



# Disclaimer

## General

This presentation is for informational purposes only to assist interested parties in making their own evaluation with respect to the proposed business combination between TPG Pace Tech Opportunities Corp. ("TPG Pace") and Live Learning Technologies LLC, d/b/a Nerdy, a limited liability company ("Nerdy"). The information contained herein does not purport to be all-inclusive and none of TPG Pace, Nerdy, Barclays Capital Inc., Deutsche Bank Securities or J.P. Morgan Securities LLC, nor any of their respective affiliates nor any of its or their control persons, officers, directors, employees or representatives makes any representation or warranty, express or implied, as to the accuracy, completeness or reliability of the information contained in this presentation.

## Use of Projections

This presentation contains financial forecasts prepared by TPG Pace with respect to certain financial metrics of Nerdy, including, but not limited to, revenues, gross profit, enterprise values, operating expenses, Adjusted EBITDA and free cash flow, which are being provided for illustrative purposes only. Neither TPG Pace's nor Nerdy's independent auditors has audited, reviewed, compiled, or performed any procedures with respect to the projections for the purpose of their inclusion in this presentation, and accordingly, neither of them expressed an opinion or provided any other form of assurance with respect thereto for the purpose of this presentation. Furthermore, TPG Pace's due diligence review of Nerdy business and financial statements remains ongoing. As a result, because the financial forecasts and projections in this presentation were prepared by TPG Pace and not by the management of Nerdy, these financial forecasts and projections should not be relied upon as being necessarily indicative of future results and may be impacted by findings made in TPG Pace's due diligence process. Neither TPG Pace nor Nerdy undertakes any commitment to update or revise the projections, whether as a result of new information, future events, or otherwise.

In this presentation, certain of the above-mentioned projected information has been repeated (in each case, with an indication that the information is an estimate and is subject to the qualifications presented herein), for purposes of providing comparisons with historical data. The assumptions and estimates underlying the prospective financial information are inherently uncertain and are subject to a wide variety of significant business, economic, and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information. Accordingly, there can be no assurance that the prospective forecasts are indicative of the future performance of TPG Pace, Nerdy or the combined company after completion of any proposed business combination or that actual results will not differ materially from those presented in the prospective financial information. Inclusion of the prospective financial information in this presentation should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

## Historical Financials

The historical financials of Nerdy are presented in accordance with generally accepted accounting principles and standards. The historical financials of Nerdy are presented in accordance with generally accepted accounting principles and standards. The historical financials of Nerdy are presented in accordance with generally accepted accounting principles and standards.

## Forward-Looking Statements

This presentation contains certain forward-looking information, including but not limited to, forecasts, projections, and other financial information. Such information is based on assumptions and estimates that are inherently uncertain and are subject to a wide variety of significant business, economic, and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information. Inclusion of the prospective financial information in this presentation should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

# Disclaimer (continued)

## Forward-Looking Statements (continued)

Accordingly, forward-looking statements, including any projections or analysis, should not be viewed as factual and should not be relied upon as an accurate prediction of future results. The forward-looking statements contained in this presentation are based on our current expectations and beliefs concerning future developments and their potential effects on TPG Pace and Nerdy. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control), or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described in the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in the Prospectus dated October 6, 2020 filed by TPG Pace with the SEC, as well as TPG Pace's other filings with the SEC.

Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. Accordingly, you should not put undue reliance on these statements.

## Use of Non-GAAP Financial Measures

This presentation includes non-GAAP financial measures, including net sales, adjusted EBITDA (loss), and free cash flow ("FCF"). Net sales represents client purchases inclusive of payments due within 30 days minus refunds recorded during the period, a close proxy for cash receipts from customers. Adjusted EBITDA (loss) is defined as net income or net loss, as applicable, before net interest income (expense), taxes, depreciation and amortization expense, non-cash compensation expense and other non-recurring items. FCF is the sum of operating cash flow and capital expenditures.

Management believes that these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Nerdy's financial condition and results of operations. TPG Pace believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends. Management does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. Other companies may calculate non-GAAP measures differently, and therefore the non-GAAP measures of Nerdy included in this presentation may not be directly comparable to similarly titled measures of other companies.

Please refer to footnotes where presented on each page of this Presentation or to the appendix for a description of these measures. This presentation also includes certain historical and forecasted non-GAAP financial measures. The Company is unable to quantify certain amounts that would be required to be included in the most directly comparable GAAP financial measures without unreasonable effort. Consequently, no disclosure of estimated comparable GAAP measures is included and no reconciliation of certain historical and forward looking non-GAAP financial measures is included.

## Industry and Market

Information and opinion Nerdy competes and reports by market representation or waiver of this information when information about of available. This presentation should not be assumed to be, or your engagement with

TPG Pace and Nerdy connection with the trademarks of third service marks, trade Pace or Nerdy, or any service marks and trademarks references are not in applicable law, their r

## No Offer or Solicitation

This presentation is not subscribe for or buy otherwise, nor shall it No offer of securities prospectus meeting t

## Important Information

In connection with the proxy statement/prospectus with the proposed with the SEC's website statement/prospectus decision with respect business combination

# Disclaimer (continued)

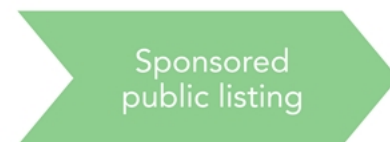
## Participants in the Solicitation

TPG Pace, Nerdy and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies of TPG Pace's shareholders in connection with the proposed business combination. Investors and security holders may obtain more detailed information regarding the names, affiliations and interests of certain of TPG Pace's executive officers and directors in the solicitation by reading TPG Pace's initial public offering prospectus, which was filed with the SEC on October 8, 2020, and the proxy statement and other relevant materials filed with the SEC in connection with the business combination when they become available. Other information concerning the interests of participants in the solicitation, which may, in some cases, be different than those of their shareholders generally, will be set forth in the proxy statement/prospectus relating to the business combination when it becomes available.

## Confidentiality

All recipients agree that they will keep confidential all information contained herein and not already in the public domain and will use this presentation solely for evaluation purposes. Recipient will maintain all such information in strict confidence, including in strict accordance with any underlying contractual obligations and all applicable laws, including United States federal and state securities laws. This presentation is not intended to constitute and should not be construed as investment advice and does not constitute investment, tax, or legal advice.

# Transaction Summary



NYSE: PACE

- TPG Pace Group raised \$450 million through the IPO of a special purpose acquisition company "PACE"), in October 2020. Concurrent with the IPO, PACE secured an additional \$150 million increasing PACE's capital base to \$600 million
- Pace has entered into a transaction agreement to merge with Live Learning Technologies LLC c
  - Nerdy will be listed on the NYSE under the ticker symbol NRDY with a majority independent management are expected to retain a 51% ownership stake with Founder, Chairman & C shareholder<sup>1</sup>
  - In connection with the transaction, PACE has raised a \$150 million PIPE of common equity from Templeton, Healthcare of Ontario Pension Plan, Koch Industries, and Learn Capital as well as
  - Pace expects to effect Nerdy's public listing with an expected market cap of \$1,702 million
  - Represents an attractive entry multiple of 7.1x projected 2022 Revenue of \$198 million
- Transaction combines a strong entrepreneurial team and best-in-class operations with a fully fu

Nerdy is a leading direct-to-consumer internet platform  
and a leading gig economy platform purpose-built

Note: Projections are TPG Pace estimates. With respect to projections, see page 2 "Use of Projections" under "Important Information".  
1. Market cap assumes \$10/share price. Target net cash assumes no redemptions by SPAC holders in business combination. See slide 41 for more information.

# TPG Pace Introduction

## Select TPG Tech & Marketplace Investments

- TPG has a long-history of supporting and investing in high-growth companies including internet platforms and marketplaces
- Track-record of identifying markets at inflection points and supporting companies poised to take advantage of structural market changes



## Select Recent TPG IPOs

- TPG has taken 56 companies public since 2011, 1 most of any sponsor<sup>1</sup>
- TPG Pace raised its first SPAC in 2015, and has completed 5 SPAC IPOs to date<sup>2</sup>
- TPG Pace has announced four SPAC business combinations, with all four SPACs trading above \$12/share before or shortly after closing<sup>3</sup>



Nerdy is a great match for TPG's investment

1. Source: Dealogic.

2. Acce! Entertainment was listed on the NYSE via a merger with TPG Pace Holdings Corp. EVBox Group has entered into a definitive agreement to be listed on the NYSE via a merger with TPG Pace Beneficial Finance Corp.

3. All four previous TPG SPACs traded up to \$12 / share or higher. PLYA first closed above \$12 / share on 7/19/2017 following closing in March 2017, MGY first closed above \$12 / share on 7/20/2018 prior to closing in late July 2019, ACI following closing in November 2019, and TPGY/EVBox first closed above \$12 / share on 12/11/2020, the first day following announcement of a business combination. Past performance is not a guarantee of future results.

# TPG Pace Joins High Quality Existing

## EXISTING NERDY INVESTORS

- TCV has invested over \$14 billion in leading technology companies and has helped guide CEOs through more than 125 IPOs and strategic acquisitions<sup>1</sup>

# TCV



# LearnCapital

- Learn Capital is a venture capital firm focused on breakthroughs in education technology



# Chan Zuckerberg Initiative

Existing investors and board have deep experience in marketplaces

1. Source: TCV.com



# Investment Thesis for Nerdy

|   |
|---|
| Large TAM Ripe for Disruption                         |
| Leading Gig Economy Platform for Learning             |
| Attractive Unit Economics                             |
| Scalable Technology Platform                          |
| Network Effects and Data Create Deep Competitive Moat |
| Business is at an Inflection Point                    |
| Creating Positive Change                              |
| Experienced, Entrepreneurial Team                     |

- \$1.3 trillion offline direct-to-c
- COVID forced a step-functor
- Nerdy is disrupting the marke
- Nerdy’s vertically integrated a increased convenience, and v
- LTVs improving with shift to c
- LTV / CAC of >3X<sup>2</sup>, immediat
- Purpose-built tech stack deliv
- AI and machine learning platf outcomes and higher learner
- Adaptive learning, diagnostic personalization based on an i
- Network effects: engagement engagement
- Nerdy’s business is inflecting
- Multiple growth vectors, inclu classes and self-guided study
- Nerdy’s platform increases ac
- Free classes provide millions
- Self-study platform provides :
- Led by Founder, Chairman &
- Deep senior management tea companies such as Amazon, I

1. UBS Global Research, Dec 17, 2020. Future reimagined: What opportunities will online bring to the US\$5tn global education market?  
 2. Total Net Sales Lifetime Value (“LTV”) is defined as new customer cohort actual spend for historical months and forecasted revenue for future periods, minus actual and forecasted cost of goods sold, extrapolating full-q multi-learning destination strategy. Customer Acquisition Cost (“CAC”) is defined as Q3-20 “Sales & Marketing Expense” to acquire a new customer, excluding test marketing spend, defined as marketing expense for free excluding payroll or outside consultant expenses. Amounts exclude Veritas Prep and First Tutors, herein referred to as “Legacy Businesses”.  
 3. Currently profitable on average customer purchase in 1st quarter after paying for cost of goods sold and CAC (defined above in footnote 2).

