

29 March 2021

Settlement of Five Child Care Centres In Australia

Listed New Zealand and Australian childcare and education centre operator Evolve Education Group Limited (ASX/NZX: EVO) announced on 5 March 2021 that it had contracted to acquire 10 child care centres in Australia with total licence capacity of 816 children per day.

EVO is pleased to announce that 5 of the 10 contracted centres have now completed. Annualised underlying EBITDA for these five centres is expected to be \$3.6m – excluding any allowance for a EBITDA contribution under the contracted earnout provisions. EVO expects that the remaining five centres will settle by May 2021.

Retirement of CEO NZ

EVO advises the retirement of Tim Wong as CEO NZ. For much of Tim's time in NZ COVID-19 has placed severe restrictions on cross Tasman travel and Tim is leaving to return to his family in Australia.

The Board wishes to thank Tim for his tireless work since his appointment in October 2019. Tim joined under the new Board and set about the challenging but rewarding task of rebuilding EVO in NZ. Significant change and positive progress was made from October 2019 and throughout the COVID-19 period.

The Board thanks Tim for his contribution during his time with EVO NZ and sincerely wishes Tim all the best for his future roles.

Appointment of NZ COO

EVO is delighted to announce the appointment of Craig Presland as Chief Operating Officer, New Zealand. Craig has a very strong background as CEO in previous New Zealand childcare businesses. Craig will commence on 12 April and will report directly to Managing Director Chris Scott.

Jan 2006 to Dec 2007 - Forward Steps

Craig was General Manager of Forward Steps which owned approximately 50 childcare businesses; employed 650 staff with 2,500 preschool children and revenue of \$30.1m per annum. Forward Steps was a startup owned and funded by Macquarie Bank. The company was well managed and profitable. Forward Steps was sold to ABC Learning.

Nov 2008 to Nov 2010 – ABC Learning NZ

Following the collapse of ABC Learning Australia in late 2008, McGrath Nichol was appointed as liquidator in both Australia and New Zealand. Craig was appointed as CEO to run the NZ operations of ABC Learning with a view to getting the business ready for sale. Craig was responsible for 127 childcare centres; \$93m in annual turnover; 1180 permanent staff and 180 temporary staff; and more than 8000 preschool children. ABC NZ progressed from breakeven financially in FY08 to \$10.2m EBITDA for FY10. Finally, Craig put together the Information Memorandum for the eventual sale of the business

on behalf of McGrath Nichol.

The EVO Board is extremely pleased to be able to appoint an executive of the track record, calibre and operational experience of Craig Presland.

CFO and Company Secretary, Edmund Mah will continue in his current role and both Craig and Edmund will ensure a seamless transition during this changeover period.

Chris Scott
Managing Director

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