

Notice of meeting

Special Meeting

26 March 2020 9am

Evolve Education Group Limited gives notice that a Special Meeting will be held at Link Market Services, Level 11, Deloitte Centre, 80 Queen Street, Auckland on 26 March 2020 at 9am.

AGENDA

- Chairperson's Address
- Ordinary Resolution
- Shareholder discussion

ORDINARY RESOLUTION

To consider and, if thought appropriate, pass the following ordinary resolution:

Resolution: It is hereby resolved, by way of a single ordinary resolution, that the shareholders of Evolve Education Group Limited approve and ratify for all purposes, including NZX Listing Rule 4.5.1(c), the previous issue under NZX Listing Rule 4.5.1 of 145,000,000 fully paid ordinary shares in Evolve Education Group Limited to investors at an issue price of AU\$0.13 per share on 19 December 2019.

EXPLANATORY NOTES

Why is the resolution required?

Under the 19 December 2019 placement (the *Placement*), Evolve issued 145,000,000 fully paid ordinary shares to new and existing institutional investors who were invited to participate in the placement at a price of AU\$0.13 per share. Participation in the Placement included:

- (i) Chris Scott, 19% shareholder and Managing Director, who committed to subscribe for A\$3.3 million (via J47 Pty Ltd);
- (ii) entities associated with Chief Executive Officer Timothy Wong, that committed to subscribe for A\$4.0 million; and
- (iii) other directors, who committed to participate for a total of approximately A\$0.7 million.

The Placement raised gross proceeds of approximately A\$18.9 million, with net proceeds used to pay down bank debt, fund the conditional acquisition of five centres based in the Australian Capital Territory and provide increased flexibility to implement the New Zealand turnaround and Australia expansion strategy.

All the shares issued under the Placement were issued under NZX Listing Rule 4.5.1. In broad terms, that Listing Rule permits an issue of shares up to 15% of the issued shares of Evolve in any 12 month period without prior shareholder approval. The shares issued under the Placement were equal to approximately 14.893% of the issued shares of Evolve as at 19 December 2019.

This resolution is being proposed by the Directors in accordance with NZX Listing Rule 4.5.1(c), which allows shareholders to ratify a prior issue of shares under NZX Listing Rule 4.5.1. If shareholders pass the resolution, and thereby ratify the issue of 145,000,000 shares under the Placement, the capacity to issue equity securities under NZX Listing Rule 4.5.1 up to the 15% limit permitted by the rule will be refreshed by that number of shares. This would preserve the ability of Evolve to issue further equity securities up to the 15% threshold in accordance with NZX Listing Rule 4.5.1, should Evolve wish to undertake a further placement of equity securities in the next 12 month period.

Failure to pass this resolution will not affect the validity of the shares issued under the Placement but will reduce the number of equity securities that can be issued by Evolve under NZX Listing Rule 4.5.1 for a period of twelve months from 19 December 2019.

The Board recommends to shareholders that they **vote in favour** of this resolution, as it will provide Evolve with flexibility to raise money through the issue of further equity securities.

The anticipated rationale for the issue of further shares would be to further repay bank debt and/or to fund further acquisitions as and when opportunities arise. Evolve continues to evaluate a number of opportunities to acquire further centres. For example, Evolve is currently actively evaluating four separate centres for acquisition. Each of these centres is based in metropolitan areas on the eastern sea board of Australia and fit with Evolve's occupancy and profitability criteria for acquisition. However, Evolve is still conducting its due diligence and it remains to be determined whether any acquisition will proceed, and on what terms. There is no guarantee that any such further issue will be undertaken or as to the terms of, and timing for, any such issue.

ATTENDANCE AND VOTING

Your rights to vote may be exercised by:

- a) attending and voting in person;
- b) casting a postal or online vote; or
- c) appointing a proxy (or representative) to attend and vote in your place.

You can appoint a proxy or cast a postal vote online at vote.linkmarketservices.com/EVO or by completing and returning the Proxy Voting Form (which is enclosed with this Notice of Meeting) no later than **9am on 24 March 2020**.

Following the formal part of the Special Meeting, the Directors invite shareholders to join them for light refreshments.

Please note:

1. If you wish to exercise your vote for the above resolutions by casting a postal or online vote, or by proxy please refer to the Procedural Notes on page 3.
2. If you are attending the Special Meeting in person, please email a RSVP to info@eeg.co.nz.

By order of the Board

Chris Scott
Managing Director

9 March 2020

PROCEDURAL NOTES

Voting

Voting on the resolution put before the meeting shall be by way of poll. Shareholders are encouraged to cast a postal or online vote or appoint a proxy to exercise their vote on their behalf if they cannot attend the meeting in person.

If you do not attend the meeting, cast a postal or online vote, or appoint a proxy then no vote will be exercised in respect of your shareholding.

The resolution is an ordinary resolution and will be passed if approved by a simple majority of votes of those shareholders entitled to vote and voting on it.

Results of the voting will be available after the conclusion of the meeting, and will be notified on NZX and ASX.

Voting Restrictions

In accordance with NZX Listing Rule 6.3.1, Evolve will disregard any votes cast in favour of the Resolution by any shareholder who acquired shares under the Placement (and their respective Associated Person).

Postal and online voting

Shareholders entitled to attend and vote at the meeting may cast a postal or online vote instead of attending in person or appointing a proxy to attend. Link Market Services Limited has been authorised by the Board to receive and count postal and online votes at the meeting.

You can cast a postal vote by completing and sending the Proxy and Postal Voting Form (enclosed with this Notice of Meeting) by post, email (as a scanned attachment) or fax, or deliver it by hand so that, in each case, the form is received by **Link Market Services Limited** no later than **9am on 24 March 2020**.

Online votes can be made at vote.linkmarketservices.com/EVO. Online votes must be made by **9am on 24 March 2020**.

Voting by proxy

You can appoint a proxy to attend and vote in your place.

You can appoint a proxy online at vote.linkmarketservices.com/EVO or by completing and returning the Proxy Voting Form (enclosed with this Notice of Meeting) in the manners specified

on the Proxy Voting Form so that the form is received by Link Market Services Limited no later than **9am on 24 March 2020**.

The proxy need not be a shareholder of Evolve. The Chairperson of the meeting is willing to act as proxy for any shareholder who may wish to appoint her for that purpose.

If you select a proxy to vote on your behalf (including the Chairperson of the meeting), and you confer on the proxy a discretion on the Proxy Voting Form, you acknowledge that the proxy may exercise your right to vote at his or her discretion and may vote as he or she thinks fit or abstain from voting. If you do not tick any boxes or your direction on how the proxy is to vote is unclear (in the Proxy's sole opinion) in respect of a resolution, then the direction is to abstain. Any person not entitled to vote on the resolution cannot act as a proxy unless they are given express direction on how to vote.

The Chairperson intends to vote all discretionary proxies in favour of the resolution.

Presentation materials

If you are not able to attend the Special Meeting, copies of any materials presented at the meeting by the Chairperson will be available on the NZX website (www.nzx.com), ASX's Website (www.asx.com.au) and on Evolve's website (www.evolveeducation.co.nz) shortly after the Special Meeting commences.