

ASX Announcement

G8 Education Limited
(ASX:GEM)



23 February 2026

The Manager
Market Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir / Madam

In accordance with ASX Listing Rule 4.3A, I enclose the 2025 Financial and Statutory Report (**Full Year Report**) (including the Appendix 4E) for G8 Education Limited.

It is recommended that the Full Year Report be read in conjunction with any other public announcements made by G8 Education Limited in accordance with its continuous disclosure obligations under the *Corporations Act 2001* (Cth) and the *ASX Listing Rules*.

A briefing will be held at 9.00am AEDT on Monday, 23 February 2026. Interested parties can register for this briefing as follows:

Participants can register for the conference by navigating to: <https://s1.c-conf.com/diamondpass/10052576-uyt50b.html>

Please note that registered participants will receive their dial in number upon registration.

The webcast can be viewed by navigating to: <https://ccmediaframe.com/?id=X8580hv2>

Yours faithfully

Josie King
Company Secretary

For further information, contact:

Investors	Media
G8 Education Investor Relations	G8 Education Media
07 5581 5300	07 5581 5300
investor.relations@g8education.edu.au	media@g8education.edu.au

Authorised for release by G8 Education Limited's Board of Directors.



G8 Education^{ltd}

Appendix 4E Preliminary Final Report

Name of Entity	G8 Education Limited
ABN	95 123 828 553
Reporting period – year ended	31 December 2025
Previous Corresponding period – period ended	31 December 2024

Results for Announcement to the Market

	Percentage change Up or Down	%	to	\$'000
Revenue from ordinary activities	Down	7.2%	to	948,163
(Loss)/Profit from ordinary activities after tax attributable to members	Down	548.1%	to	(303,305)
(Loss)/Profit for the period attributable to members	Down	548.1%	to	(303,305)

Dividends	Amount per Security	Franked amount per security
April 2025 Final 2024 Dividend - paid	3.5 cents	100%
October 2025 Interim 2025 Dividend – paid	2.0 cents	100%
Final 2025 Dividend	Nil	n/a
Details of any dividend reinvestment plan in operation	G8 Education Limited's dividend reinvestment plan has been suspended	

Net Tangible Assets (NTA)	December 2025	December 2024
Net Tangible Assets per security	(37) cents	(29) cents

Brief explanation of any figures reported above necessary to enable the figures to be understood
Refer to the attached Director's Report for more detail.

Commentary on Results

Refer to attached Chair's Report and Managing Directors' Report of the Annual Report.

Balance Sheet with notes

Refer 2025 Consolidated Financial Report attached:

- Balance Sheet
- Notes to the financial statements as shown.

Statement of Comprehensive Income with notes

Refer 2025 Consolidated Financial Report attached:

- Statement of Comprehensive Income
- Notes to the financial statements as shown.

Income Statement with notes

Refer 2025 Consolidated Financial Report attached:

- Income Statement
- Notes to the financial statements as shown.

Statement of Cash Flows with notes

Refer 2025 Consolidated Financial Report attached:

- Statement of Cash Flow
- Notes to the financial statements as shown.

Dividends

Refer 2025 Consolidated Financial Report attached:

- Note 23 to the financial statements as shown.

Statement of Changes in Equity

Refer 2025 Consolidated Financial Report attached:

- Statements of Changes in Equity

Entities which control has been gained or lost

Refer 2025 Consolidated Financial Report attached:

- Notes 16 and 25 to the financial statements as shown

Details of associate entities

Refer 2025 Consolidated Financial Report attached:

- Note 25 to the financial statements as shown

Compliance Statement

This report is based on the financial report that has been audited by G8 Education Limited's external auditors.

A handwritten signature in black ink, appearing to read 'Pejman Okhovat', with a long horizontal flourish extending to the right.

