

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Dear Shareholder(s)

EVOLVE EDUCATION GROUP LIMITED PRO RATA ACCELERATED RIGHTS ENTITLEMENT OFFER – NOTIFICATION TO INELIGIBLE SHAREHOLDERS

On 8 May 2019, Evolve Education Group Limited (Evolve) announced that it would conduct a fully underwritten pro rata accelerated rights entitlement offer to eligible shareholders to subscribe for 4.4 new fully paid ordinary shares in Evolve (New Shares) for every 1 existing fully paid ordinary share in Evolve (Existing Shares) held at 7.00pm (NZST) / 5.00pm (AEST) on 10 May 2019 (Record Date) at an offer price of NZ\$0.08 per New Share (Application Price) (Offer), to raise approximately NZ\$63.5 million (before costs). The Offer is fully underwritten.

The Offer is being conducted in two parts - an offer to certain eligible institutional shareholders (Institutional Entitlement Offer) and an offer to certain eligible retail shareholders (Retail Entitlement Offer). The Institutional Entitlement Offer has now been completed. The Retail Entitlement Offer opens on 13 May 2019 and closes at 5.00pm (NZST) / 3.00pm (AEST) on 29 May 2019.

This letter is to advise you that, under the terms of the Offer, you are not eligible to participate to subscribe for New Shares and therefore you have not been sent a copy of the offer document prepared for the Offer and dated 8 May 2019 (Offer Document).

This letter is to inform you about the Offer and explain why you are ineligible to participate, yet may still receive some benefit from the Offer. This letter is not an offer to issue New Shares to you, nor an invitation for you to apply for New Shares. You are not required to do anything in response to this letter.

Who is eligible to participate in the Offer?

The Offer involves an offer to:

1. under the Institutional Entitlement Offer (which has now been completed): Evolve shareholders as at 7.00pm (NZST) / 5.00pm (AEST) on the Record Date:
 - a. whose address is shown in Evolve's share register as being in New Zealand, Australia, Hong Kong, Singapore or the United Kingdom, or is a person who Evolve is satisfied the Institutional Entitlement Offer may be made to under all applicable laws without the need for any registration, lodgement or other formality (other than a formality with which Evolve is willing to comply), and who is not in the United States and who is not acting for the account or benefit of a person in the United States; and

- b. is an Institutional Investor (as defined in the Offer Document) or the nominee of an Institutional Investor and is invited to participate in the Institutional Entitlement Offer (Eligible Institutional Shareholders); and
2. under the Retail Entitlement Offer: Evolve shareholders as at 7.00pm (NZST) / 5.00pm (AEST) on the Record Date:
 - a. whose address is shown in Evolve's share register as being in New Zealand or Australia; or
 - b. who Evolve considers, in its discretion, may be treated as an Eligible Retail Shareholder; and
 - c. who is not in the United States and not acting for the account or benefit of a person in the United States; and
 - d. is not an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder (Eligible Retail Shareholder).

Why am I not eligible to participate in the Offer?

Evolve has determined that it would be unduly onerous and unreasonable to make offers to Institutional Shareholders in countries outside of those named in 1(a) above and to Retail Shareholders in countries outside of New Zealand and Australia (other than countries where Evolve has decided to treat a shareholder as an Eligible Retail Shareholder).

This is due to the relatively small number of Existing Shares held by shareholders in other countries, the number and value of New Shares that would be offered and the costs of complying with the legal and regulatory requirements which would apply for participation in this Offer in those other countries.

According to our records, you do not satisfy the criteria for an Eligible Institutional Shareholder or an Eligible Retail Shareholder. Consequently, you will not be sent the Offer Document or be able to subscribe for New Shares.

How may I still receive some benefit from the Offer?

Approximately 4.7 million entitlements (being the entitlements not taken up by Eligible Institutional Shareholders under the Institutional Entitlement Offer) were offered for sale to selected institutional investors through a bookbuild process following the completion of the Institutional Entitlement Offer (Institutional Bookbuild), which ran until 10 May 2019.