The image features a dark, blurred background of a laptop and keyboard. The Nerdy logo is prominently displayed in a bright green color. Below the logo, there are two paragraphs of text in white and green, describing the company's mission and vision.

# nerdy

We are a **purpose-driven** company enabling access to high quality instruction and **transforming** how people learn through **technology**.

**Personalized learning** is just a click away.

# Nerdy by the Numbers

**\$120M**

Annualized Revenue<sup>1</sup>  
2H-20E

**+87%**

Online Revenue Growth  
Q4-20E YoY Growth

**+59%**

Online Paid Active Learner Growth<sup>3</sup>  
Q4-20E YoY Growth

**nerdy**

**>3x**

LTV/CAC<sup>5</sup>

**68**

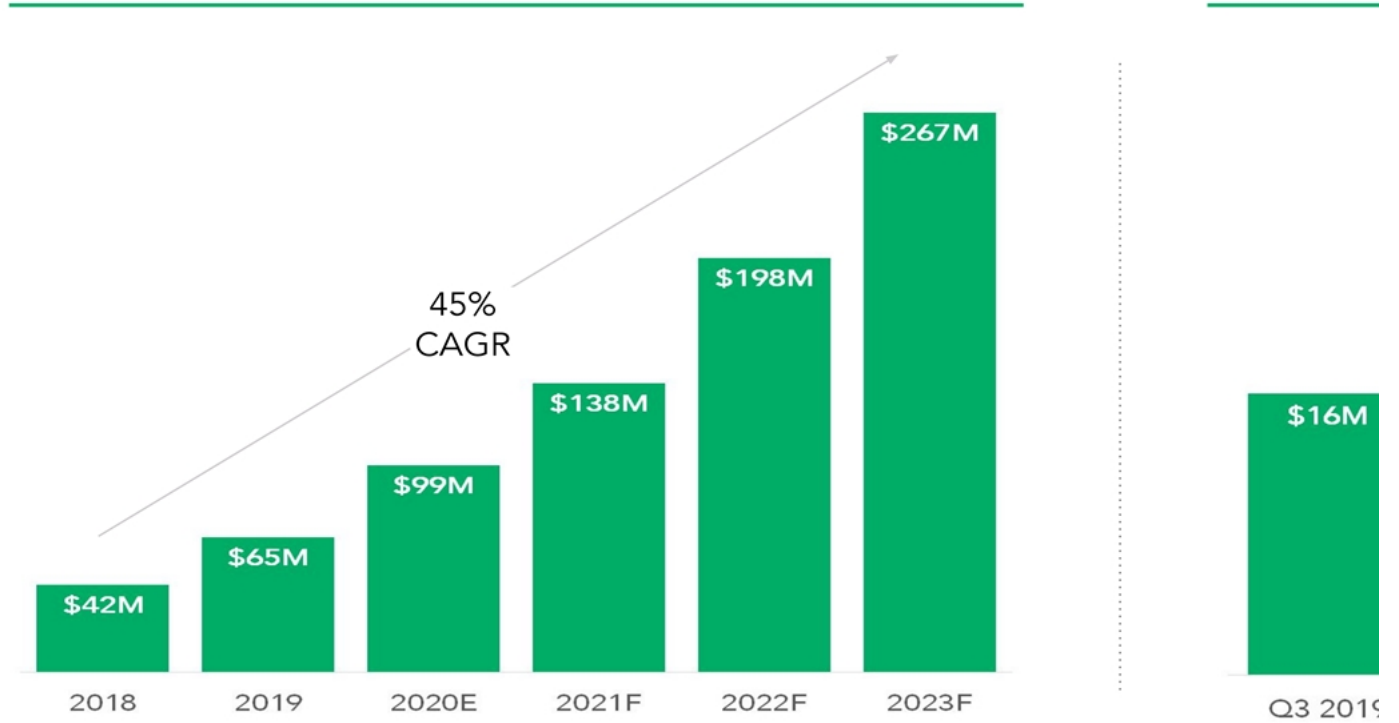
2020 Paid Learner Avg. NPS

1. Represents 2H-20E revenue annualized (2H-20E revenue multiplied by 2) and shown on U.S. GAAP basis.
2. Online learning format revenue, defined as 1:1 online tutoring revenue and online group classes revenue and excludes in-person revenue. Transition to 100% online was completed in April 2020.
3. Online paid active learners defined as the unique number of learners attending a paid online tutoring session or a paid online class in a given period. Amounts exclude Legacy Businesses.
4. Paid online sessions are defined as the number of online 1:1 tutoring sessions and the number of paid online group class attendees in a given period. Amounts exclude Legacy Businesses.
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6. Net Promoter or Net Promoter Score is the percentage of customers rating their likelihood to recommend a company, a product, or a service to a friend or colleague as 9 or 10 minus the percentage rating this at 6 or below, Q1-Q4 2020; n=700.

# Nerdy's Business is Growing Rapidly

Historical and Projected Online Revenue<sup>1</sup>

His



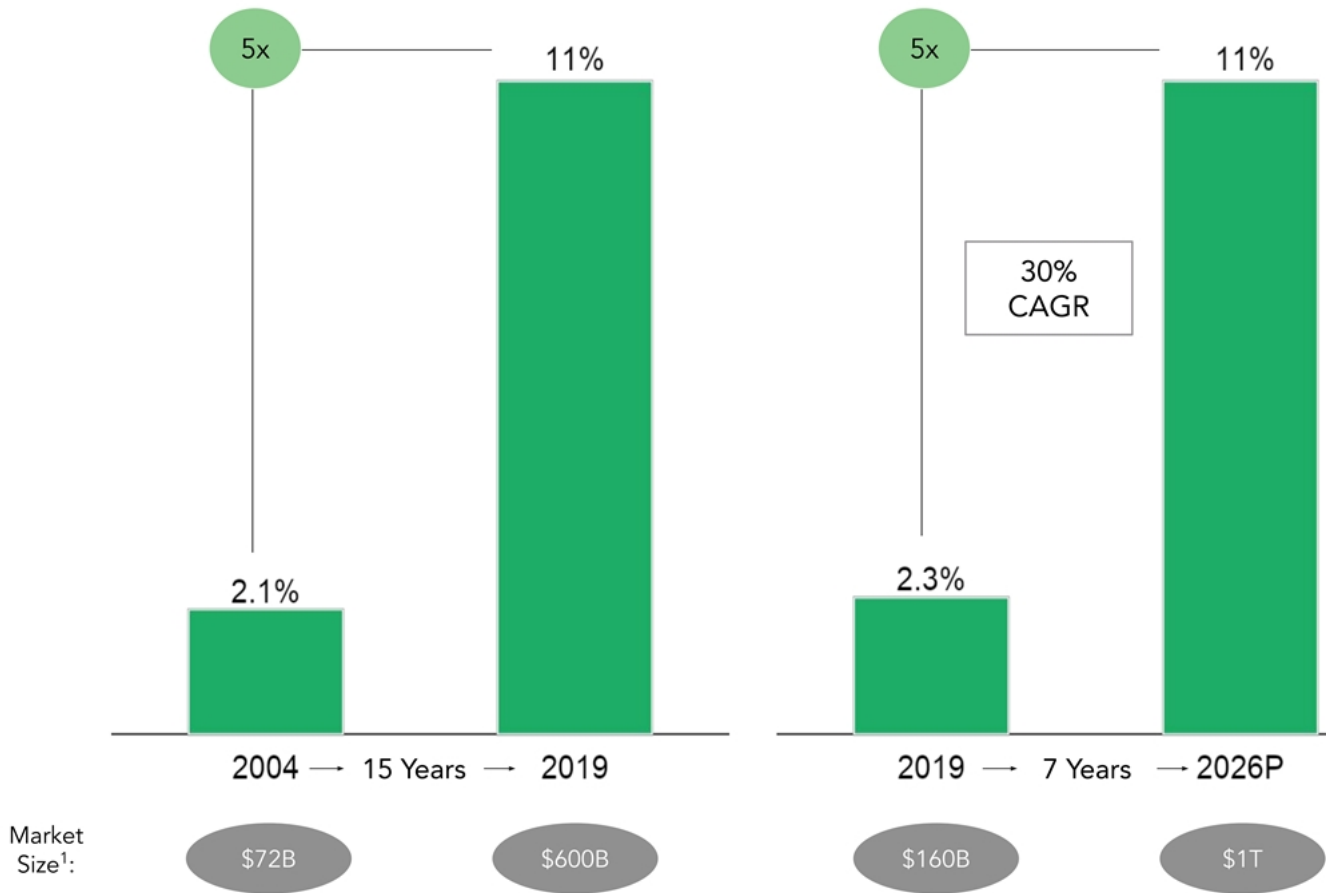
Note: Nerdy financial information shown does not conform to Regulation S-X or PCAOB standards and includes estimates of certain financial metrics adjusted to reflect PCAOB standards, and such information may not be included, with the SEC.

1. Online learning format revenue, defined as 1:1 online tutoring revenue and online group classes revenue and excludes in-person revenue. Transition to 100% online was completed in April 2020.

# Learning's Digital Transition is at a Faster Rate than Previous C

U.S. E-Commerce Digital Share (%)<sup>1</sup>

Global Learning Digital Share (%)



1. Dawn of the Age of Digital Learning, Michael Moe, GSV, May 6, 2020.  
 2. Survey of 1,000 Parents of K-12 learners conducted by Halsted Strategy Group, Nov 2020.