Pejman Okhovat
Managing Director

23 February 2026



G8 Education^{ltd}

G8 Education Limited ABN: 95 123 828 553





Our Purpose

**TO NURTURE THE
GREATNESS IN EVERY
CHILD TO GROW,
THRIVE AND LEARN.**

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About this 2025 Annual Report

This 2025 Annual Report provides a consolidated summary of G8 Education Limited's operating and financial performance for the 12 months ending 31 December 2025.

In this report, G8 Education Limited will be referred to as "G8 Education", "the Company", "the Group", "we", "our" and "us".

This report is designed to be read in its entirety, including:

- The Operating and Financial Review contained on pages 2 to 27 which have been verified through G8 Education's internal verification process
- The Climate Report on page 48 which has been verified through G8's internal verification process and in relation to which Ernst & Young has provided a limited assurance opinion
- The Remuneration Report on page 28 and Financial Report on page 69 which have been audited by Ernst & Young

Any reference to the financial year (FY) relates to the period 1 January 2025 to 31 December 2025, unless otherwise stated.

This report should be read in conjunction with our Corporate Governance Statement available at: g8education.edu.au/investor-information or by contacting our Registered Office.

2025 Annual Reporting Suite



Annual Report 2025



Corporate Governance Statement 2025



AGM Notice of Meeting 2026

