

26 February 2021

## EVO announces Results for FY 31 December 2020

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Evolve Education Group Limited (NSX/ASX: EVO) has released its audited results for the financial year ended 31 December 2020. As EVO changed its balance date from 31 March to 31 December during calendar year 2020, EVO's audited results for the financial year ended 31 December 2020 are for the 9 months from 1 April 2020 to 31 December 2020.

Key features of the results:

- Revenue of \$102.6m for FY 31 December 2020, i.e. 9 months to 31 December 2020 (FY 31 March 2020, i.e. 12 months to 31 March 2020, \$140.6m)
- Net profit after tax at \$7.6m for FY 31 December 2020 (FY 31 March 2020 loss of \$13.3m)
- Underlying EBITDA of \$15.7m for FY 31 December 2020 (FY 31 March 2020 \$8.2m)

A summary of comparatives is provided below:

	1 April 2020 – 31 December 2020 (audited) 9 months	1 April 2019 – 31 March 2020 (audited) 12 months	1 January 2020 – 31 December 2020 (unaudited, pro- forma) 12 months
Consolidated Revenue	\$102.6m	\$140.6m	\$136.8m
Underlying EBITDA *(pre-IFRS 16)	\$15.7m	\$8.2m	\$18.1m
Cash at end of period	\$59.1m	\$39.0m	\$59.1m

- Underlying EBITDA is a non-GAAP measure used by EVO to report its trading performance. It is calculated on a pre-IFRS 16 basis and excludes gains and losses on the sale or closure of businesses, acquisition and integration costs, impairment losses, restructuring costs and non-operational items.

Managing Director Chris Scott commented that 2020 was a challenging year with lockdowns and restrictions in New Zealand and Australia due to Covid-19. The confidence of our families, the support of the Governments of both countries for the sector, the dedication of our employees, the acquisition of Australian centres in late 2019 and action taken to improve operations in New Zealand all enabled EVO to record a better result in the 9 months to 31 December 2020 compared to the previous financial year.

Following a refresh of the EVO Board in September 2019, EVO has experienced a stabilisation in occupancy levels, the streamlining of support office functions, a reduction in Board fees

and the curtailment of fee discounting. EVO has also expanded into Australia with the acquisition of 10 centres in the last quarter of 2019.

In December 2020, EVO issued A\$35m five-year notes – the proceeds of which were partly used to fully repay bank facilities from ASB and the remainder has been earmarked for future acquisitions in Australia.

“The results reaffirm our action plans in both New Zealand and Australia, and our healthy balance sheet positions us well for acquisitions in Australia while we continue to progress operational improvements in New Zealand”.

For any further inquiries please contact:

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