# Large Fragmented Market, F



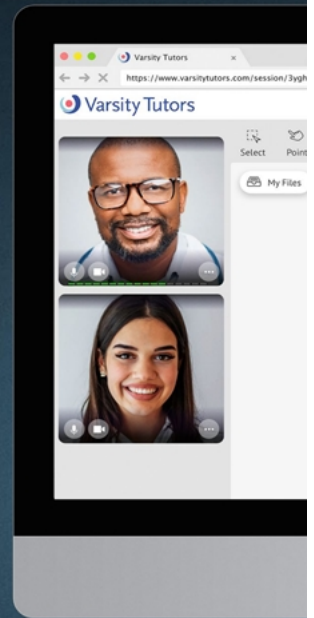
1. Technavio, US Private Tutoring Market (2020-2024).
2. Technavio, US Test Preparation Market (2020-2024).
3. IBISWorld: Fine Arts Schools in the US (16-Jun-2020).

Flagship Business:



# Leading platform for live, online tutoring<sup>1</sup>

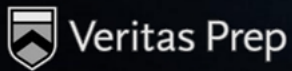
Personalized learning in any subject, anywhere, at any time



**4.7M+ hours** 2020 Live Instruction Hours

**3,000+ subjects** broadly distributed across diverse audiences

Legacy Businesses:



1. Leading online tutoring platform in the United States claim based on live hours in 2020 and subject breadth. Amounts exclude Legacy Businesses.

# A Comprehensive Learning Destination

Going beyond One-on-One to meet more learning needs

A continuous, multi-format learning experience



## One-on-One

Personal Instruction



## Adaptive Self Study

Assessments & Practice Problems



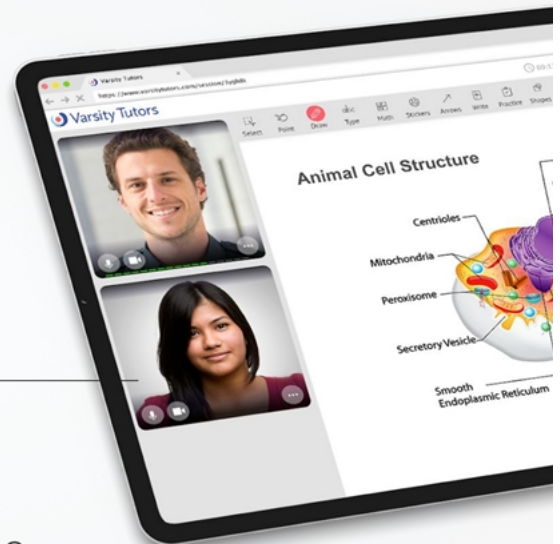
## Small Group Classes

Average 5-15 participants

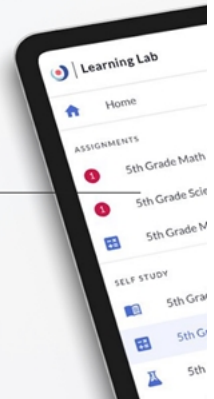


## Large Group Classes

500-50K participants



One-on-One Instruction



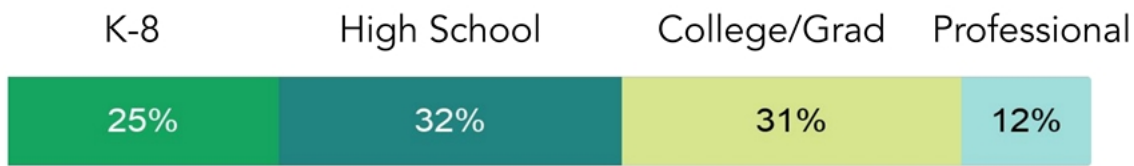
Adaptive Self Study

# Our Two-Sided Network: Le

## Learners

### Audience Breakout

Diverse population servicing learners across lifecycle



% of Net Sales by audience<sup>1</sup>

### Key Segments



#### Competitive & Investing

Proactive and planning ahead. Desire to deliver best score or be top of the class.



#### Reactive Remediation

Often triggered to get help by a failed test, falling behind, or a bad grade.



#### Enrichment & Passion

Internally motivated and curious to learn more about something they enjoy or want to develop.

Peo

45

Hold a C degree

1. Data for Q1-Q3 2020. Net sales is a non-GAAP measure representing client purchases inclusive of payments due within 30 days minus refunds recorded during the period, a close proxy for cash receipts from customers  
 2. Represents the percentage of 2020 active tutors who have a graduate or postgraduate degree.

# Superior Value Proposition for Bc

## Value for Learners



### Better Experience

Hand-picked experts, tech-enabled tools, multiple learning formats



### Convenient

Learners can interact when, where, and how they want including scheduled and on-demand instruction



### Cost Effective

Enabling exceptional experience at a great value

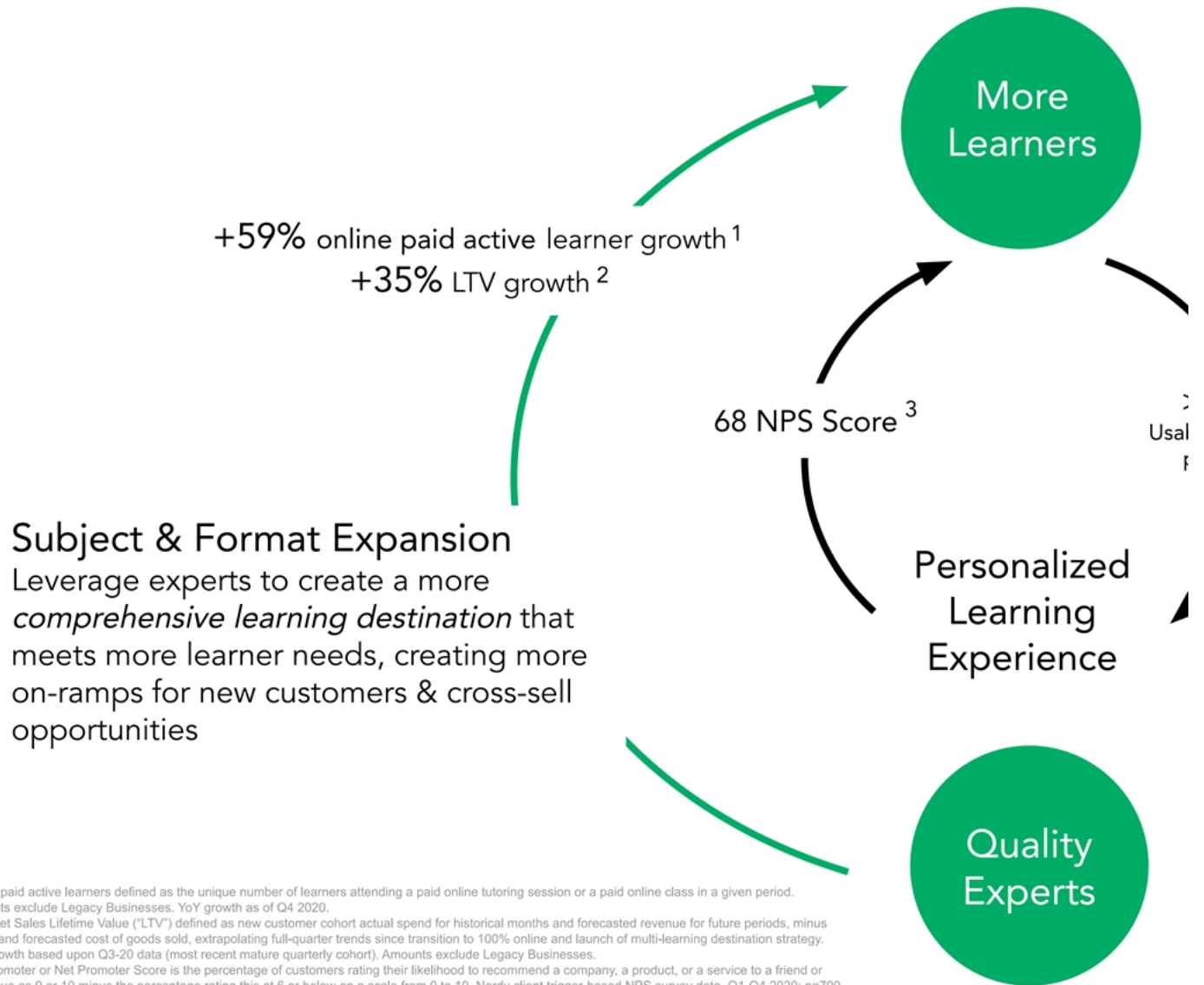


### Trust

Trusted brand for high quality instruction



# Powerful and Reinforcing Growth Factors



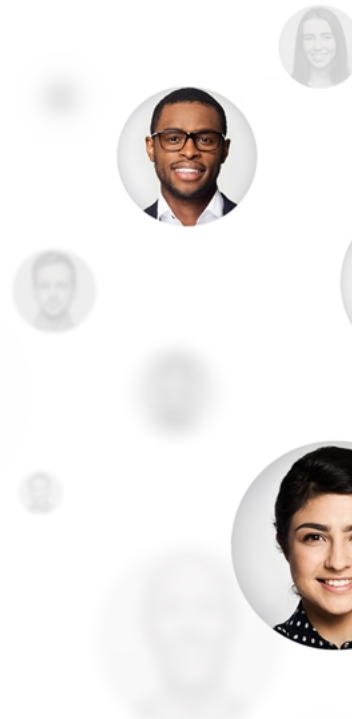
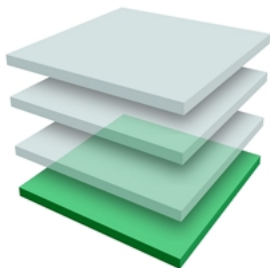
1. Online paid active learners defined as the unique number of learners attending a paid online tutoring session or a paid online class in a given period. Amounts exclude Legacy Businesses. YoY growth as of Q4 2020.
2. Total Net Sales Lifetime Value ("LTV") defined as new customer cohort actual spend for historical months and forecasted revenue for future periods, minus actual and forecasted cost of goods sold, extrapolating full-quarter trends since transition to 100% online and launch of multi-learning destination strategy. YoY growth based upon Q3-20 data (most recent mature quarterly cohort). Amounts exclude Legacy Businesses.
3. Net Promoter or Net Promoter Score is the percentage of customers rating their likelihood to recommend a company, a product, or a service to a friend or colleague as 9 or 10 minus the percentage rating this at 6 or below on a scale from 0 to 10. Nerdy client trigger-based NPS survey data, Q1-Q4 2020; n=700. Amounts exclude Legacy Businesses.
4. Defined as data points generated from student attributes, instructor attributes, past matching, learning interactions from online platform, website and marketing event interactions, and self study interaction. Amounts exclude Legacy Businesses.
5. Sources: Average session rating on customer feedback (all time thru December 2020). Amounts exclude Legacy Businesses.

