

EVOLVE EDUCATION GROUP LIMITED – DIVIDEND POLICY

This policy (Policy) was approved by the Board of Directors (Board) of Evolve Education Group Limited (Company) on 13 November 2014.

Dividend Policy

Dividends and other distributions with respect to the Shares are made at the discretion of the Board and depend on a number of factors, including:

- current profitability;
- current and medium-term capital expenditure requirements;
- working capital requirements;
- current capital structure, having regard to the risks presented by short and medium term
- economic and market conditions and estimated financial performance; and
- available imputation credits.

The payment of dividends is not guaranteed and Evolve Education's dividend policy may change. No guarantee can be given about future dividends or the level of imputation of such dividends (if any) as these matters will depend upon future events including the profitability, growth opportunities, and financial and taxation position of Evolve Education, the Board's discretion, and the impact on Evolve Education's business of the risk factors.

Subject to the above, Evolve Education intends to make dividend payments to Shareholders twice each year in respect of the half years ending 30 September and full years ending 31 March. The current intention of the Board is to pay dividends between 40% and 60% of NPAT in respect of the preceding half year period. However, the actual percentage of dividends paid to NPAT is expected to vary over time reflecting the above factors. The first dividend is expected to be made for the half year period ending 30 September 2015 (which would, if declared, be paid in December 2015). It is the Board's intention to attach imputation credits to dividends to the extent they are available. However the extent of available imputation credits will be a factor the Board will consider in determining whether to pay a dividend.