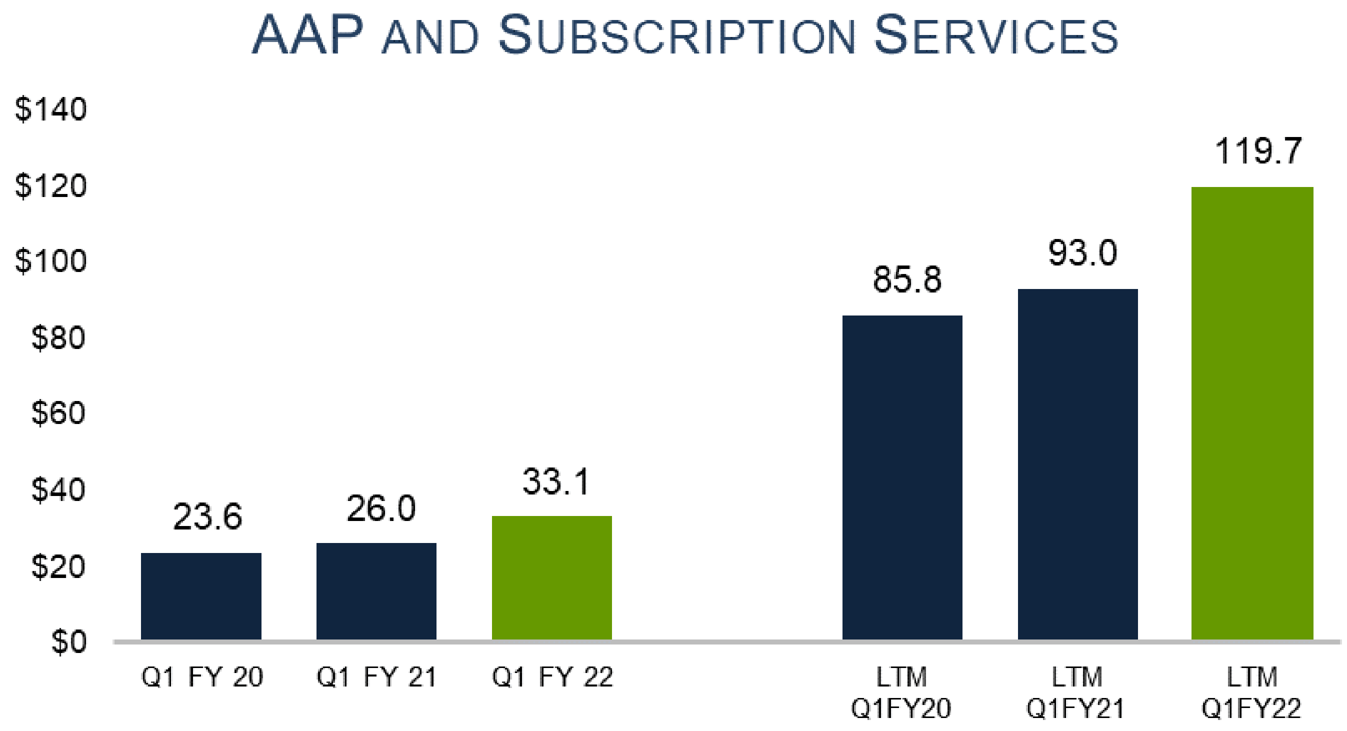






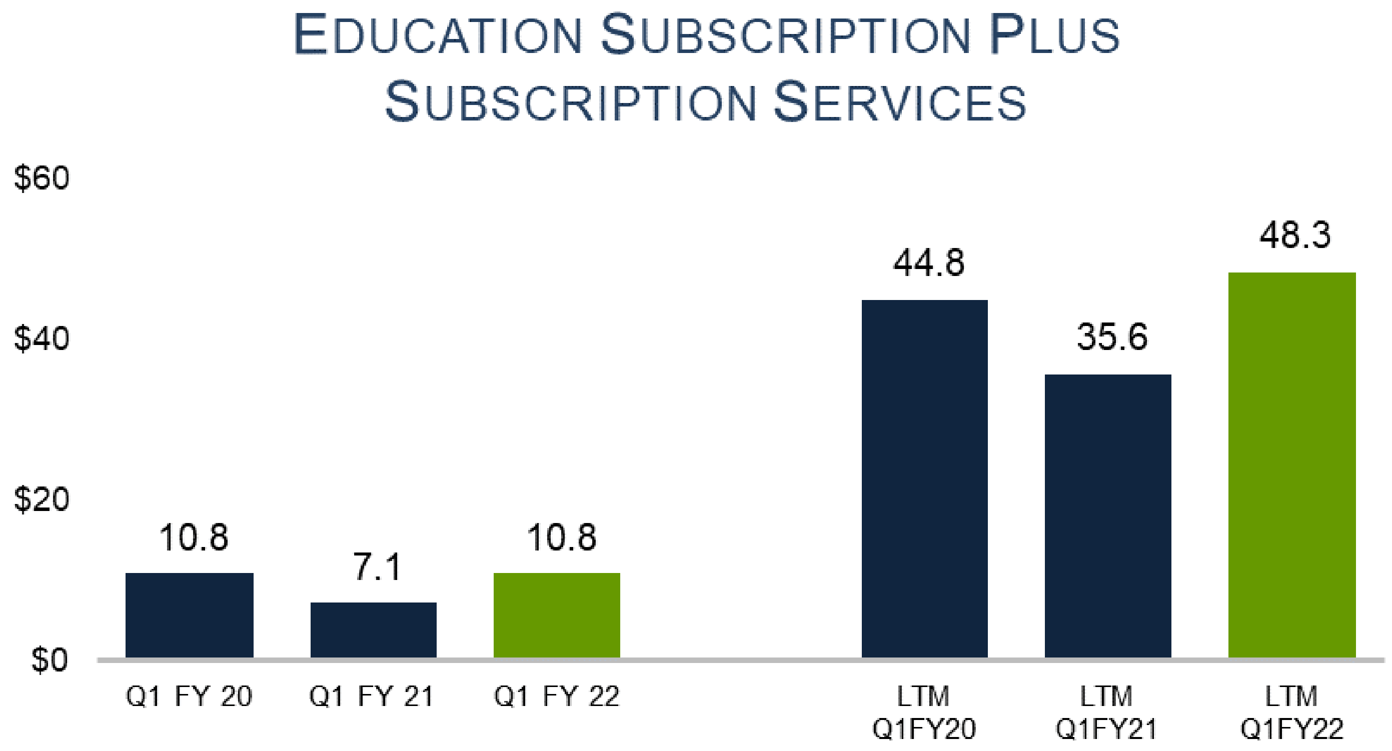
Enterprise Division: Strong Increases

(in millions and unaudited)



Education Division: Strong Increases

(in millions and unaudited)