The clearing price under the Institutional Bookbuild was NZ\$0.085 per share, representing a premium of NZ\$0.005 over the Offer Price of NZ\$0.08 per share (the Institutional Premium). The Offer Price will be paid to Evolve from the proceeds as full consideration for the New Shares subscribed pursuant to the entitlements sold in the Institutional Bookbuild. The Institutional Premium of NZ\$0.005 per entitlement will be paid (net of any applicable withholding tax) on a pro rata basis to Eligible Institutional Shareholders who did not take up

their entitlement under the Institutional Entitlement Offer in full (with respect to the entitlements they did not take up only).

Similarly, the number of entitlements not taken up by Eligible Retail Shareholders under the Retail Entitlement Offer and the entitlements which would have been offered to retail shareholders of Evolve who are ineligible to participate (Ineligible Retail Shareholders) if they had been eligible to participate in the Retail Entitlement Offer will be offered for sale to selected institutional investors through a bookbuild process following the Retail Entitlement Offer to be conducted on between 31 May (Retail Bookbuild).

Any premium (the Retail Premium) realised for the entitlements sold in the Retail Bookbuild will be paid by Forsyth Barr Limited and Canaccord Genuity (Australia) Limited (the Joint Lead Managers) to Link Market Service Limited, the Registrar, who will remit that amount (net of any applicable withholding tax) on a pro rata basis to Eligible Retail Shareholders who did not take up their entitlements under the Retail Entitlement Offer in full (with respect to the entitlements they did not take up only) and each Ineligible Retail Shareholder.

No fees or costs will be payable by any Shareholder, and no interest will be collected or paid to any Shareholder on any premium. There is no guarantee that any Retail Premium will be realised from the Retail Bookbuild. The Retail Premium may be zero, in which case no payment will be made to the holders of the entitlements sold in the Retail Bookbuild. Any premium realised for the entitlements sold in the Retail Bookbuild may be different from the premium realised for the sale of entitlements in the Institutional Bookbuild. The outcome of the Institutional Bookbuild is not an indication as to whether there will be a Retail Premium or what any Retail Premium may be.

The ability to sell entitlements in the Retail Bookbuild and the ability to obtain any premium will be dependent upon various factors, including market conditions. Further, the premium (if any) may not be the highest bid for the entitlements, but will be determined having regard to a number of factors, including having binding and bona fide offers which, in the reasonable opinion of the Joint Lead Managers, will, if accepted, result in otherwise acceptable allocations to clear the entire book.

To the maximum extent permitted by law, Evolve, the Joint Lead Managers and each of their respective related bodies corporate and affiliates, and each of their respective directors, officers, partners, employees, representatives and agents, disclaim all liability, including for negligence, for any failure to realise a Retail Premium, for any difference between the Retail Premium and the Institutional Premium and for any failure to obtain any particular exchange rate, or any movements in exchange rates, if exchanging the Retail Premium into Australian dollar funds. The Joint Lead Managers and Evolve reserve the right to allocate entitlements under the Bookbuilds at their discretion.

While the Offer is not able to be made to you, I thank you for your continued support of Evolve.

On behalf of Evolve Education Group Limited,

Stephen Davies
CFO

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This letter has been prepared for publication in New Zealand and Australia and may not be released or distributed in the United States. This letter does not constitute an offer, invitation or recommendation to subscribe for or purchase any security or financial product and neither this letter nor anything attached to this letter shall form the basis of any contract or commitment. In particular, this letter does not constitute an offer to sell, or the solicitation of an offer to buy, securities in the United States or to any person who is acting for the account or benefit of any person in the United States (to the extent such person is acting for the account or benefit of a person in the United States), or in any other jurisdiction in which such an offer would be illegal.

No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside New Zealand and Australia. In particular, the Offer Document is not for distribution in the United States. The Entitlements and New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act) or the securities laws of any state of the United States and may not be offered or sold in the United States or to, or for the account or benefit of, persons in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and the applicable securities laws of any state or other jurisdiction of the United States.