# An Operating System Engineered For Learning

AI *for* HI™

Artificial Intelligence  
for Human Interaction





# Curation Layer

## Identifying the best experts

With our rich database of past learning interactions, we've identified the critical traits, knowledge, and experience that highly correlate to better outcomes.

**100,000**

Hours of recorded video interviews<sup>1</sup>

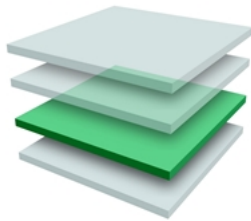
**3,000+**

Subjects of Expertise

**900K**

Applicants<sup>1</sup>

1. 2012 thru December 2020. Amounts exclude Legacy Businesses.



AI-Po

Both learne  
matched

# Matching Layer

## Selecting the best expert



We optimize across a high dimensional set of features to identify the learner-to-expert matches with the highest projected probability of a successful interaction.

100+

Features per learner and instructor

>800K

Learner and expert matches<sup>1</sup>

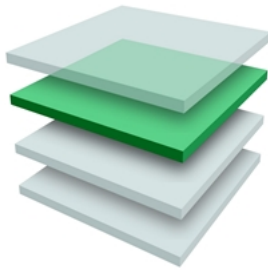
>80M

Usable data points for personalization<sup>2</sup>

Sources: Average sessio

1. 2012 thru December 2020. Amounts exclude Legacy Businesses.

2. Defined as data points generated from student attributes, instructor attributes, past matching, learning interactions from online platform, website and marketing event interactions, and self study interaction. Amounts exclude Legacy B



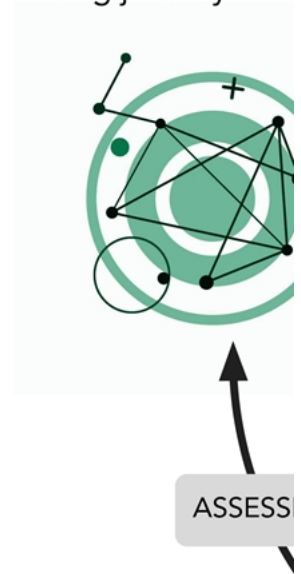
# Adaptive Learning Layer

Personalizing the learning path to mastery

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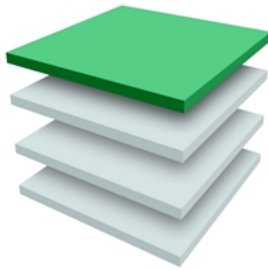
Model-derived insights at the heart of a knowledge inference engine capturing every decision to continuously adapt the sequencing of curriculum.

Continuous evolution across learning journey



Learn  
ev

The system  
its in



# Interaction Layer

## Optimizing human interaction

An automation system interleaving human judgment with machine intelligence.

- ✓ Collaborative work space purpose built for learning
- ✓ Subject-specific tools and references
- ✓ Recordings and snapshots for post-session review
- ✓ Integrated personalization features

Two-way  
video



# Consumers Love their Experience

“

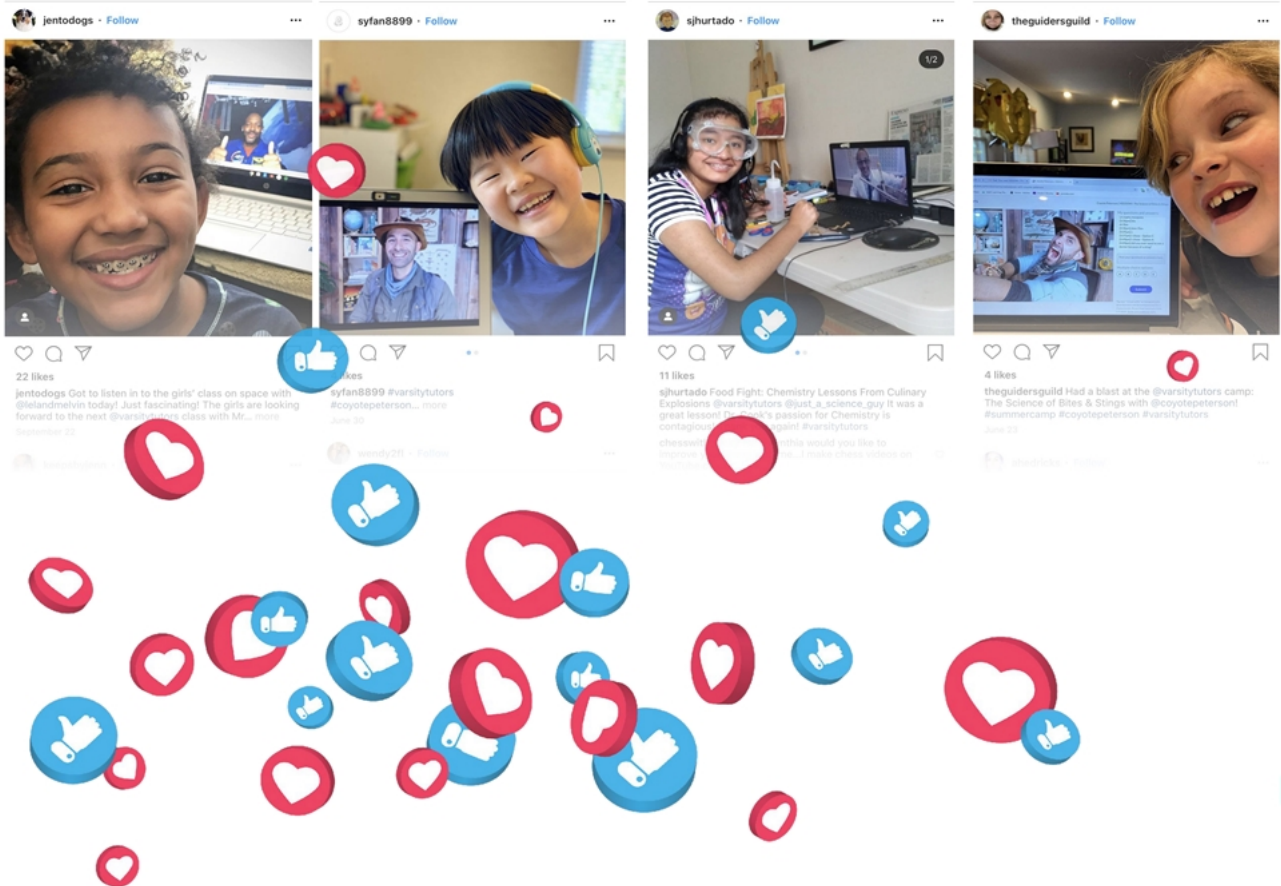
It was **exactly what my son needed...** In just a few weeks he had a better grasp on Spanish 4 and **raised his grade significantly!** I **highly recommend** them to anyone that needs additional help!

68



1. Net Promoter or Net Promoter Score is the percentage of customers rating their likelihood to recommend a company, a product, or a service to a friend or colleague as 9 or 10 minus the percentage rating this at 6 or below survey data, Q1-Q4 2020; n=700.
2. NPS score source: Retently, "What Do Companies with High Net Promoter Score Have in Common", 3/19/19.

# Building a Lasting Brand, Founded in Trust

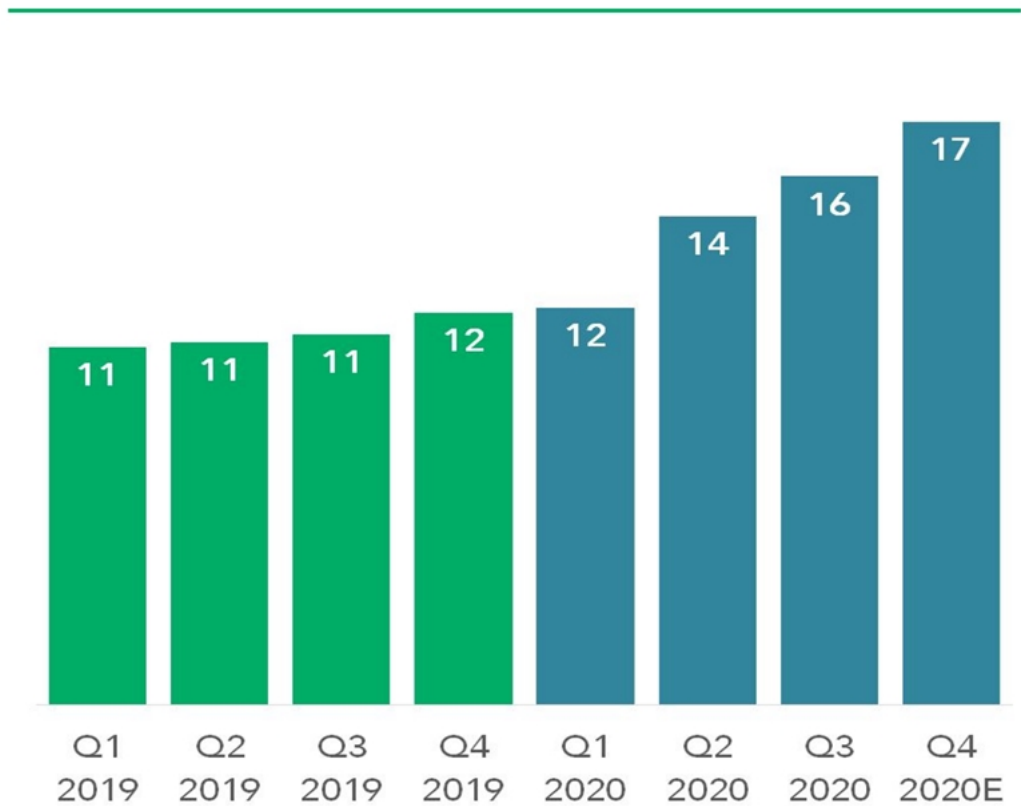


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hi

1. Survey of gen pop, 1,000 Parents of K-12 learners. Conducted by Halsted Strategy Group, Nov 2020.
2. Survey among current and past Nerdy users. Conducted by Halsted Strategy Group, Nov 2020.