Key Takeaways

STRONG FIRST QUARTER RESULTS

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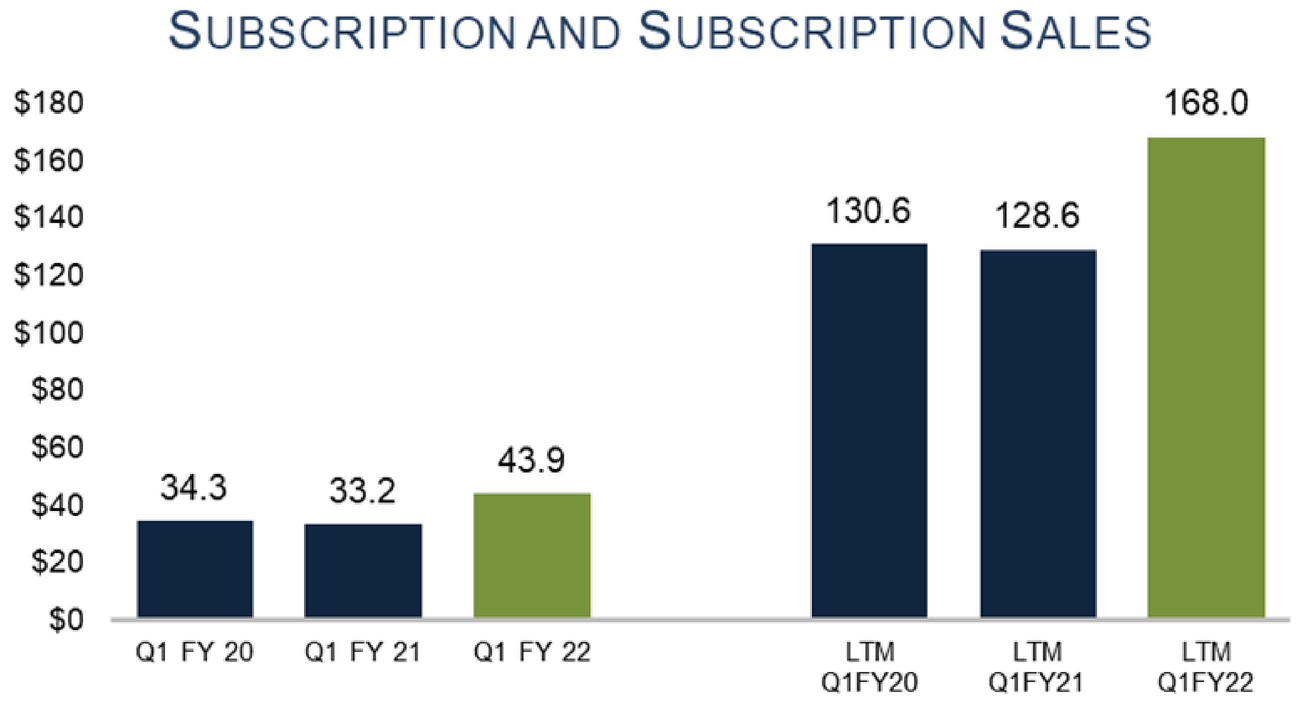
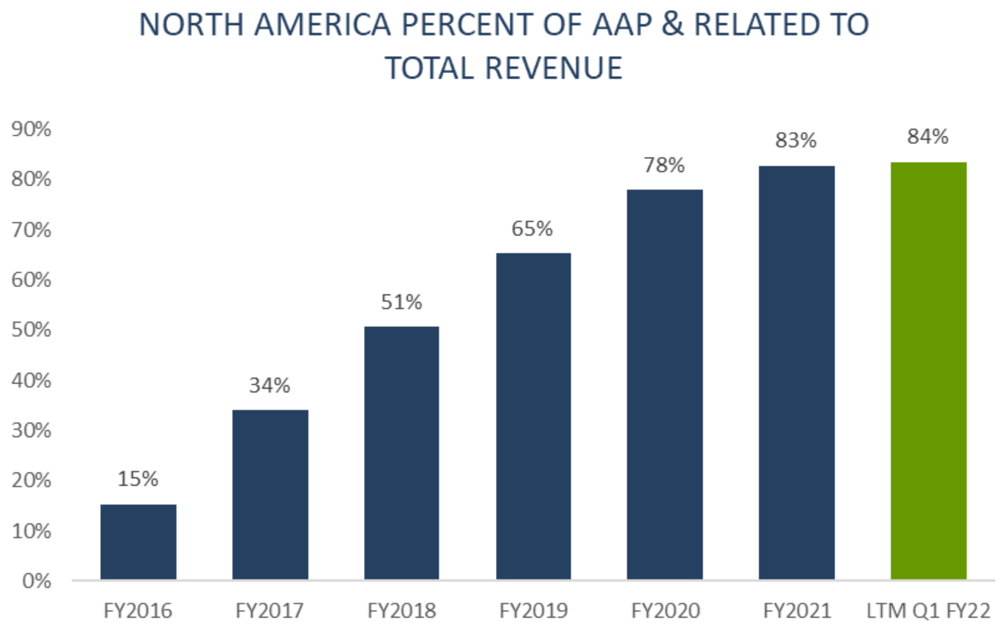
SIGNIFICANT MARKET OPPORTUNITY

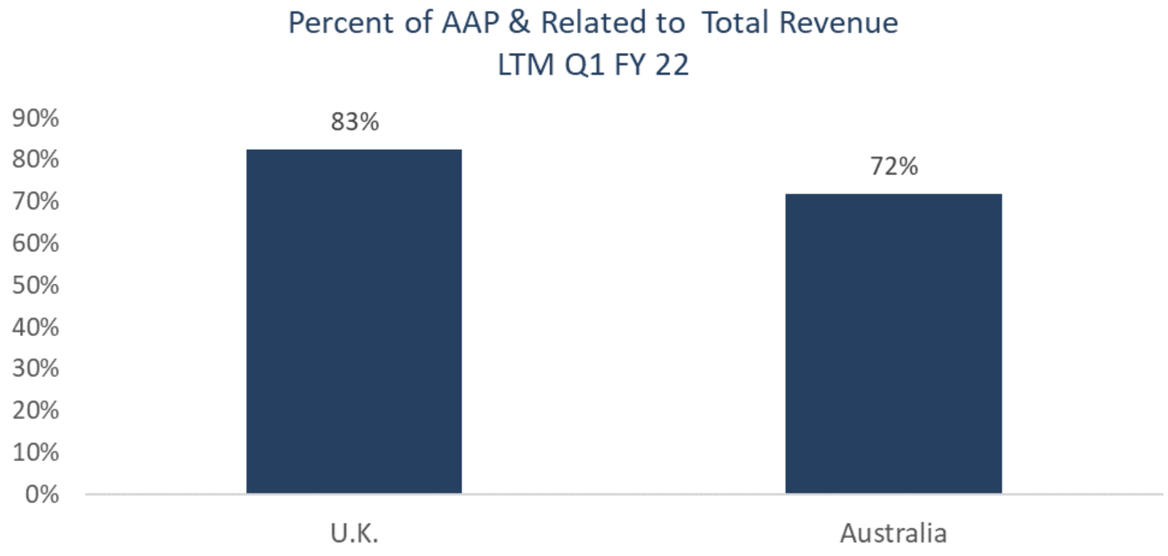
Enterprise Division: Strong Increases

(in millions and unaudited)



Enterprise Division





Key Takeaways

STRONG FIRST QUARTER RESULTS

SUBSCRIPTION BUSINESS GROWING RAPIDLY

BUSINESS TO INCREASINGLY BECOME SUBSCRIPTION

SIGNIFICANT MARKET OPPORTUNITY

Three Large Markets

Corporate Learning

$381B

Global Corporate Training, **$99B spent annually** on external providers.

Education

$762B

US K-12 spending, **$59B spent annually** on instructional resources and services that are beyond faculty salary
and benefits.

Operating Budgets

$Trillions

It’s clear that not all offerings generate equal levels of organizational impact

Individual access
to information on
a variety of personal topics

Individual
skills and capabilities
applied to the workplace

Collective behavior change
against must-win
organizational objectives

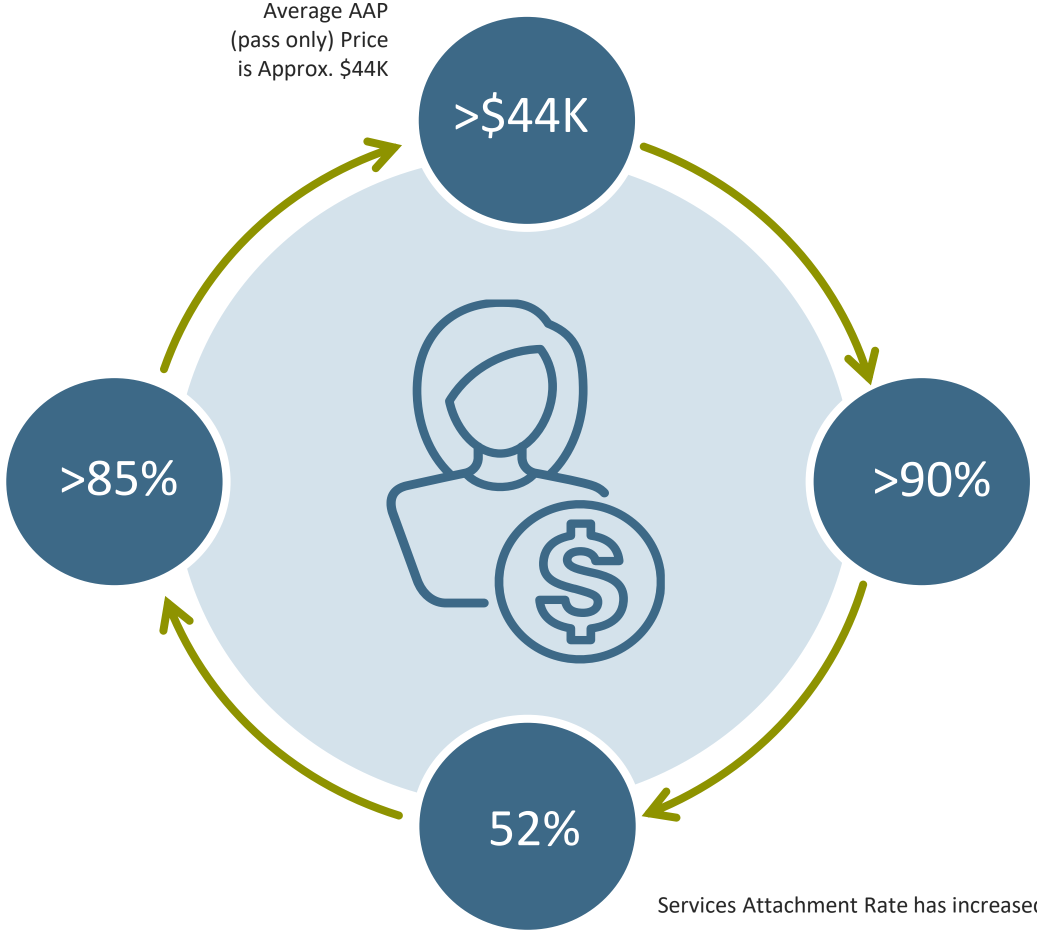
Benefits individuals

*Benefits individuals
and organizations*

Ongoing Investments

Lifetime Customer Value Has Increased Significantly

Average AAP
(pass only) Price
is Approx. $44K



Multi-Year Progress
- 42% of Contracts
- 55% of Revenue

High Blended Gross Margins
driving high and increasing
company Gross Margins*

Annual Recurring Revenue
Retention has always been >90%

Services Attachment Rate has increased to 52%

(U.S./Canada/Government—November 30, 2021)

*Enterprise Division Gross Margin - Blend between Subscription & Services

Ongoing Investments

Targets

FY2024
Reported Adj EBITDA: ~$55M

FY2023
Reported Adj EBITDA: ~$45M

FY2022
Reported Adj EBITDA: ~$34-36M

Note: Adjusted EBITDA and Operating SG&A are non-GAAP financial measures. Please see the appendix for additional information.

