

May 16, 2022



Genius Group Announces 83% Edtech Revenue Growth in 2021, \$28.6 Million Pro Forma Group Revenue

SINGAPORE, May 16, 2022 (GLOBE NEWSWIRE) -- Genius Group Limited (NYSE American: GNS) (the “Company” or “Genius Group”), a world-leading Edtech and entrepreneur education group that completed its IPO on NYSE American on April 12, 2022, today announced financial results for the fiscal year ended December 31, 2021.

2021 Highlights

- Pro forma Group revenue was \$28.6 million in 2021 for the Post-IPO Group of eight companies (“Post-IPO Group”), which consists of the four Pre-IPO companies (the “Pre-IPO Group”) and the four companies being acquired at the time of, or shortly after, the closing of the company’s initial public offering (the “IPO Acquisitions”).
- The Pre-IPO Group achieved record revenue of \$12.8 million, up 67% over revenue of \$7.6 million in 2020;
- Digital Edtech revenue for the Pre-IPO Group grew by 83%, education revenue grew by 72% and campus revenue grew by 54%.
- Students on the GeniusU Edtech platform grew from 1.9 million to 2.6 million students across 200 countries.
- The Post-IPO Group’s pro forma adjusted EBITDA was \$320,000 with a net loss of \$4.7 million in 2021. The Pre-IPO group’s adjusted EBITDA was (\$2.27 million) with a net loss of (\$4.5 million), compared to an adjusted EBITDA of (\$137,000) and a net loss of \$3.2 million in 2020;
- The Post-IPO Group’s pro forma shareholders’ equity at year-end 2021 was \$39.6 million. The Pre-IPO Group’s shareholders’ equity at year-end 2021 was \$8.0 million, up from \$7.7 million at year-end 2020;

Results for the Pre-IPO Group include the four Pre-IPO companies: the holding company Genius Group, GeniusU, Entrepreneurs Institute, and Entrepreneur Resorts. Pro forma results for the Post-IPO Group take into account the four IPO Acquisitions: Education Angels; E-Square Education; University of Antelope Valley; and Property Investors Network. The acquisitions of Education Angels and Property Investors Network have been consummated, while the acquisitions of E-Square Education and University of Antelope Valley are in the process of closing.

Financial results should be read in conjunction with the Company’s audited consolidated financial statements and related notes in the Company’s Annual Report on Form 20-F (“Annual Report on Form 20-F”), as filed with the U.S. Securities and Exchange Commission (“SEC”). Financial results are prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the International Accounting Standards Board.

Reconciliation of adjusted EBITDA to net income, the most comparable financial measure based upon IFRS, is included in the financial tables of this press release.

“Our growth strategy for Genius Group is a combination of organic growth and growth from acquisitions. In 2021, we achieved a strong growth rate from organic growth alone, as preparation for our IPO excluded any new acquisition activity,” commented Roger James Hamilton, Chairman and CEO of Genius Group. “Now, with our NYSE American IPO completed and the integration of all eight companies underway, Genius Group is operating from a position of strength as we move forward with our mission – To disrupt the current education model with a student-centered, lifelong learning curriculum that prepares students with the leadership, entrepreneurial and life skills to succeed in today’s market.”

“The IPO acquisitions have accelerated the expansion of our education system to age groups beyond our adult audience, to children and young adults,” continued Hamilton. “By continuing to apply the capabilities of our AI, digital marketing, and customer intelligence strategies across our combined group of companies and students of all ages, we see the momentum we experienced in 2021 continuing through 2022 and beyond.”

Fiscal Year 2021 Financial Results:

- The Company’s Pre-IPO Group revenues increased to \$12.8 million in 2021, up from \$7.6 million in 2020. This was driven primarily by an 83% increase in digital education revenue from \$5.3 million in 2020 to \$9.7 million in 2021. The \$28.6 million in pro forma revenue was the combination of \$12.8 million in revenue from the Pre-IPO Group and \$15.8 million in revenue from the IPO Acquisitions. This further breaks down to the following revenue from each IPO Acquisition: University of Antelope Valley, \$9.0 million in revenue (31% of total); Property Investors Network, \$5.1 million in revenue (18% of total); Education Angels, \$0.9 million in revenue (3% of total); and E-Square, \$0.7 million in revenue (2% of total).
- The Pre-IPO Group’s cost of revenue was \$10.0 million in 2021, with \$2.8 million in gross profit, or 22% gross margin, compared to \$4.1 million in 2020, with \$3.5 million in gross profit, or 46% gross margin. The Company’s cost of revenue grew in percentage terms in 2021 as a result of higher digital marketing and faculty costs as it expanded its curriculum to include more partners. The Company seeks to maintain a balance between growth and a positive gross margin. For the group companies, Genius Group’s pro forma cost of revenue in the fiscal year ended December 31, 2021 was \$15.9 million, delivering a gross profit of \$12.7 million, or 44% gross margin, compared to 2020 cost of revenue of \$8.7 million and gross profit of \$15.5 million and a 64% gross margin. By owning the majority of its curriculum and courses across all group companies and acquisitions, Genius Group is focused on maintaining a low cost of content and a high gross margin. The cost of revenue incurred is mainly customer acquisition costs and faculty costs.
- The Pre-IPO Group had operating expenses of \$7.3 million in the fiscal year ended December 31, 2021 compared to \$6.2 million in 2020. Approximately 60% of the Company’s operating expense is staff costs, with the remaining in development costs, marketing, rental, and general expenses. The increase in operating expenses is the result of the growth in operations, the expansion of curriculum, and preparations for the Company’s IPO and listing. Including the IPO Acquisitions, Genius Group’s pro forma operating expenses were \$17.3 million for the fiscal year ended December 31, 2021,

compared to \$16.1 million in 2020.

- As of December 31, 2021, the Pre-IPO Group had cash and cash equivalents of \$1.8 million.

Genius Group Earnings Call:

The Company will host an Earnings and Investor Update call on Thursday, May 26 at 16:30 Eastern Time. The details to join:

When: May 26, 2022 16:30 Eastern Time (US and Canada)

Topic: Genius Group Limited (“GNS”) Financial Results Investor Call

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/85142151273?pwd=9J4cJAbbdqDn53ERHtECS919hLsz6.1>

Passcode: 640451

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

United Kingdom: +44 203 901 7895 or +44 208 080 6591 or +44 208 080 6592 or +44 330 088 5830 or +44 131 460 1196 or +44 203 481 5237 or +44 203 481 5240

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Webinar ID: 851 4215 1273

International numbers available: <https://us02web.zoom.us/j/85142151273?pwd=9J4cJAbbdqDn53ERHtECS919hLsz6.1>

About Genius Group

Genius Group is a world-leading entrepreneur Edtech and education group, with a mission to disrupt the current education model with a student-centered, life-long learning curriculum that prepares students with the leadership, entrepreneurial and life skills to succeed in today’s market. The group has over 2.8 million students in 200 countries, ranging from ages 0 to 100. The group includes four pre-IPO companies (the “Pre-IPO Group”), and will include four companies intended to be acquired at the time of, or shortly after, the closing of the company’s initial public offering (the “IPO Acquisitions”). The acquisitions of two of these four IPO Acquisitions, Education Angels and Property Investors Network, have already been consummated.

The entrepreneur education system of our Pre-IPO Group has been delivered virtually and in-person, in multiple languages, locally and globally, mainly via the Pre-IPO Group’s artificial intelligence (AI)-powered, personalized GeniusU Edtech platform to adults seeking to grow their entrepreneur and leadership skills.

The Pre-IPO Group includes Genius Group, GeniusU, Entrepreneurs Institute and Entrepreneur Resorts. This group of entrepreneur education companies has grown both organically and through acquisitions, with a focus on adding value to each company through GeniusU, which is being developed to provide AI-driven personal recommendations and guidance for each student. The Pre-IPO Group is now expanding its education system to age groups beyond its current adult audience, to children and young adults. The four IPO Acquisitions will be the first steps towards this expansion. They include: Education Angels, which provides early learning in New Zealand for children from 0-5 years old; E-Square,

which provides primary and secondary school education in South Africa; University of Antelope Valley, which provides vocational certifications and university degrees in California, USA; and Property Investors Network, which provides property investment courses and events in England.

Genius Group's current plan is to combine the education programs of the IPO Acquisitions with its current education programs and Edtech platform as part of one lifelong learning system, and it has selected these acquisitions because they already share aspects of the Genius curriculum and its focus on entrepreneur education.

Forward-Looking Statements

This press release contains statements that constitute "forward-looking statements," including with respect to the closing of the remaining two IPO Acquisitions. Forward-looking statements are subject to numerous conditions, many of which are beyond the control of the Company, including those set forth in the "Risk Factors" section of the Company's Annual Report on Form 20-F filed with the SEC. Copies are available on the SEC's website, www.sec.gov. The Company undertakes no obligation to update these statements for revisions or changes after the date of this release, except as required by law.

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