# Expert Engagement is Strong and Growing

Paid Sessions per Active Expert<sup>1</sup>



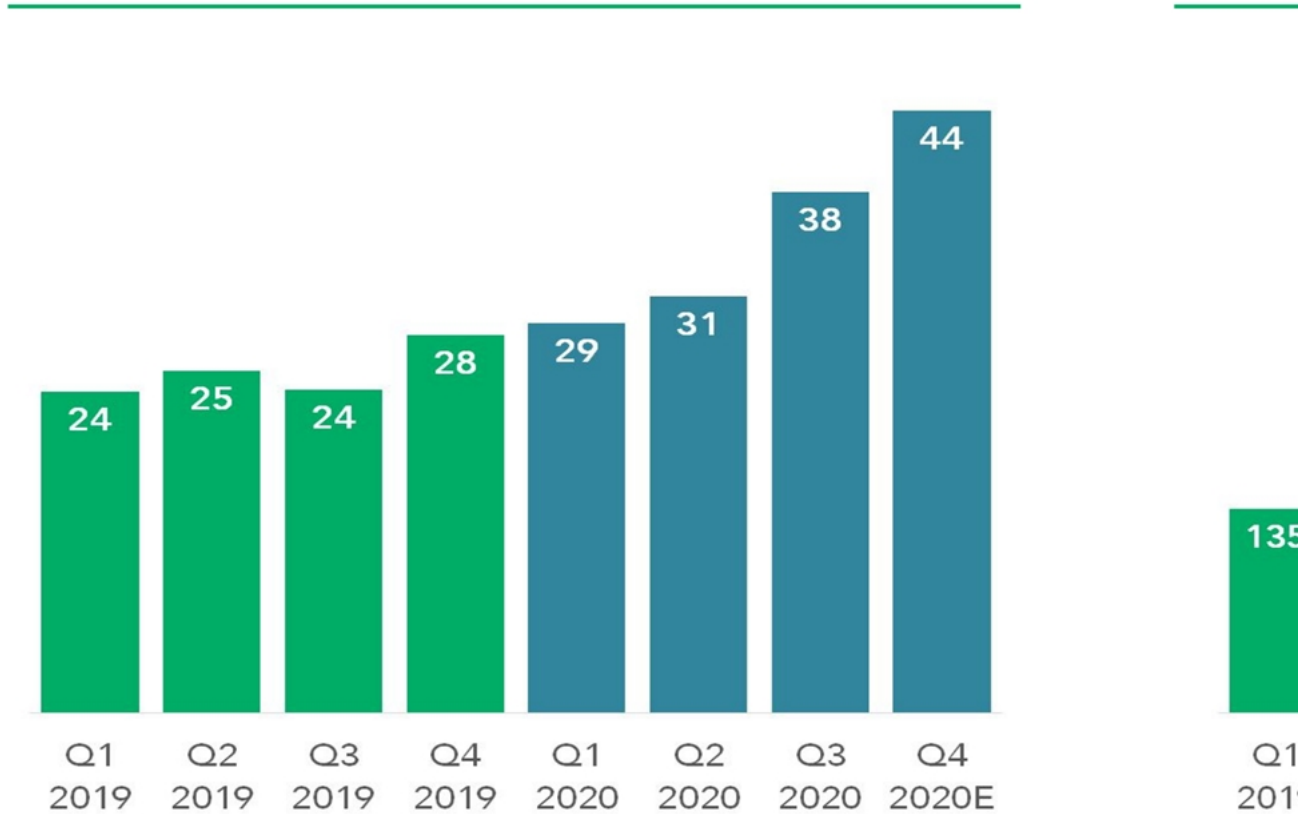
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1. Paid sessions are defined as the number of 1:1 tutoring sessions and the number of paid online group classes per active Expert in a given period. Active Expert defined as having instructed one or more sessions in a gi

# Strong and Accelerating Marketpla

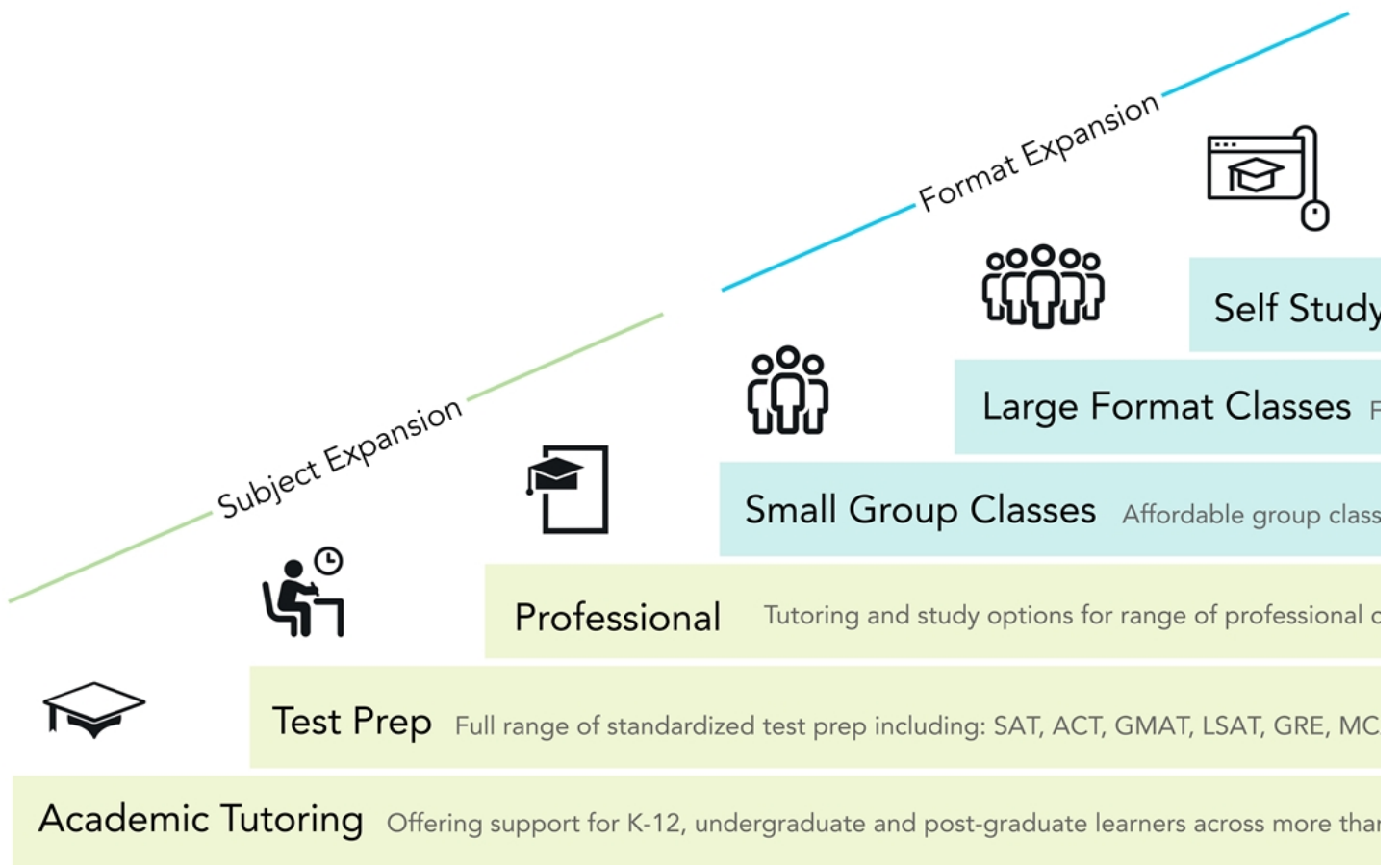
Paid Online Active Learners<sup>1</sup>  
('000s)



Learner to Expert flywheel is  
Personalization, subject expansion, and new formats o

1. Online paid active learners defined as the unique number of learners attending a paid online tutoring session or a paid online class in a given period. Amounts exclude Legacy Businesses.  
2. Paid online sessions are defined as the number of online 1:1 tutoring sessions and the number of paid online group class attendees in a given period. Amounts exclude Legacy Businesses.

# Multiple Vectors to Drive Sustainable Growth



# Small Group Classes Growth Vector is Taking Off



H2 2020E Revenue +185% YOY

<\$1M

H2 2018

1. Annualized Revenue represents half year revenue multiplied by two. Amounts exclude Legacy Businesses.

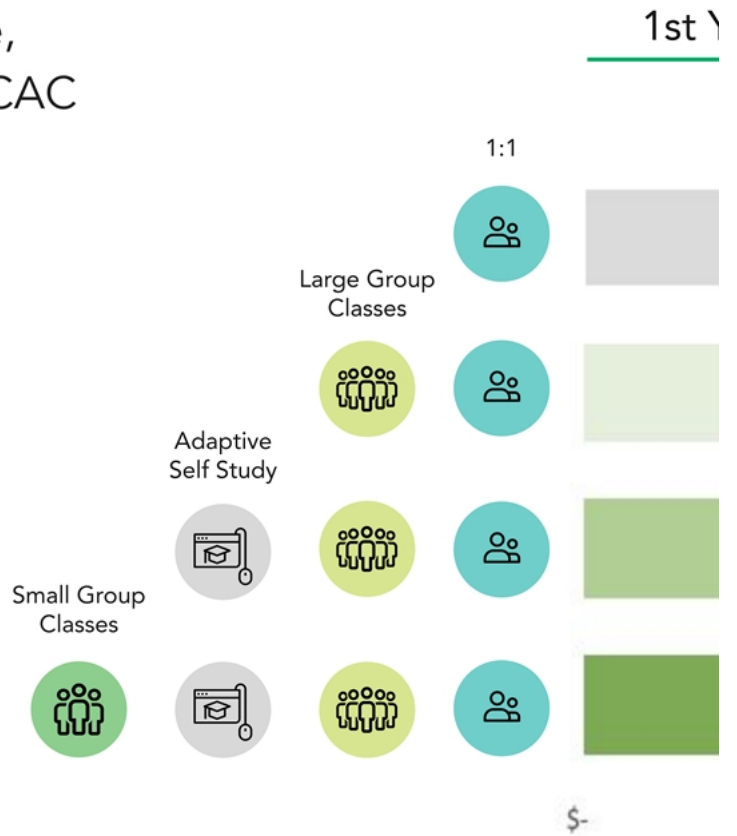
# Format Expansion Improving Already



Profitable on first purchase, immediately paying back CAC



LTV expansion driven by multi-format engagement



1. Net sales is a non-GAAP measure representing client purchases inclusive of payments due within 30 days minus refunds recorded during the period, a close proxy for cash receipts from customers. Net \$ / Learner measures Legacy Businesses.