Appendix

Other Information

Other Income Statement Information:

- Depreciation: $6.2M in FY2021, expected to total approximately $5.7M in FY2022.
- Amortization: $5.0M in FY2021, expected to total approximately $5.3M in FY2022.
- Net Interest and Discount: $2.0M in FY2021, expected to total approximately $1.8M in FY2022.
- Share-based Compensation, Impaired Assets, Restructuring, Accrued Earnout and Other totaling $8.7M in FY2021; expected to total approximately $9.6M in FY2022.
- Effective Tax Rate: Our normalized affective tax rate is expected to eventually be 28% to 32%, before unusual permanent book/tax differences. The actual tax rate could be a significantly different percentage, and we are not projecting an FY22 effective rate.

Other Information:

- Capital Expenditures: $1.6M in FY2021, expected to total approximately $4.8M to $5.8M in FY2022.
- Capitalized Curriculum excluding acquired content: $2.5M in FY2021, expected to total approximately $5.0M to $6.0M in FY2022, including localization of AAP content, AAP content development, and Education content development.
- Share Count: 14,297K shares outstanding as of December 31, 2021. The Company's share count may increase due to the vesting and exercise of share-based awards and purchases by Employees under our Employee Stock Purchase Plan and decrease due to the company buying back shares.
- Number of salespersons: 271 on November 30, 2021.
- Impact of FX in Q1 of FY22: is insignificant on sales in Q1 of FY2022; decrease to Adjusted EBITDA $0.2M in Q1 of FY2022.

All the above-mentioned estimates are subject to change, perhaps material change, based on actual events and circumstances in the year.

Franklin Covey – Financial Summary

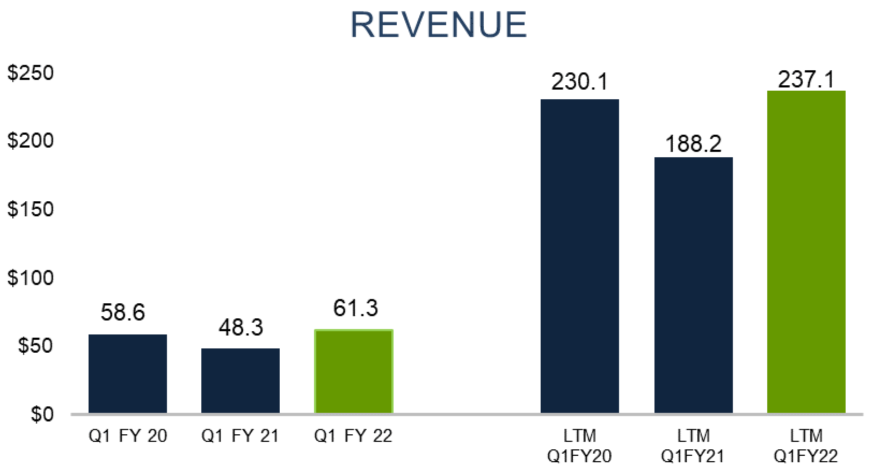
(in millions and unaudited)

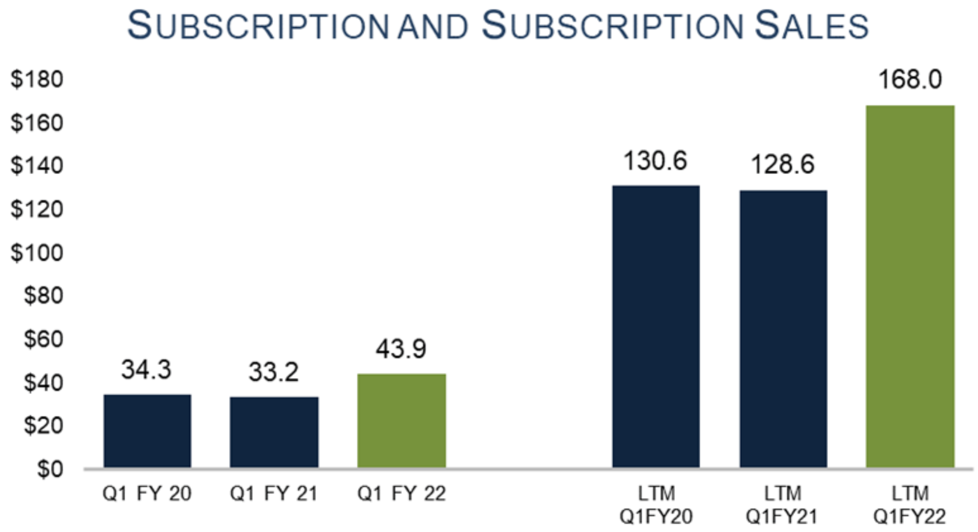
	Q1 FY22	Q1 FY 21	Chg	%	LTM Q1 FY22	LTM Q1 FY 21	Chg	%
Sales	**$ 61.3**	**$ 48.3**	**$ 12.9**	**26.8%**	**$ 237.1**	**$ 188.2**	**$ 48.9**	**26.0%**
Cost of Sales	13.7	11.9	1.7	14.4%	53.0	48.4	4.5	9.4%
Gross Profit	**47.6**	**36.4**	**11.2**	**30.8%**	**184.1**	**139.7**	**44.4**	**31.8%**
Gross Profit %	77.7%	75.3%	240	bps	77.7%	74.3%	339	bps
Operating SG&A	37.7	32.7	5.0	15.3%	149.9	126.7	23.3	18.4%
Operating SG&A %	61.5%	67.6%	612	bps	63.2%	67.3%	409	bps
Adjusted EBITDA	**9.9**	**3.7**	**6.2**	**167.3%**	**34.2**	**13.0**	**21.1**	**162.1%**

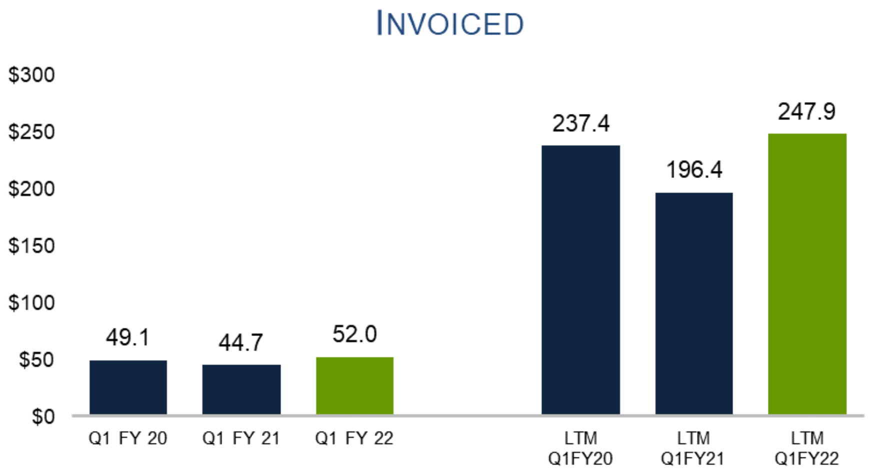
Note: Adjusted EBITDA and Operating SG&A are non-GAAP financial measures; please see Appendix for additional information. Amounts may not total due to rounding.

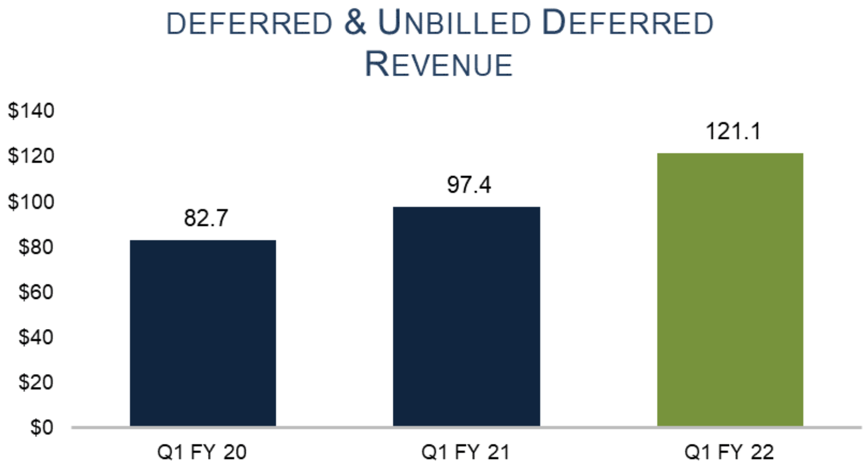
Franklin Covey: Strong Revenue Momentum

(in millions and unaudited)



