

evolve
education group

Annual Shareholders'
Meeting
27 June 2022



In attendance today



- **Board of Directors**
- Hamish Stevens - Chair
- Chris Scott – Managing Director
- Chris Sacre – Non-Independent Director
- Adrian Fonseca – Independent Director
- Kim Campbell – Independent Director

- **Senior management**
- Edmund Mah – Group CFO
- Andrew Warner – NZ National Operations & Commercial Manager

FY 31 December 2021

Group financial result - Underlying EBITDA

\$NZm	Centres Dec-21	Occ. FY21	12 months to 31 Dec 2020	12 months to 31 Dec 2021	change
NZ	107	69%	14.0	2.9	-11.1
Australia	23	80%	5.4	10.9	+5.5
Corporate costs			(1.3)	(1.2)	+0.1
Underlying EBITDA			18.1	12.6	-5.5

FY 31 December 2021

New Zealand

- All children and staff remained safe through Covid
- All 107 NZ centres closed from mid-August 2021- not fully open until late December 2021 – impact on occupancy in key centres
- MoE funding received in full during Covid restriction periods - although declined with on-going Covid occupancy challenges
- No parent fees charged during lock-downs – \$6m fees lost during lock down period.
- All staff kept on full pay during closures.
- No Covid government wage subsidy received in 2021 (\$11.9m received in 2020)