# Competitive Landscape



|   |  |   |
|---|--|---|
|   | Online, personalized 1:1 tutoring, small and large group classes, and self study | Homework help, textbook rentals, other supplements              |
| Audiences   | K-12, Undergraduate, Post-Grad, Professional, Continuing Education               | Primarily Undergraduate and Post-Grad, some High School Options |
| Personalized Live Instruction                             | ✓  | ✗   |
| Online Focus  | ✓  | ✓   |
| Access to High Quality Instructor, Regardless of Location | ✓  | ✗   |
| Multiple Live-Learning Formats                            | ✓  | ✗   |

Nerdy delivers high-quality personalized instruction from top exp

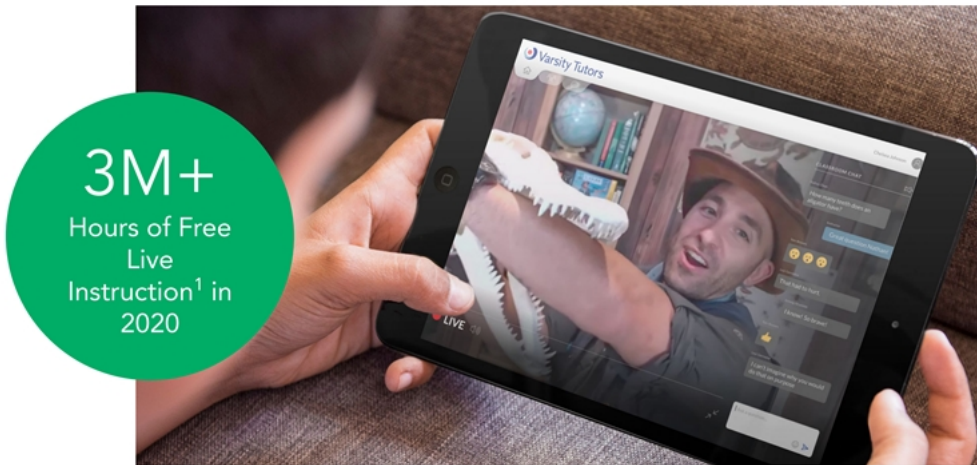
# Improving Access to High Qual

## Free Live Online Classes

Nerdy leverages its Large Group Class learning platform to provide access to high quality live instruction in academics, enrichment, & test prep at no cost to learners. Starcourse initiative has fueled a new found love of learning for hundreds of thousands of students - all completely free.

## Fre

Nerd  
flash  
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asyn



Academic studies have found that tutoring lifted average learners (50th perc  
Nerdy is empowering more learners to achieve these greater outcomes by mak

1. Amounts exclude Legacy Businesses.
2. Bloom, B.S. (1984). "The 2 Sigma problem: The search for methods of group instruction as effective as one-to-one tutoring." Educational Researcher 13, 4-16.

# Founder Led, Seasoned Mana

with deep technology and direct-to-consumer e



**Chuck Cohn**  
*Founder, Chairman & CEO*



**Ian Clarkson**  
*President & Chief Operating Officer*



**Jason Pello**  
*Chief Financial Officer*



**Dan Lee**  
*Chief Analytics Officer*



**Chris Swenson**  
*Chief Legal Officer*

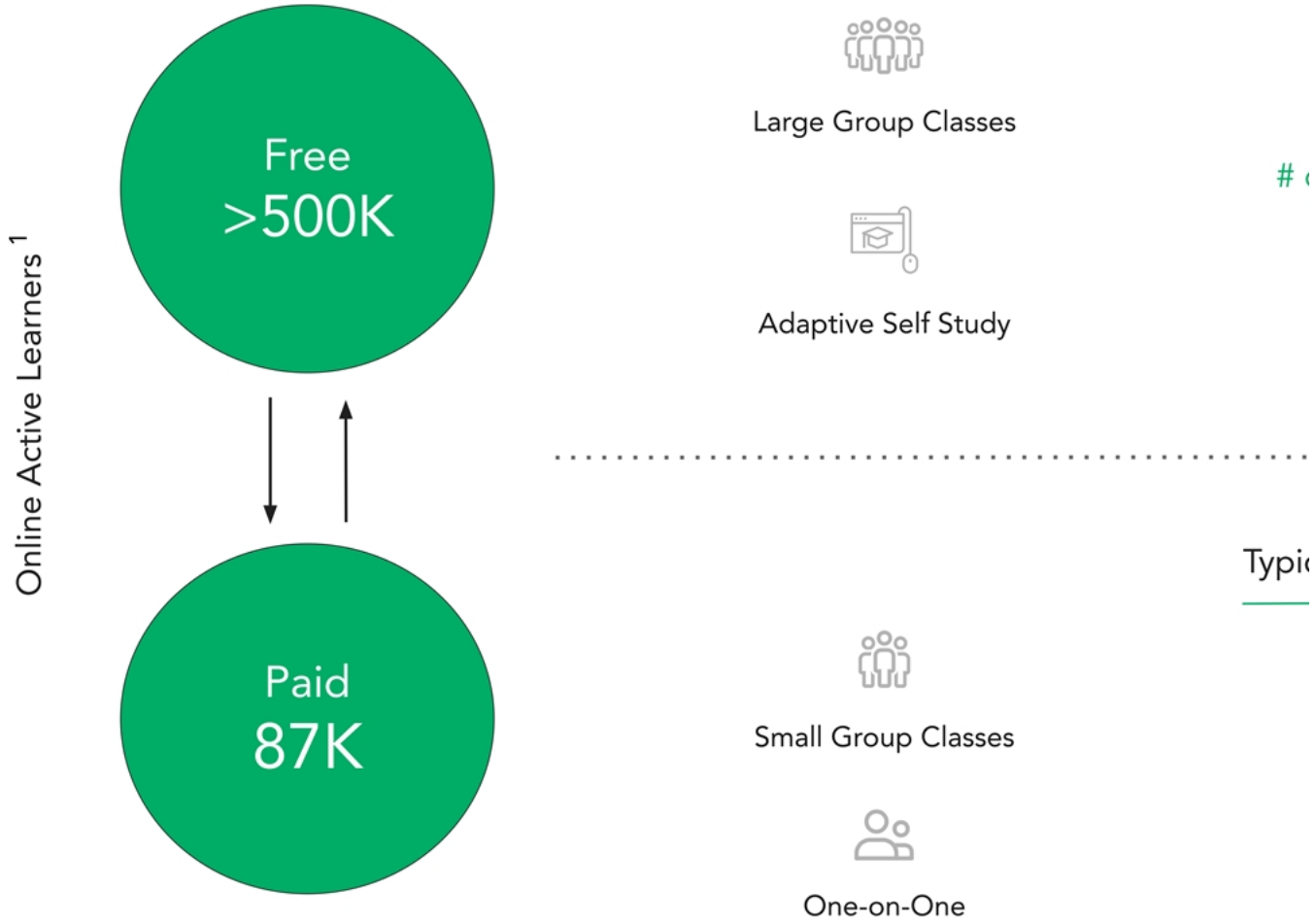


**Mike Dierker**  
*Chief Technology Officer*



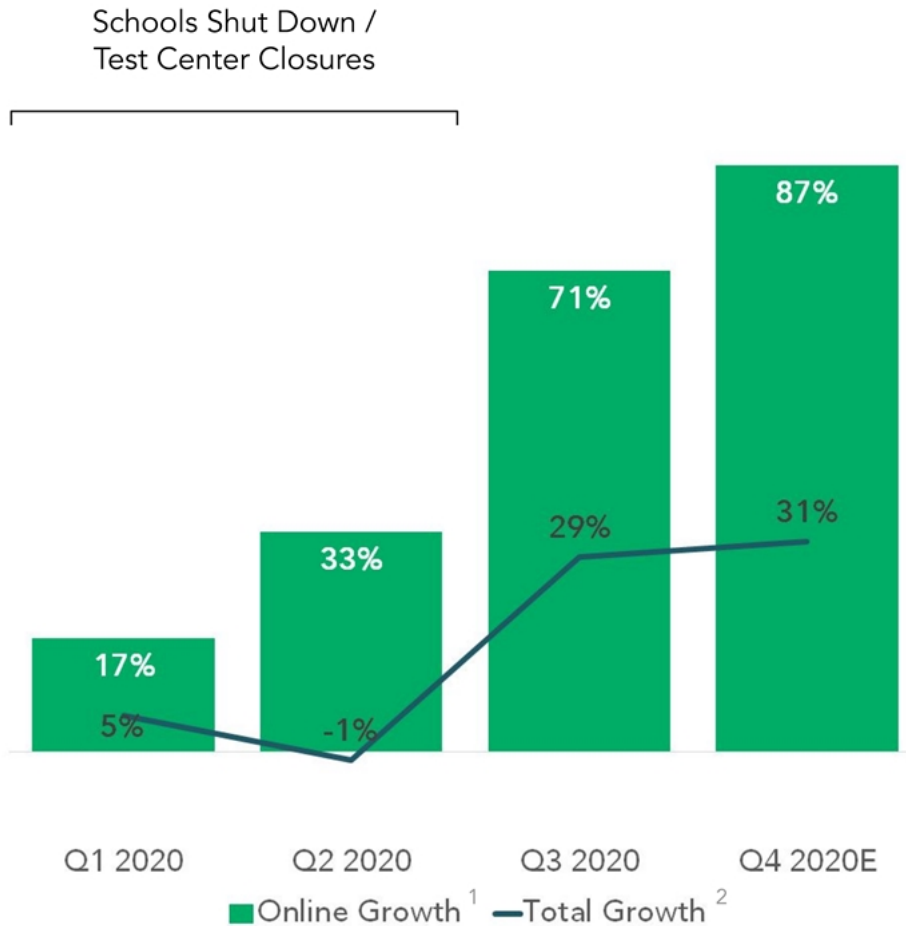
# Financial Performance

# Our Monetization



1. Paid Online Active learners defined as the unique number of learners attending a paid online tutoring session or a paid online class in a given period. Free Online Active Learners defined as any account created for free Businesses.