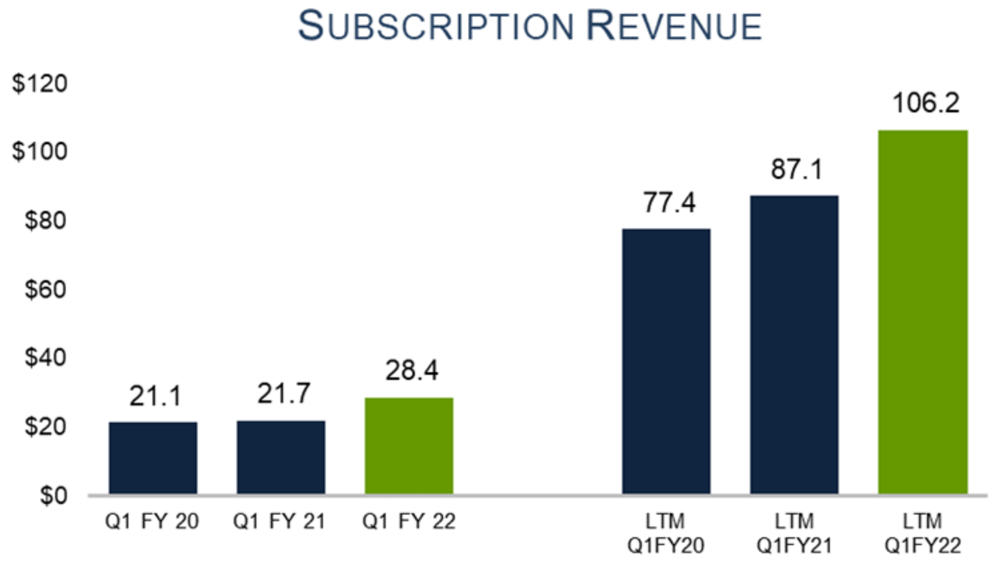


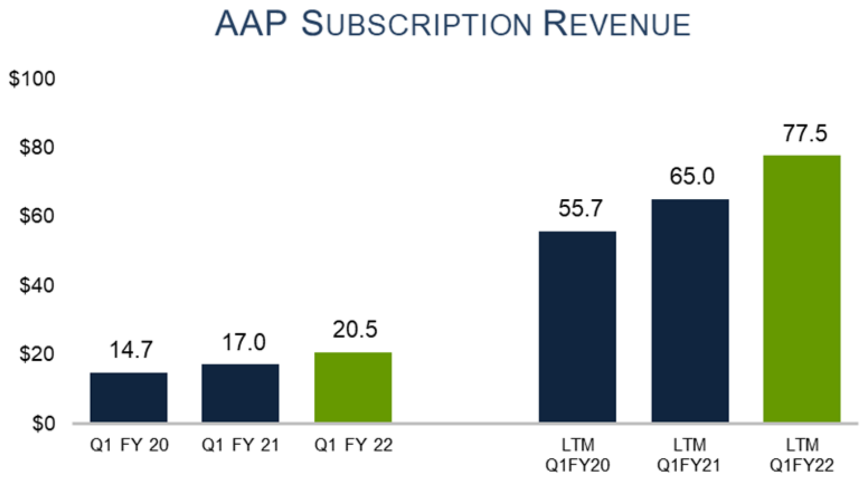


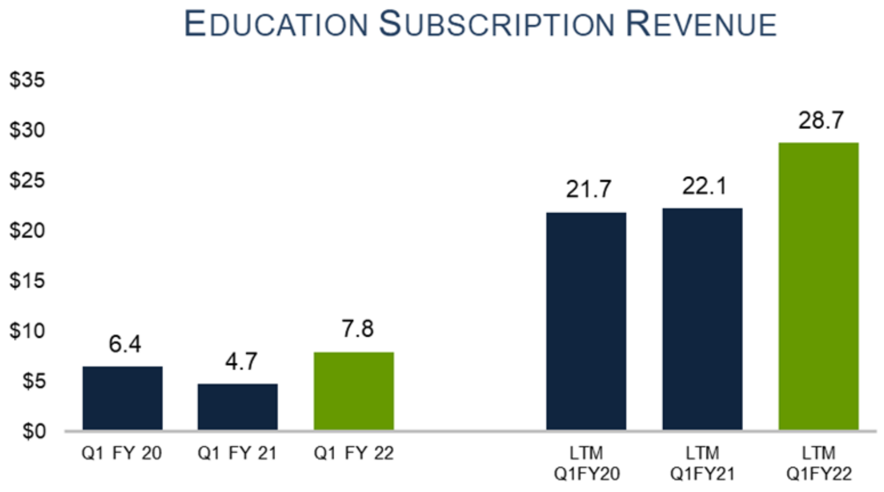


Trends in the Business

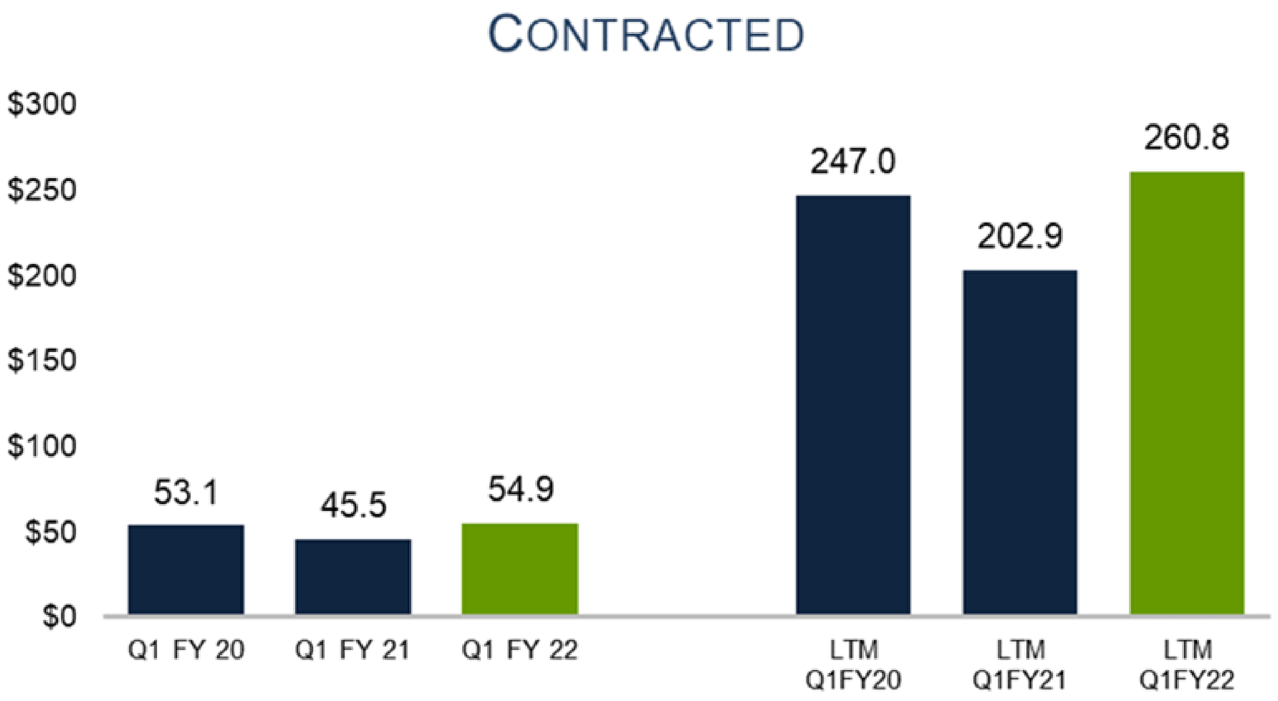
(in millions and unaudited)







Contracted
(in millions and unaudited)



FranklinCovey – Contracts Signed

(in thousands and unaudited)

First Quarter	Enterprise Division FY22	Enterprise Division FY21	Change	%	Education Division FY22	Education Division FY21	Change	%	Corporate FY22	Corporate FY21	Change	Total Company FY22	Total Company FY21	Change	%
Sales	48.1	39.3	8.8	22.3%	11.7	7.5	4.2	56.0%	1.4	1.5	(0.0)	61.3	48.3	12.9	26.8%
Change in Deferred Subscription Revenue	(3.9)	(0.6)	(3.3)	533.7%	(5.4)	(3.0)	(2.3)	77.1%	-	(0.0)	0.0	(9.3)	(3.6)	(5.6)	154.6%
Invoiced Amounts	44.2	38.7	5.5	14.1%	6.3	4.5	1.9	41.7%	1.4	1.5	(0.0)	52.0	44.7	7.3	16.3%
Change in Unbilled Deferred Revenue	2.8	0.8	2.0		0.2	0.0	0.2		0.0	(0.0)	0.0	3.0	0.9	2.1	
Total Contracts Signed	47.0	39.6	7.4	18.8%	6.5	4.5	2.0	45.1%	1.4	1.5	(0.0)	54.9	45.5	9.4	20.7%