FY 31 December 2021

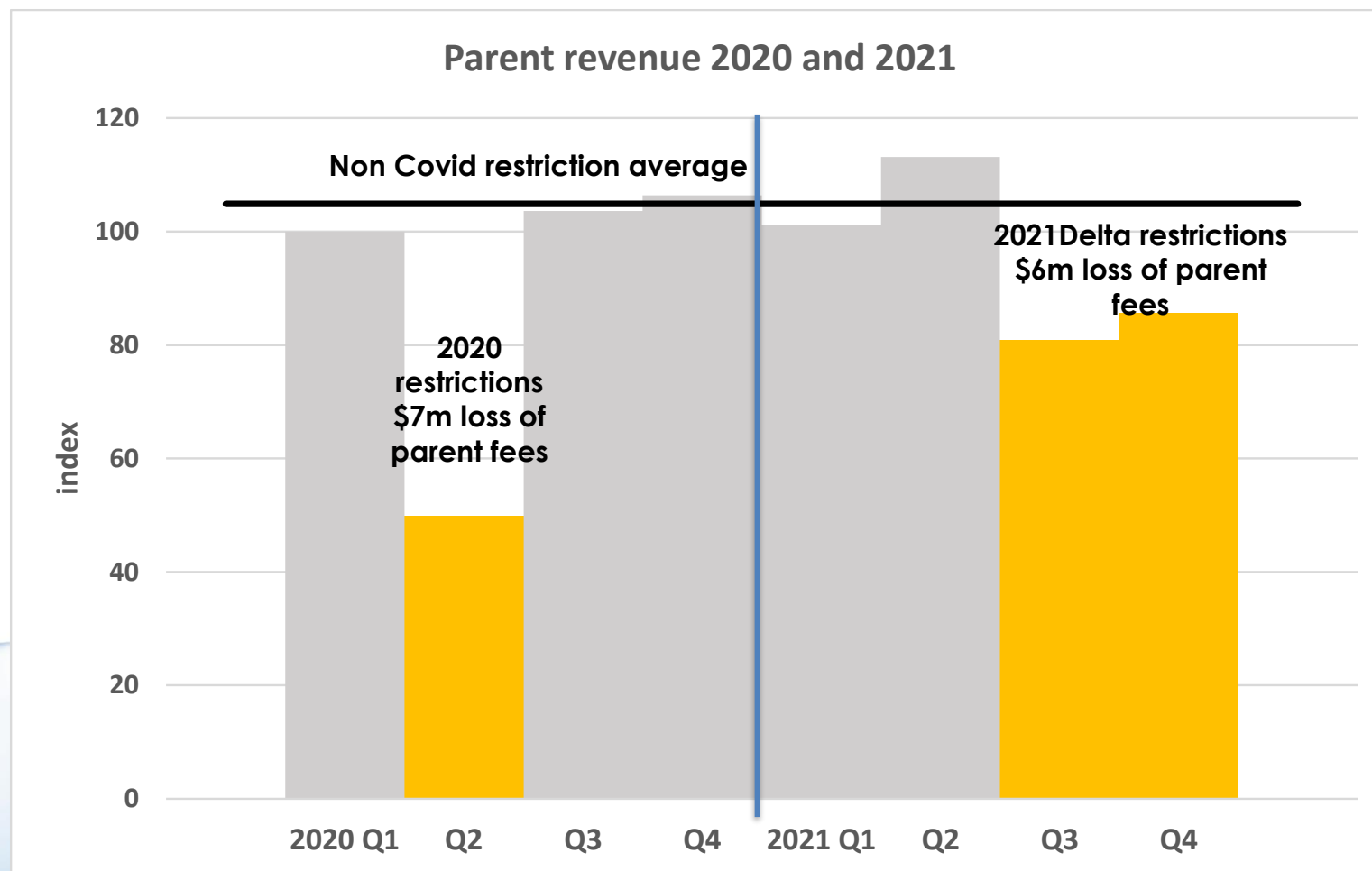
New Zealand – Underlying EBITDA

\$NZm	12 months to 31 Dec 2020	12 months to 31 Dec 2021	change
Average occupancy	68%	69%	+1% points
Total revenue	115.1	113.9	-1.2
Operating costs	(113.0)	(111.0)	+2.0
EBITDA before wage subsidy	2.1	2.9	+0.8
Govt. wage subsidy	11.9	-	-11.9
Underlying EBITDA NZ	14.0	2.9	-11.1

- \$6m of parent fees revenue lost in 2021 due to Covid-19 centre closures.

FY 31 December 2021

New Zealand



FY 31 December 2021

New Zealand – key focus and initiatives

- Continued refresh and upgrade of centres
- Rolling out enhanced offerings at centres (music and science programmes)
- New positions filled to drive occupancy post Covid-19
- Closure or sale of less profitable centres (6 centres were disposed of in 2021)

FY 31 December 2021

Australia growth strategy

In 2019 Evolve embarked on the strategy of broadening and strengthening the company's earnings through the expansion into the Australian ECE sector. 10 centres were acquired in 2019.

Evolve acquired a further 13 Australian centres in 2021.

As at December 2021 Evolve operated 23 centres in Australia with a total of 2,140 licenced places (22% of total Evolve).



FY 31 December 2021

Australia

- Employees and children remained safe through Covid
- Australian centre occupancy affected by Covid closures
- Strong Australian government support allowed most staff to remain on full pay and covered most of lost parent fees
- Full year of the 10 centres acquired in FY19 and part year of the 13 centres acquired in FY21.

FY 31 December 2021

Australia – Underlying EBITDA

\$Am	12 months to 31 Dec 2020	12 months to 31 Dec 2021	change
Centres at year end	10	23	+13
Average occupancy	75%	80%	+5%
Revenue	20.0	41.5	+21.5
Operating costs	(15.3)	(31.5)	-16.2
Underlying EBITDA Aust.	4.7	10.0	+5.3

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Questions

- Management and Operations

Resolution 1



- That the Board be authorised to fix the fees and expenses of the auditor of Evolve for the coming year.

Proxy and postal votes received (as of 25 June 2022):

- For – 70,129,339 shares representing 99.34% of the votes cast
- Against – 235,727 shares representing 0.33% of the votes cast
- Open – 227,734 shares representing 0.32% of the votes cast

Resolutions 2, 3 and 4



Chris Scott, Chris Sacre and Hamish Stevens were appointed by shareholders on 18 September 2019, and are now required to retire in accordance with NZX Listing Rule 2.7.1, which prohibits a director from holding office (without re-election) for longer than 3 years or 3 annual meetings, whichever is longer. Being eligible, they offer themselves for re-election.

The Company has called for director nominations from shareholders, and none have been received.

The Board unanimously supports the re-elections of Chris Scott, Chris Sacre and Hamish Stevens and recommends that shareholders vote in favour of resolutions 2, 3 and 4.

Resolution 2



- That Chris Scott be re-elected as a director of the Company

Proxy and postal votes received (as of 25 June 2022):

- For – 70,237,373 shares representing 99.49% of the votes cast
- Against – 133,854 shares representing 0.19% of the votes cast
- Open – 226,573 shares representing 0.32% of the votes cast

Resolution 3



- That Chris Sacre be re-elected as a director of the Company

Proxy and postal votes received (as of 25 June 2022):

- For – 70,254,619 shares representing 99.52% of the votes cast
- Against – 115,563 shares representing 0.16% of the votes cast
- Open – 226,573 shares representing 0.32% of the votes cast

Resolution 4



- That Hamish Stevens be re-elected as a director of the Company

Proxy and postal votes received (as of 25 June 2022):

- For – 70,161,470 shares representing 99.38% of the votes cast
- Against – 209,132 shares representing 0.30% of the votes cast
- Open – 226,573 shares representing 0.32% of the votes cast

Conclusion of Resolutions



- Vote online – for the next 5 minutes
- Results to the NZX later today

Thank you



- Thank you for attending our Annual Shareholders Meeting