## YoY Revenue Growth Rates



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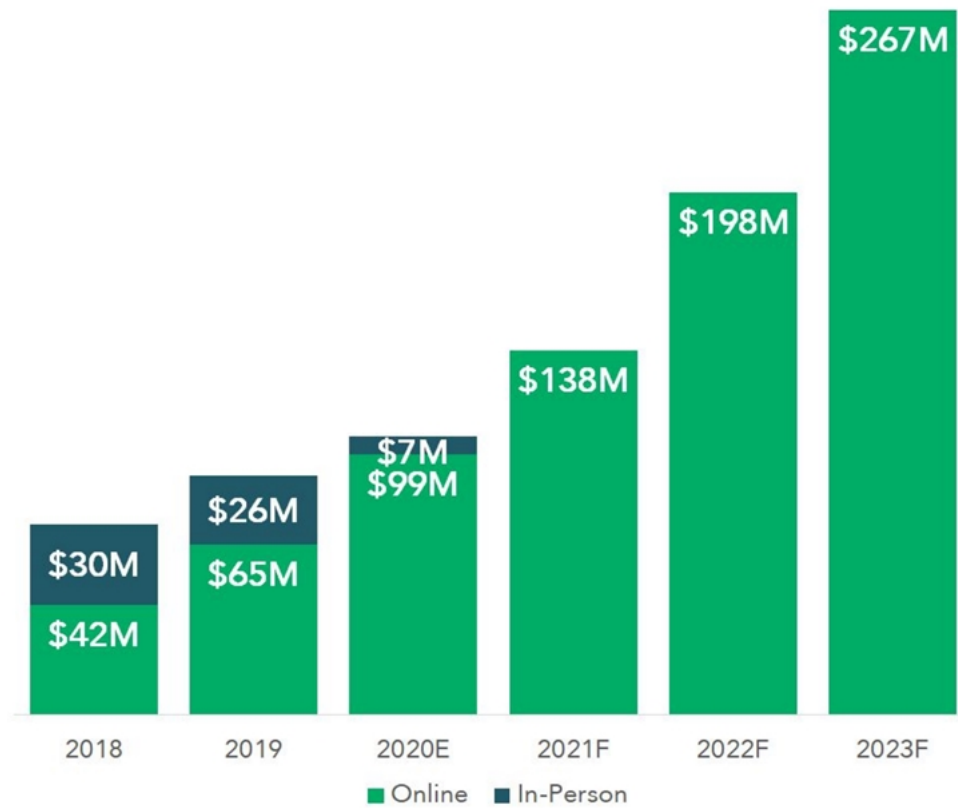
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1. Online Growth, represents online learning format revenue, defined as 1:1 online tutoring revenue and online group classes revenue and excludes in-person revenue.  
 2. Total Growth represents Consolidated GAAP revenue, which includes both online and in-person revenue.

## Historical and Projected Revenue



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for grow

Multiple  
increase

Classes |  
strong g  
and gro

Note: Nerdy financial information shown does not conform to Regulation S-X or PCAOB standards and includes estimates of certain financial metrics adjusted to reflect PCAOB standards, and such information may not be made with the SEC.

# Gross Margin Improvements Driven By Product Expansion



Shift toward 100% online improved margins over last several years



Growth in Classes expected to produce future gross margin expansion

Note: Nerdy financial information shown does not conform to Regulation S-X or PCAOB standards and includes estimates of certain financial metrics adjusted to reflect PCAOB standards, and such information may not be made with the SEC.

# Summary Historical Financials and 2

| \$ in Millions                        | 2018    | 2019    | 2020E   | 2021F   | 2022 |
|---------------------------------------|---------|---------|---------|---------|------|
| Paid Active Online Users <sup>1</sup> | 48      | 64      | 87      | 130     |      |
| <i>% Paid Users YoY</i>               |         | 34%     | 37%     | 49%     |      |
| Total Revenue                         | \$ 72   | \$ 91   | \$ 106  | \$ 138  | \$   |
| <i>% YoY Growth</i>                   |         | 26%     | 16%     | 31%     |      |
| Gross Profit                          | 45      | 60      | 71      | 96      |      |
| <i>% Margin</i>                       | 63%     | 66%     | 67%     | 70%     |      |
| (-) Sales & Marketing Expense         | (30)    | (38)    | (44)    | (57)    |      |
| (-) Operations & Fulfillment          | (14)    | (15)    | (14)    | (14)    |      |
| (-) Tech & Product                    | (9)     | (10)    | (12)    | (17)    |      |
| (-) G&A                               | (18)    | (18)    | (18)    | (23)    |      |
| Net Income <sup>2</sup>               | \$ (25) | \$ (22) | \$ (23) | \$ (8)  | \$   |
| <i>% Margin</i>                       | (35%)   | (24%)   | (22%)   | (6%)    |      |
| Adjusted EBITDA <sup>3</sup>          | \$ (21) | \$ (13) | \$ (8)  | \$ (7)  | \$   |
| <i>% Margin</i>                       | (29%)   | (15%)   | (8%)    | (5%)    |      |
| FCF <sup>4</sup>                      | \$ (21) | \$ (23) | \$ (10) | \$ (15) | \$   |
| <i>% Margin</i>                       | (28%)   | (25%)   | (9%)    | (11%)   |      |

**+30% revenue growth with continued gross margin**

Note: Nerdy financial information shown does not conform to Regulation S-X or PCAOB standards and includes estimates of certain financial metrics adjusted to reflect PCAOB standards, and such information may not be made with the SEC.

1. Online paid active learners defined as the unique number of learners attending a paid online tutoring session or a paid online class in a given period. Amounts exclude Legacy Businesses. Forecast excludes non-recurring impact of any future Non-Cash Compensation changes.
2. Forecast excludes non-recurring expenses associated with a de-SPAC transaction and the impact of any future Non-Cash Compensation changes.
3. Adjusted EBITDA excludes Non-Cash Compensation Expense and other Non-Recurring Items. Adjusted EBITDA is a non-GAAP financial measure.
4. FCF in 2018 excludes the \$10 million acquisition of Veritas Prep. FCF is a non-GAAP financial measure.

# Scalable Operating Model

|                                     | 2021F <sup>1</sup> | 2022F <sup>1</sup> |
|-------------------------------------|--------------------|--------------------|
| Revenue Growth                      | 31%                | 43%                |
| Gross Margin                        | 70%                | 71%                |
| Tech, Product & G&A % Revenue       | 29%                | 26%                |
| Adjusted EBITDA Margin <sup>2</sup> | (5%)               | (2%)               |
| FCF Margin <sup>3</sup>             | (11%)              | (7%)               |

Long-term opportunity for growth expected as shift to online learning

1. Forecast excludes non-recurring expenses associated with a de-SPAC transaction and the impact of any future Non-Cash Compensation changes.
2. Adjusted EBITDA excludes Non-Cash Compensation Expense and other Non-Recurring Items.
3. FCF is a non-GAAP financial measure.

# Sources & Uses / Pro-Forma Valuation

## Sources & Uses (Illustrative)

| Sources  | \$MM           |             |
|--|----------------|-------------|
| Existing Nerdy Shareholders Equity Rollover <sup>1</sup> | \$862          | 51%         |
| SPAC Cash in Trust <sup>2</sup>                          | 450            | 26%         |
| Forward Purchase Agreements                              | 150            | 9%          |
| PIPE   | 150            | 9%          |
| Sponsor Shares <sup>3</sup>                              | 90             | 5%          |
| <b>Total Sources</b>                                     | <b>\$1,702</b> | <b>100%</b> |

| Uses   | \$MM           |             |
|--|----------------|-------------|
| Existing Nerdy Shareholders Equity Rollover <sup>1</sup> | \$862          | 51%         |
| Cash to Nerdy Shareholders <sup>2</sup>                  | 388            | 23%         |
| Repayment of Outstanding Debt                            | 41             | 2%          |
| Cash to Balance Sheet <sup>2</sup>                       | 266            | 16%         |
| Sponsor Shares <sup>3</sup>                              | 90             | 5%          |
| Fees and Expenses  | 55             | 3%          |
| <b>Total Uses</b>  | <b>\$1,702</b> | <b>100%</b> |

1. Includes unvested employee options and equity awards.
2. Assumes no redemptions by SPAC shareholders. Cash to Nerdy shareholders subject to adjustments.
3. Includes sponsor shares forfeited to FPA investors.
4. Other outstanding instruments from PACE.U IPO and FPA: 12 million warrants for 12 million shares at \$11.50 per share; 7.3 million private warrants for 7.3 million shares at \$11.50 per share, 4 million Seller Earnout shares.
5. Existing Nerdy Shareholder and Sponsor to each receive up to 4 million earn-out shares that vest based off stock price hurdles between \$12 and \$16 per share over 5 years. Please see slide 49 "Illustrative Fully-Diluted".

# Defining Nerdy's Public Comparable

## Direct-to-Consumer Learning Platform

- Leading learning internet platform in North America
- Technology solutions purpose-built for learning
- Direct-to-consumer internet go-to-market
- Similar gross margins