LTM Q1 FY 22	Enterprise Division FY22	Enterprise Division FY21	Change	%	Education Division FY22	Education Division FY21	Change	%	Corporate FY22	Corporate FY21	Change	Total Company FY22	Total Company FY21	Change	%
Sales	177.4	141.7	35.7	25.2%	53.1	39.8	13.3	33.4%	6.6	6.6	(0.0)	237.1	188.2	48.9	26.0%
Change in Deferred Subscription Revenue	6.2	5.3	0.9	16.7%	4.7	2.9	1.7	60.0%	(0.1)	(0.0)	(0.1)	10.8	8.2	2.6	31.3%
Invoiced Amounts	183.6	147.1	36.6	24.9%	57.8	42.7	15.0	35.2%	6.5	6.6	(0.1)	247.9	196.4	51.5	26.2%
Change in Unbilled Deferred Revenue	12.7	5.9	6.8		0.2	0.6	(0.4)		-	0.0	(0.0)	12.9	6.5	6.4	
Total Contracts Signed	196.3	153.0	43.4	28.4%	58.0	43.3	14.7	33.9%	6.5	6.6	(0.1)	260.8	202.9	58.0	28.6%

First Quarter	Enterprise Division FY21	Enterprise Division FY20	Change	%	Education Division FY21	Education Division FY20	Change	%	Corporate FY21	Corporate FY20	Change	Total Company FY21	Total Company FY20	Change	%
Deferred Subscription Revenue Balance	45.7	40.7	5.0	12.2%	22.1	16.2	5.9	36.2%			-	67.8	56.9	10.8	19.0%
Unbilled Deferred Revenue Balance	52.0	39.3	12.7	32.3%	1.4	1.1	0.2	20.5%			-	53.4	40.5	12.9	31.9%
Total	97.7	80.0	17.6	22.0%	23.5	17.3	6.1	35.2%	-	-	-	121.1	97.4	23.7	24.4%

Notes:
- Please compare this information to the Segment Information footnote in Form 10-K.
- Please refer to Definitions in the Appendix for the definition of Deferred Revenue and Unbilled Deferred Revenue.
- May not total due to rounding.

Sales Information

(in millions and unaudited)

		FY2019					FY2020					FY 2021					FY 2022
	FY2018	Q1	Q2	Q3	Q4	FY2019	Q1	Q2	Q3	Q4	FY2020	Q1	Q2	Q3	Q4	FY2021	Q1
Sales																	
Reported Net Sales	209.8	53.8	50.4	56.0	65.2	225.4	58.6	53.7	37.1	49.0	198.5	48.3	48.2	58.7	68.9	224.2	61.3
Change in Deferred Revenue	11.4	(8.5)	(1.8)	0.3	18.3	8.3	(9.5)	(0.7)	(4.1)	16.7	2.4	(3.6)	1.6	(3.2)	21.7	16.5	(9.3)
Invoiced Amount	221.2	45.3	48.6	56.4	83.4	233.7	49.1	53.0	33.1	65.7	200.8	44.7	49.8	55.5	90.7	240.6	52.0
Balance Sheet																	
Roll-Forward of Deferred Subscription Revenue																	
Beginning Balance (deferred revenue)	36.4	48.4	41.4	39.6	39.9	48.4	58.2	48.7	48.0	43.9	58.2	60.6	57.0	58.5	55.3	60.6	77.0
Subscription Invoiced	69.7	9.8	15.9	19.3	37.8	82.8	11.6	20.6	18.2	38.5	88.9	18.0	24.4	22.7	50.8	115.9	19.1
Amounts Recorded to Revenue	(58.3)	(18.3)	(17.7)	(18.9)	(19.6)	(74.5)	(21.1)	(21.3)	(22.3)	(21.8)	(86.5)	(21.7)	(22.9)	(25.9)	(29.1)	(99.5)	(28.4)
Change in Deferred Revenue	11.4	(8.5)	(1.8)	0.3	18.3	8.3	(9.5)	(0.7)	(4.1)	16.7	2.4	(3.6)	1.6	(3.2)	21.7	16.4	(9.3)
FX, 606, and Other Changes	0.6	1.5	-	-	-	1.5	-	-	-	-	-	-	-	-	-	-	-
Ending Balance (Def Subscription Revenue)	48.4	41.4	39.6	39.9	58.2	58.2	48.7	48.0	43.9	60.6	60.6	57.0	58.5	55.3	77.0	77.0	67.8
Unbilled Deferred Contracts																	
Beginning Balance (off balance sheet)	17.2	24.5	24.4	25.0	23.7	24.5	29.9	34.0	34.8	33.4	29.9	39.6	40.5	37.4	41.3	39.6	50.4
New Unbilled Contracts	20.2	1.4	4.6	3.5	12.8	22.3	7.0	8.5	4.7	13.2	33.5	5.8	5.3	9.0	17.2	37.3	8.6
Amounts Invoiced	(12.9)	(1.5)	(4.0)	(4.7)	(6.6)	(16.9)	(3.0)	(7.7)	(6.1)	(7.1)	(23.9)	(5.0)	(8.3)	(5.2)	(8.1)	(26.5)	(5.6)
Ending Balance (off balance sheet)	24.5	24.4	25.0	23.7	29.9	29.9	34.0	34.8	33.4	39.6	39.6	40.5	37.4	41.3	50.4	50.4	53.4
Breakout of Deferred Sales (above)																	
Subscription Sales (Invoiced Amounts)																	
All Access Pass Subscriptions	48.8	8.3	15.1	13.7	21.2	58.3	10.3	19.4	11.8	22.1	63.6	15.9	22.5	16.9	25.8	81.0	16.4
Education Subscription Contracts	19.2	0.8	0.4	5.2	15.4	21.9	1.2	0.7	6.1	16.2	24.2	1.7	1.4	5.6	24.0	32.7	2.5
Other	1.7	0.7	0.5	0.3	1.2	2.7	0.2	0.5	0.3	0.2	1.2	0.4	0.6	0.2	1.0	2.2	0.2
Total Additions to balance sheet	69.7	9.8	15.9	19.3	37.8	82.8	11.6	20.6	18.2	38.5	88.9	18.0	24.4	22.7	50.8	115.9	19.1

Notes:

- Invoiced Amounts represent the amount billed (invoiced) in the period. The Invoiced Amount is equal to Reported Net Sales, plus the associated change in Deferred Subscription Sales on the balance sheet (adjusted for FX). AAP Subscriptions, Education Memberships, and Other Invoiced Subscriptions are all Invoiced Amounts. Unbilled portions of multi-year agreements are not included.
- The Difference between Change in Deferred Sales, which is added to Reported Net Sales to equal the Invoiced Amount, and the Change in Deferred Sales on the balance sheet is adjustments for FX, acquisitions and other. Q1 of FY2019 also includes the adjustment attributed to the adoption of Topic 606.
- Certain historical amounts have been adjusted to conform with the current presentation.
- Deferred Revenue is primarily a current liability. However, a small portion is long-term and recorded as a part of Other Liabilities. See Notes in the 10-K.
- Education Subscription Contracts consists of membership subscriptions which is recognized as sales over the course of the contract and Consulting which is recognized as sales upon delivery. These combined performance obligations are contracted, invoiced and paid together. See Deferred Subscription Revenue in the Definitions

Reconciliation of Net Income (Loss) to Adjusted EBITDA

(in thousands and unaudited)

	Quarter Ended	
	November 30, 2021	November 30, 2020
Reconciliation of net income (loss) to Adjusted EBITDA:		
Net income (loss)	$ 3,812	$ (892)
Adjustments:		
Interest expense, net	431	544
Income tax provision	1,302	179
Amortization	1,431	1,131
Depreciation	1,279	1,741
Stock-based compensation	1,649	1,158
Increase in contingent consideration liabilities	28	62
Government COVID-19 assistance proceeds	-	(207)
Adjusted EBITDA	$ 9,932	$ 3,716
Adjusted EBITDA margin	16.2%	7.7%

Note: Adjusted EBITDA and Operating SG&A are non-GAAP financial measures. Please see the appendix for additional information.

