

5 March 2021

**Acquisition of Child Care Centres**

Listed New Zealand and Australian childcare and education centre operator Evolve Education Group Limited (ASX/NZX: EVO) announces that it has contracted to acquire 10 childcare centres in Australia with total licenced capacity of 816 children per day. All contracts are conditional upon customary approvals (such as licensing). Contract pricing is as follows:

Upfront \$27.13m for EBITDA of \$6.93m per annum

Deferred \$ 5.00m for an additional \$1.27m of EBITDA generated 12 months post settlement.

In summary, if EBITDA totals \$8.20m for the 12 months period post settlement, then the total payment would be \$32.13m representing an EBITDA multiple of 3.92x.

The acquisitions will be funded from existing cash resources.

Evolve Education Group Managing Director, Chris Scott commented: "This latest acquisition takes the total number of centres operated by EVO to 116 in New Zealand and 20 in Australia. Minimal additional Support Office costs will be incurred in managing these extra 10 centres".

The acquisitions will be earnings per share (EPS) positive from settlement.

**Dividend Payment**

The Board of EVO is pleased to announce that the company intends to resume the payment of dividends from the final quarter of 2021. Further details will be announced later in 2021.

For any further inquiries please contact:

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