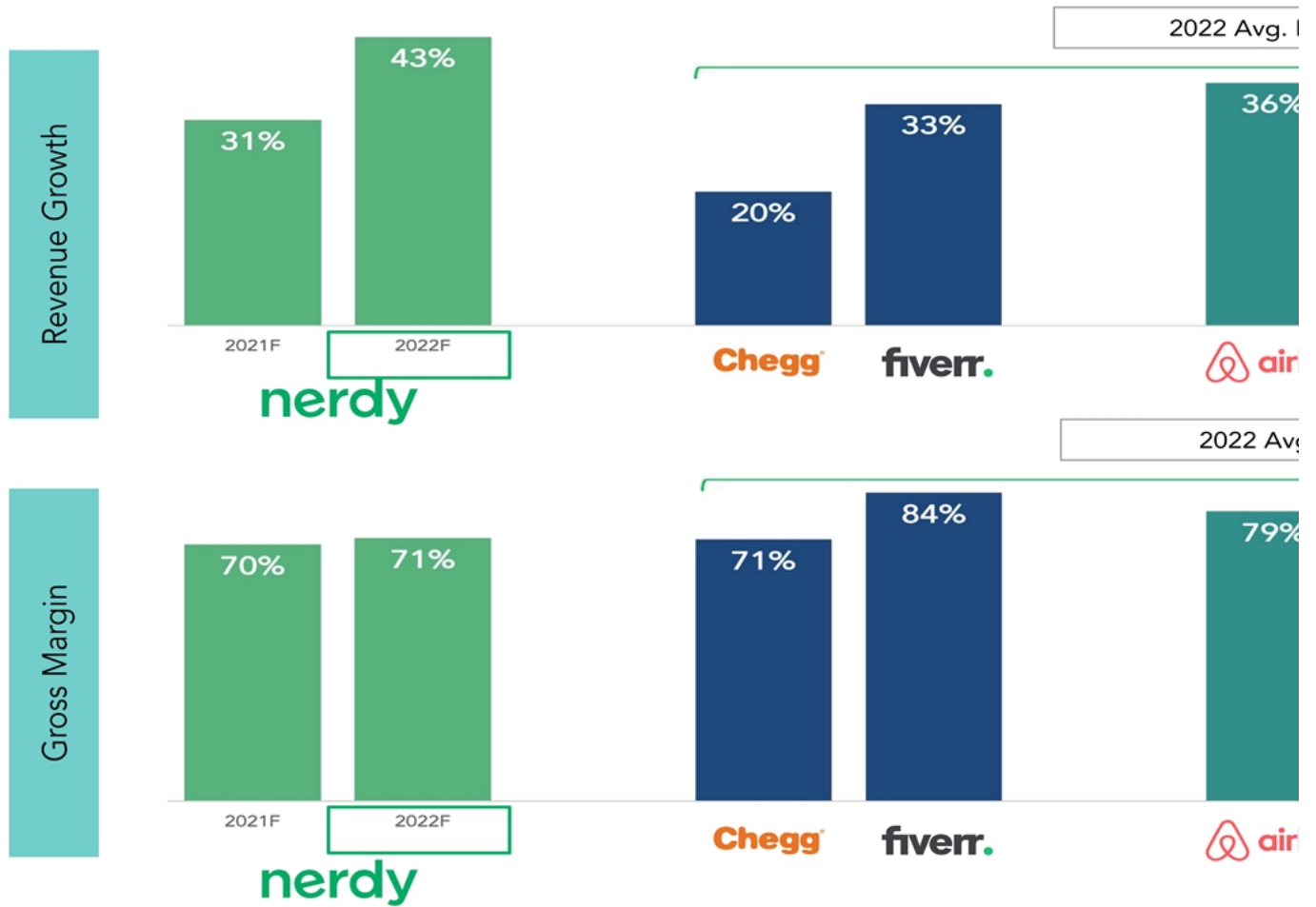
**Chegg**<sup>®</sup>

## Consumer Facing Digital Gig Economy Platform

- Leading freelance digital services gig economy platform
- ~300 categories across diverse industry vertical
- Large market opportunity with low online penetration

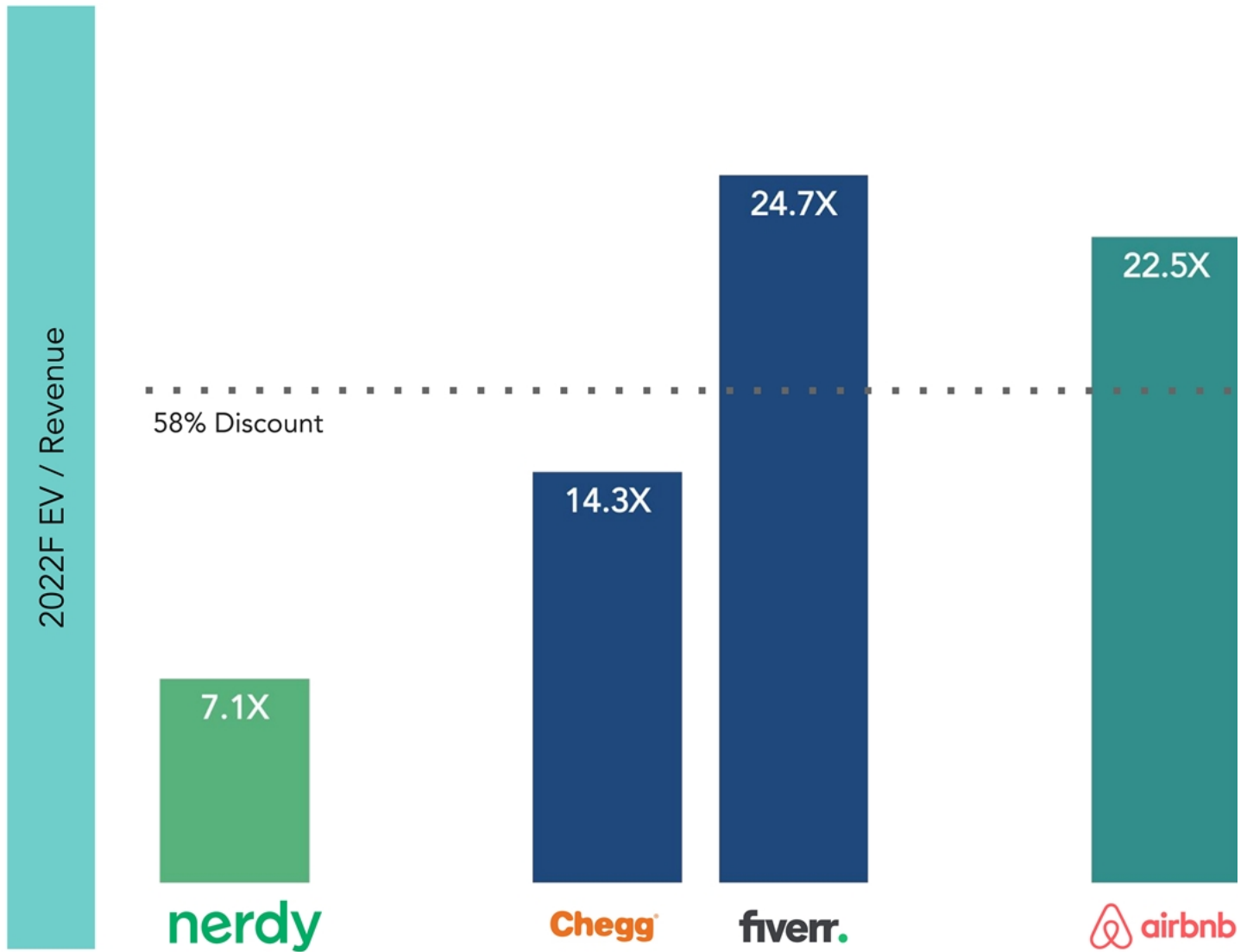
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# Operational Benchmarking



Sources for third-party information: SEC filings, S&P Capital IQ as of 1/27/2021.

# Valuation Benchmarking



Sources for third-party information: SEC filings, S&P Capital IQ as of 1/27/2021.



# Key Takeaways

Large TAM Ripe for Dis

Leading Gig Economy

Attractive Unit Econom

Scalable Technology P

Network Effects and D

Business is at an Inflect

Creating Positive Char

Experienced, Entrepre

# Anticipated Transaction Timeline

| Date          |  |
|---------------|--|
| January 2021  | <ul style="list-style-type: none"><li>▪ Transaction Agreement Executed</li><li>▪ Transaction Announced</li></ul>   |
| February 2021 | <ul style="list-style-type: none"><li>▪ Preliminary Proxy Materials</li></ul>  |
| Q2 2021       | <ul style="list-style-type: none"><li>▪ Mail Final Proxy Materials to Shareholders</li><li>▪ Set Record Date for TPG Pace Shareholders</li><li>▪ Hold TPG Pace Shareholder Meeting</li></ul> |

Note: Subject to SEC review timetable.

# Financial Appendix

# Non-GAAP Reconciliations

| \$ in Millions                 | 2018    | 2019    | 2020 |
|--------------------------------|---------|---------|------|
| Net Income                     | \$ (25) | \$ (22) | \$   |
| Interest Income / Expense, Net | (0)     | 2       |      |
| Taxes                          | 0       | 0       |      |
| Depreciation & Amortization    | 3       | 5       |      |
| Non-Cash Compensation Expense  | 2       | 2       |      |
| Non-Recurring Items            | -       | -       |      |
| Adjusted EBITDA                | \$ (21) | \$ (13) | \$   |
| Interest Income / Expense, Net | 0       | (2)     |      |
| Taxes                          | (0)     | (0)     |      |
| Net Working Capital Change     | 6       | (1)     |      |
| Cash from Investing Activities | (16)    | (6)     |      |
| Veritas Prep Acquisition       | 10      | -       |      |
| FCF                            | \$ (21) | \$ (23) | \$   |

1. Non recurring items in 2020 are related to a recorded loss for an office sublease. 2021 non-recurring items are primarily related to expected forgiveness of a loan.

# Illustrative Fully Diluted Share Cou

| <i>Share count in millions</i>                    | <b>\$10.00</b> | <b>\$11.00</b> | <b>\$12.00</b> | <b>\$13.00</b> |
|---|----------------|----------------|----------------|----------------|
| PACE Public IPO Shares                            | 45.0           | 45.0           | 45.0           | 45.0           |
| PACE Public / FPA Warrants <sup>(1,2,3)</sup>     | -              | -              | 0.5            | 1.0            |
| FPA Shares  | 16.0           | 16.0           | 16.0           | 16.0           |
| PIPE Shares                                       | 15.0           | 15.0           | 15.0           | 15.0           |
| PACE Sponsor Shares                               | 8.0            | 8.0            | 8.0            | 8.0            |
| Nerdy Existing Shareholders Shares <sup>(4)</sup> | 86.2           | 86.2           | 86.2           | 86.2           |
| Private Warrants <sup>(1,5)</sup>                 | -              | -              | 0.3            | 0.3            |
| Seller / Sponsor Earnouts <sup>(6,7,8)</sup>      | -              | -              | 2.7            | 2.7            |
| <b>Total</b>                                      | <b>170.2</b>   | <b>170.2</b>   | <b>173.7</b>   | <b>175.2</b>   |

1. Assumes treasury share method for public, FPA, and private warrants.

2. 9.0 million public warrants issued as part of PACE IPO with strike price of \$11.50 and redemption price of \$18.00.

3. 3.0 million FPA warrants to be issued with strike price of \$11.50 and redemption price of \$18.00.

4. Includes unvested employee options and equity awards.

5. 7.3 million private warrants issued as part of PACE IPO with a strike price of \$11.50.

6. Earn-out Shares Tranche 1 - If closing sales price equals or exceeds \$12.00 for 20 trading day out of 30 consecutive Trading Days prior to 5 years following closing, 1.33 million Seller Earnout shares and 1.33 million Sp

7. Earn-out Shares Tranche 2 - If closing sales price equals or exceeds \$14.00 for 20 trading day out of 30 consecutive Trading Days prior to 5 years following closing, 1.33 million Seller Earnout shares and 1.33 million Sp

8. Earn-out Shares Tranche 3 - If closing sales price equals or exceeds \$16.00 for 20 trading day out of 30 consecutive Trading Days prior to 5 years following closing, 1.33 million Seller Earnout shares and 1.33 million Sp