Additional Financial Information

(in thousands and unaudited)

	Quarter Ended November 30, 2021	Quarter Ended November 30, 2020
Sales by Division/Segment:		
Enterprise Division:		
Direct offices	$ 45,119	$ 36,743
International licensees	2,997	2,596
	48,116	39,339
Education Division	11,697	7,498
Corporate and other	1,446	1,487
Consolidated	$ 61,259	$ 48,324
Gross Profit by Division/Segment:		
Enterprise Division:		
Direct offices	$ 36,202	$ 29,439
International licensees	2,701	2,285
	38,903	31,724
Education Division	7,860	3,986
Corporate and other	835	676
Consolidated	$ 47,598	$ 36,386
Adjusted EBITDA by Division/Segment:		
Enterprise Division:		
Direct offices	$ 9,954	$ 6,703
International licensees	1,671	1,284
	11,625	7,987
Education Division	235	(2,285)
Corporate and other	(1,928)	(1,986)
Consolidated	$ 9,932	$ 3,716

Condensed Consolidated Balance Sheets

(in thousands and unaudited)

	November 30, 2021	August 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 51,250	$ 47,417
Accounts receivable, less allowance for doubtful accounts of $4,701 and $4,643	51,692	70,680
Inventories	2,579	2,496
Prepaid expenses and other current assets	16,162	16,115
Total current assets	121,683	136,708
Property and equipment, net	10,585	11,525
Intangible assets, net	48,667	50,097
Goodwill	31,220	31,220
Deferred income tax assets	4,259	4,951
Other long-term assets	14,246	15,153
	$ 230,660	$ 249,654

	November 30, 2021	August 31, 2021
Liabilities and Shareholders' Equity		
Current liabilities:		
Current portion of notes payable	$ 5,835	$ 5,835
Current portion of financing obligation	2,963	2,887
Accounts payable	5,485	6,948
Deferred subscription revenue	65,812	74,772
Other deferred revenue	11,958	11,117
Accrued liabilities	26,107	34,980
Total current liabilities	118,160	136,539
Notes payable, less current portion	11,759	12,975
Financing obligation, less current portion	10,387	11,161
Other liabilities	7,942	8,741
Deferred income tax liabilities	375	375
Total liabilities	148,623	169,791
Shareholders' equity:		
Common stock	1,353	1,353
Additional paid-in capital	213,504	214,888
Retained earnings	67,403	63,591
Accumulated other comprehensive income	565	709
Treasury stock at cost, 12,757 and 12,889 shares	(200,788)	(200,678)
Total shareholders' equity	82,037	79,863
	$ 230,660	$ 249,654

Condensed Consolidated Statements of Operations

(in thousands, except per-share amounts and unaudited)

	Quarter Ended November 30, 2021	Quarter Ended November 30, 2020
Net sales	$ 61,259	$ 48,324
Cost of sales	13,661	11,938
Gross profit	47,598	36,386
Selling, general, and administrative	39,343	33,683
Depreciation	1,279	1,741
Amortization	1,431	1,131
Income (loss) from operations	**5,545**	**(169)**
Interest expense, net	(431)	(544)
Income (loss) before income taxes	**5,114**	**(713)**
Income tax provision	(1,302)	(179)
Net income (loss)	**$ 3,812**	**$ (892)**
Net income (loss) per common share:		
Basic and diluted	$ 0.27	$ (0.06)
Weighted average common shares:		
Basic	14,246	13,977
Diluted	14,312	13,977
Other data:		
Adjusted EBITDA[1]	$ 9,932	$ 3,716

(1) The term Adjusted EBITDA (earnings before interest, income taxes, depreciation, amortization, stock-based compensation, and certain other items) is a non-GAAP financial measure that the Company believes is useful to investors in evaluating its results. For a reconciliation of this non-GAAP measure to the most comparable GAAP equivalent, refer to the Reconciliation of Net Income (Loss) to Adjusted EBITDA.

Enterprise Division - Financial Summary

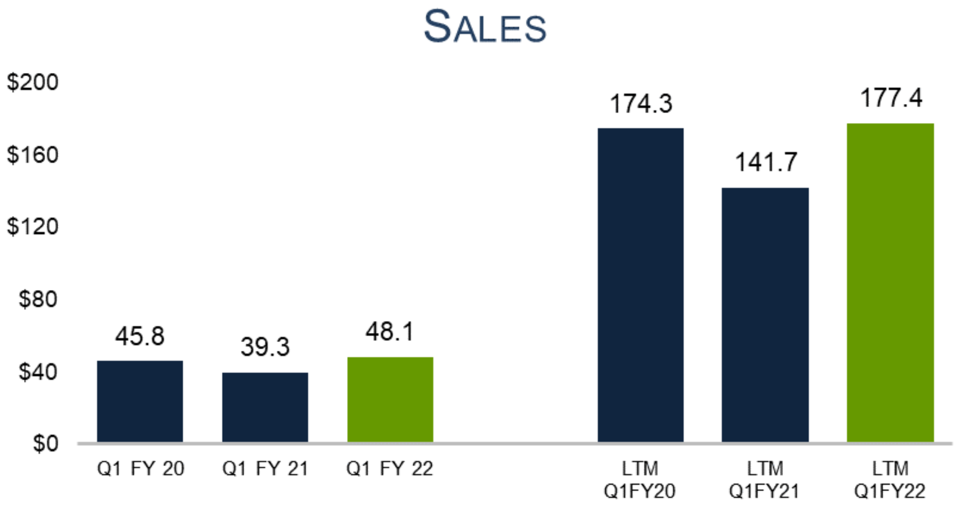
(in millions and unaudited)

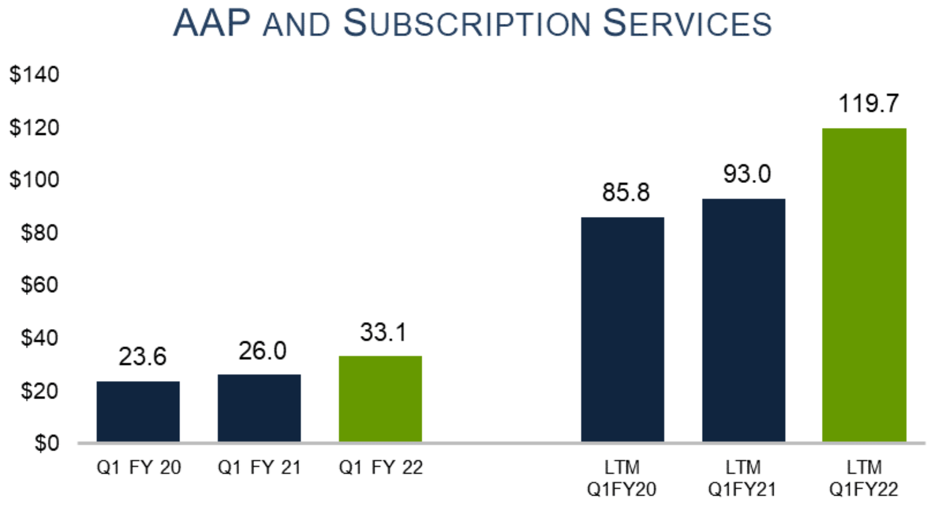
	Q1 FY22	Q1 FY 21	Chg	%	LTM Q1 FY22	LTM Q1 FY 21	Chg	%
Sales	**$ 48.1**	**$ 39.3**	**$ 8.8**	**22.3%**	**$ 177.4**	**$ 141.7**	**$ 35.7**	**25.2%**
Cost of Sales	9.2	7.6	1.6	21.0%	33.1	29.7	3.4	11.4%
Gross Profit	**38.9**	**31.7**	**7.2**	**22.6%**	**144.3**	**112.0**	**32.3**	**28.8%**
Gross Profit %	80.9%	80.6%	21	bps	81.3%	79.0%	231	bps
Operating SG&A	27.3	23.7	3.5	14.9%	109.1	91.7	17.5	19.1%
Operating SG&A %	56.7%	60.3%	365	bps	61.5%	64.7%	316	bps
Adjusted EBITDA	**11.6**	**8.0**	**3.6**	**45.6%**	**35.2**	**20.3**	**14.8**	**72.9%**

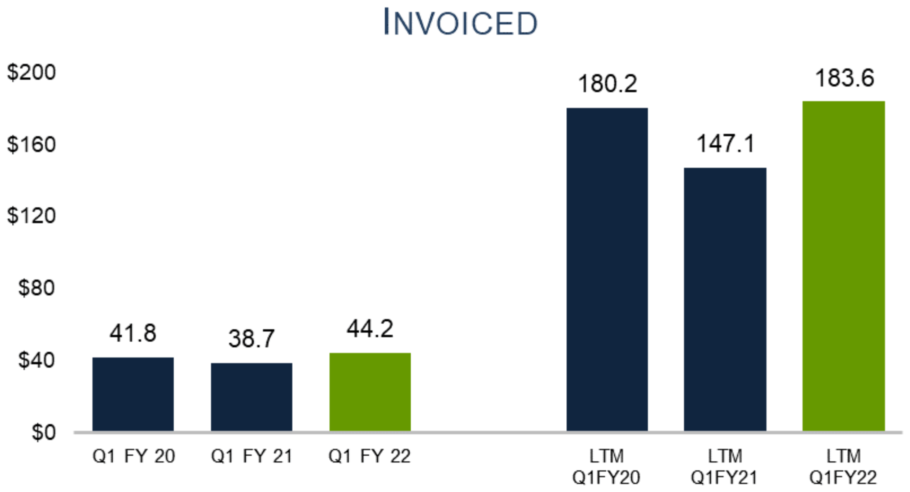
Note: Adjusted EBITDA and Operating SG&A are non-GAAP financial measures; please see Appendix for additional information. Amounts may not total due to rounding.

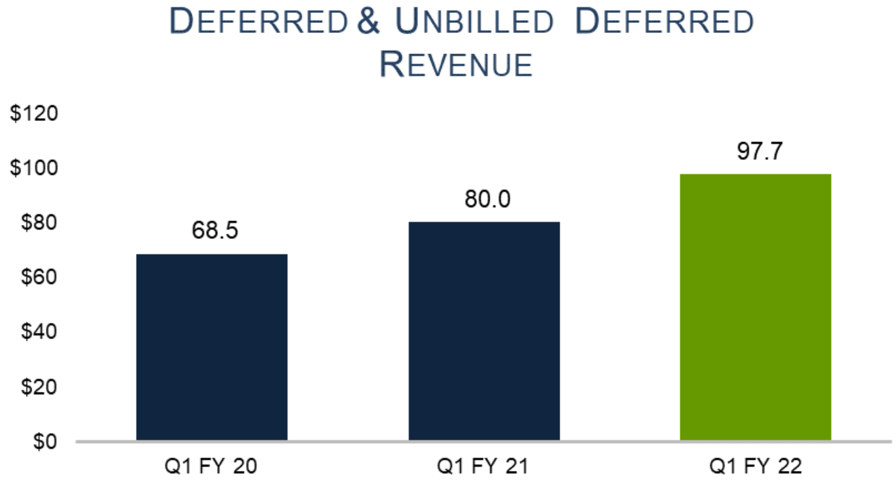
Enterprise Division - Strong Revenue Momentum

(in millions and unaudited)









Enterprise Division - AAP & Related Revenue

(in millions and unaudited)

	LTM Q1FY22	LTM Q1FY21	Q1FY22	Q4FY21	Q3FY21	Q2FY21	Q1FY 21
AAP Sales	$77.5	$65.0	$20.5	$20.3	$19.2	$17.5	$17.0
AAP Add on Sales*	42.1	28.0	12.6	11.7	10.5	7.3	9.0
Total AAP and Related	**119.7**	**93.0**	**33.1**	**32.0**	**29.7**	**24.8**	**26.0**
Percent of AAP and Related Sales to Total Enterprise Sales	**67%**	**66%**	**69%**	**70%**	**66%**	**65%**	**66%**
Legacy Sales	39.9	33.5	9.5	10.4	10.8	9.1	8.7
International licensees	9.4	7.3	3.0	1.6	2.4	2.4	2.6
Other Sales	8.4	8.0	2.4	2.0	2.2	1.8	2.0
Total Enterprise Sales	**$177.4**	**$141.7**	**$48.1**	**$46.0**	**$45.1**	**$38.2**	**$39.3**

	LTM Q1FY22	LTM Q1FY21	Q1FY22	Q4FY21	Q3FY21	Q2FY21	Q1FY 21
North America Sales	$125.6	$101.8	$33.4	$33.6	$31.6	$27.0	$27.4
International Direct Office Sales	33.8	24.6	$9.3	$8.7	$8.8	$7.0	$7.3
Other Sales	8.4	8.0	2.4	2.0	2.2	1.8	2.0
Total Direct Office Division Sales	167.8	44.4	45.1	44.4	42.6	35.7	36.7
International Licensees	9.4	7.3	3.0	1.6	2.4	2.4	2.6
Total Enterprise Sales	**$177.4**	**$141.7**	**$48.1**	**$46.0**	**$45.1**	**$38.2**	**$39.3**

Note: Beginning in Q1 FY22, the Company reclassified China sales from “Other” to Legacy to reflect the Company’s emphasis to begin selling AAP in China. Prior periods have been restated to be consistent with the presentation. Legacy Sales are the sales in areas where AAP is being offered that are not associated with an AAP sale. If a historical Legacy client purchases an AAP, all future facilitator materials or consulting sales from that client are considered to be AAP related.

Education Division - Financial Summary

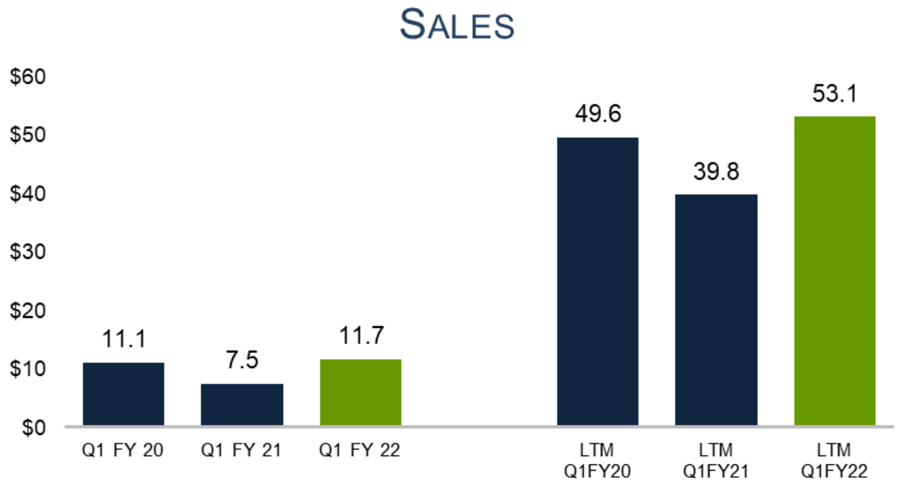
(in millions and unaudited)

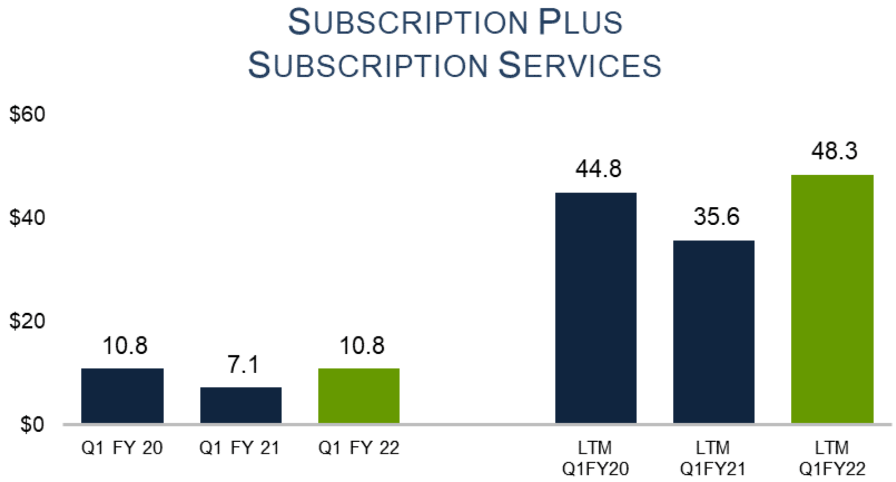
	Q1 FY22	Q1 FY 21	Chg	%	LTM Q1 FY22	LTM Q1 FY 21	Chg	%	FY 2021	FY 2019	Chg	%
Sales	**$ 11.7**	**$ 7.5**	**$ 4.2**	**56.0%**	**$ 53.1**	**$ 39.8**	**$ 13.3**	**33.4%**	**$ 53.1**	**$ 48.9**	**$ 4.2**	**8.6%**
Cost of Sales	3.8	3.5	0.3	9.3%	16.5	15.4	1.1	6.9%	16.5	18.5	(2.0)	-11.1%
Gross Profit	**7.9**	**4.0**	**3.9**	**97.2%**	**36.6**	**24.4**	**12.2**	**50.0%**	**36.6**	**30.4**	**6.3**	**20.6%**
Gross Profit %	67.2%	53.2%	1,403	bps	69.0%	61.3%	766	bps	69.0%	62.1%	687	bps
Operating SG&A	7.6	6.3	1.4	21.6%	29.3	25.7	3.6	14.1%	29.3	26.8	2.5	9.3%
Operating SG&A %	65.2%	83.6%	1,842	bps	55.2%	64.5%	934	bps	55.2%	54.9%	(33)	bps
Adjusted EBITDA	**0.2**	**(2.3)**	**2.5**	**-110.3%**	**7.3**	**(1.3)**	**8.6**	**-677.8%**	**7.3**	**3.6**	**3.8**	**106.4%**

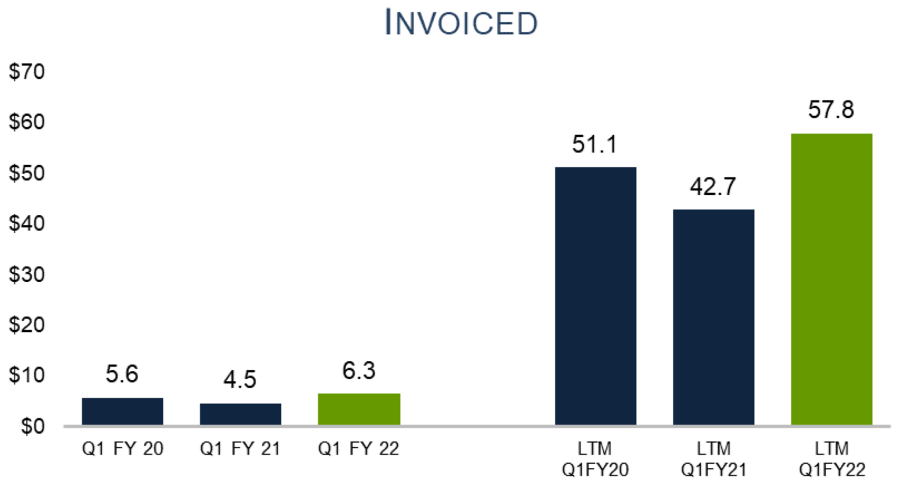
Note: Adjusted EBITDA and Operating SG&A are non-GAAP financial measures; please see Appendix for additional information. Amounts may not total due to rounding.

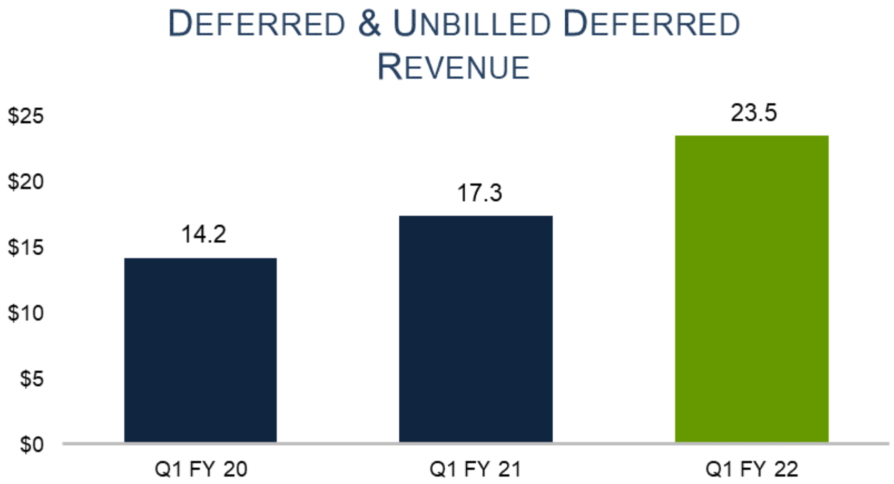
Education Division - Revenue Momentum

(in millions and unaudited)

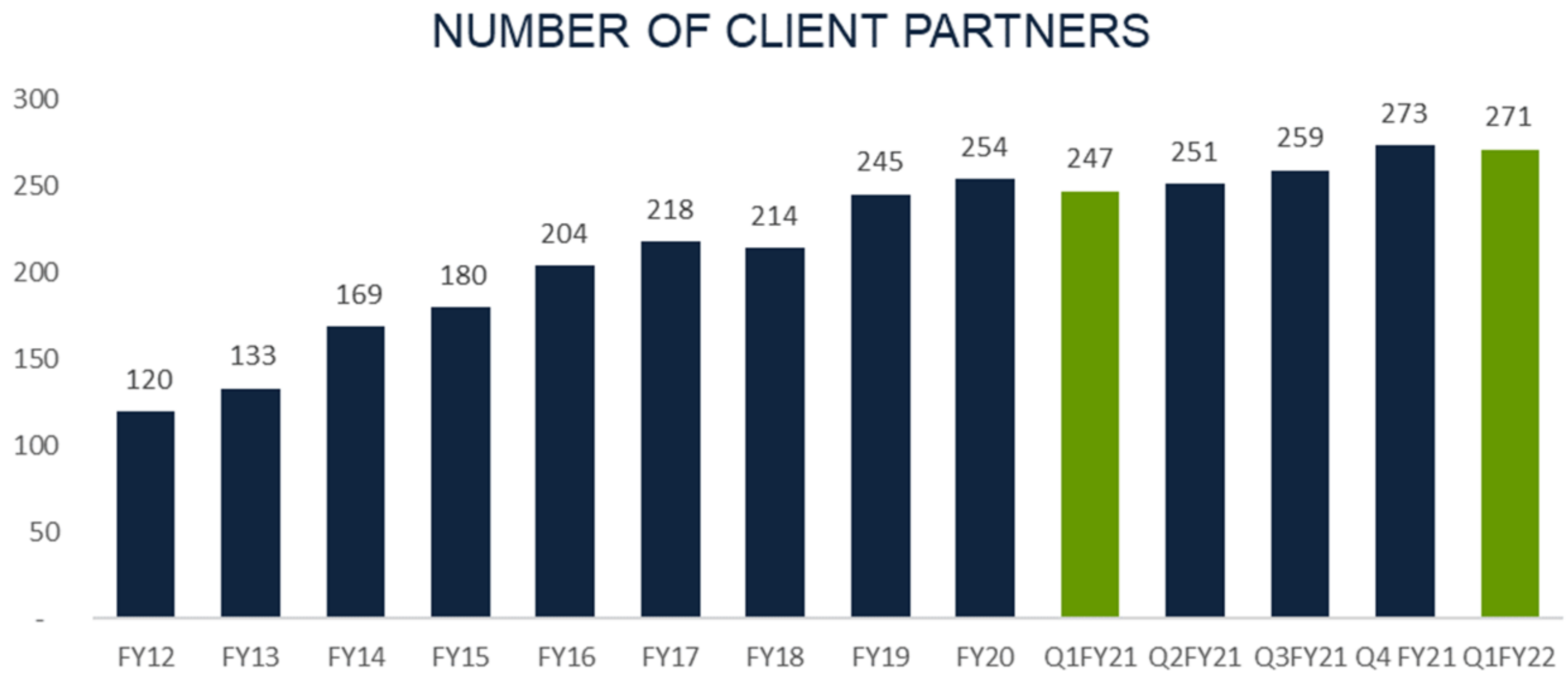








Number of Client Partners



Definitions

- “Deferred Subscription Revenue” primarily consists of billings or payments received in advance of revenue being recognized from subscription services. Deferred revenue is recognized as sales as the revenue recognition criteria are met. The Company generally invoices customers in annual installments upon execution of a contract. With the Leader in Me offering, the contract includes both membership and Onsite consulting which can be invoiced to the client in one lump sum. In this circumstance, the entire lump sum is included in Deferred Revenue. The Education Deferred Revenue related to the LIM is recognized as revenue over the life of the contract whereas the consulting is recognized when the consulting takes place. The deferred revenue balance is influenced by several factors, including seasonality, the compounding effects of renewals, contract duration, invoice timing and contract size. When Management refers to Deferred Revenue or the change in Deferred Revenue it is primarily referring to the subscription related portion and not the customer deposits and other portions.

- “Unbilled Deferred Revenue” is an operational measure that represents future billings under our non-cancelable subscription agreements that have not been invoiced and accordingly are not recorded in our recognized revenue or deferred revenue.

- “Invoiced” is the sum of reported Net Sales plus the change in Deferred Revenue reported on the balance sheet (a portion of which is recorded as a current liability and a portion as a long-term liability and represents the amount of billings during the period). We typically invoice our customers annually upon execution of the contract or subscription renewals. Our clients frequently prepay for products and services, which prepayment is included in amounts invoiced and corresponding Deferred Revenue. Invoiced amounts does not include items such as deposits that are generally refundable at the client’s request prior to the satisfaction of the performance obligation.

- “Contracted” is the sum of Invoiced Amounts plus the Change in Unbilled Deferred Revenue (not recorded on the balance sheet) and, as the term reflects represents, the total amount of contracts with customers that were entered into during the period.

- “Sales Flow-Through” is the year-over-year change in Adjusted EBITDA divided by the year-over-year change in sales.

- “Add-on Sales” is a sale which has been recognized from a client that has purchased Onsite training or materials in connection with or subsequently to entering into a subscription arrangement. This is in contrast to a Legacy sale which is generally Onsite training or materials for a client which has not entered into a subscription arrangement.

Definitions

- “Operating SG&A” is non-GAAP financial measure. It generally excludes stock-based compensation, changes to contingent earn-out liability and unusual or one-time charges. See the Reconciliation of Net Income or Loss to Adjusted EBITDA in additional financial information.

- “Adjusted EBITDA” (earnings before interest, income taxes, depreciation, amortization, stock-based compensation, and certain other items) is a non-GAAP financial measure that the Company believes is useful to investors in evaluating its results. A reconciliation of “Adjusted EBITDA,” to consolidated net income (loss), the most comparable GAAP financial measure is provided within this presentation. The Company references this non-GAAP financial measure in its decision making because it provides supplemental information that facilitates consistent internal comparisons to the historical operating performance of prior periods and the Company believes it provides investors with greater transparency to evaluate operational activities and financial results. We are unable to provide a reconciliation of forward-looking estimates of non-GAAP Adjusted EBITDA to GAAP measures because certain information needed to make a reasonable forward-looking estimate is difficult to estimate and dependent on future events which may be uncertain or out of our control, including the amount of AAP contracts invoiced, the number of AAP contracts that are renewed, necessary costs to deliver our offerings such as unanticipated content development costs, and other potential variables. Accordingly, a reconciliation is not available without unreasonable effort.

- “Client Partner Ramp” is the expected amount of invoiced amounts the Company expects its client partners to generate based upon the length of time the client partner has been in a sales role. This metric measures client partners who are currently employed by the Company and does not subtract any accounts that are transitioned to a client partner from a previous client partner.

- North America revenue consists of revenue generated by our direct offices in the United States and Canada, including government sales.

- Constant Currency” Franklin Covey presents constant currency information to provide a framework for assessing how our underlying business performed excluding the effect of foreign currency rate fluctuations. There are several approaches that an entity can take to calculate constant currency information and Franklin Covey’s method may not be consistent with another entity’s constant currency calculation. To calculate this measure, Franklin Covey converts the actual monthly results of our foreign operations, including the results of our International Licenses, into $USD at the respective prior year monthly exchange rate. The non-GAAP measure should not be considered as a substitute for, or superior to, the measures of financial performance prepared in accordance with generally accepted accounting principles (GAAP).