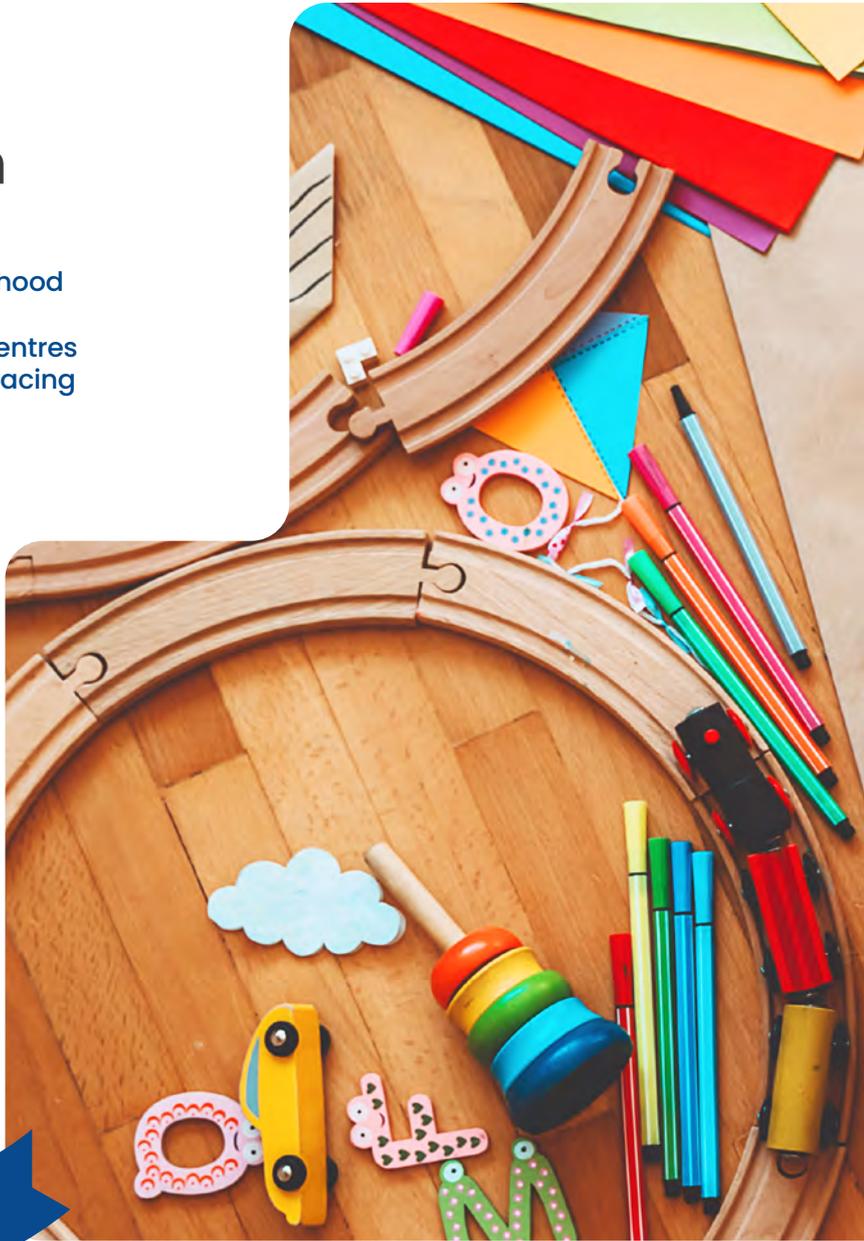


Visit our 2025 Reporting Suite

About G8 Education

As Australia's largest ASX-listed early childhood education and care provider, G8 Education proudly supports a network of nearly 400 centres under 21 trusted, community-led brands, placing the child at the heart of everything we do.

At G8 Education, we put Safety First and Always. Due to the size of our network and the breadth of the communities in which we operate, we recognise our ability to make a substantial social contribution towards child protection and safeguarding in Australia. We are committed to ensuring the safety, protection and well-being of children by providing child-safe environments where all children are respected, valued and empowered to reach their full potential.



our 4 Child Safe Pillars



EFFECTIVE LEADERSHIP



INCLUSIVE ENVIRONMENTS

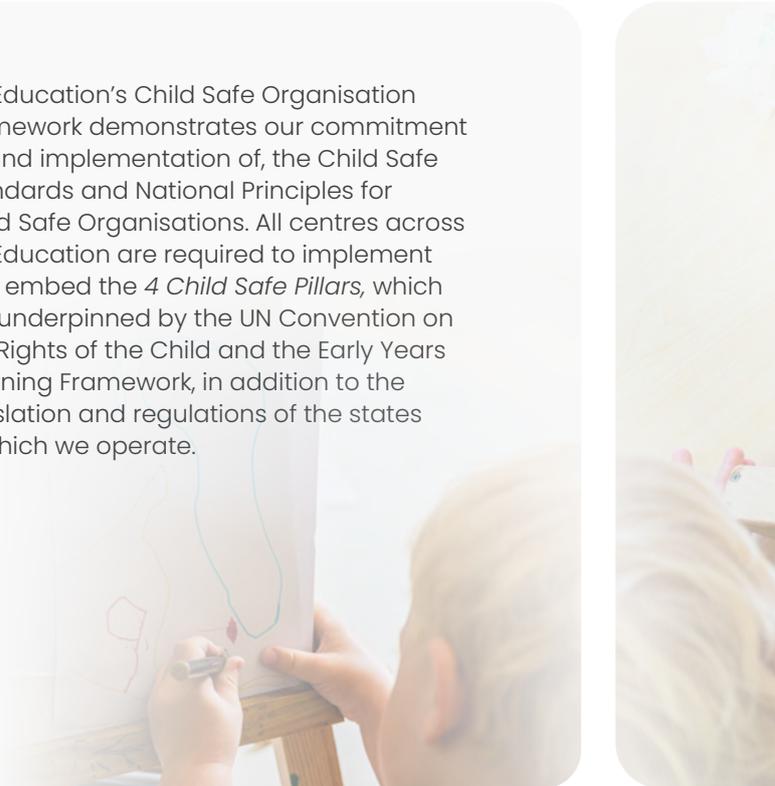


CHILD SAFE CULTURE



CONTINUOUS IMPROVEMENT

G8 Education's Child Safe Organisation Framework demonstrates our commitment to, and implementation of, the Child Safe Standards and National Principles for Child Safe Organisations. All centres across G8 Education are required to implement and embed the 4 Child Safe Pillars, which are underpinned by the UN Convention on the Rights of the Child and the Early Years Learning Framework, in addition to the legislation and regulations of the states in which we operate.





33,032

Total licensed places

8,800+

Total team members

38.37m+

Care hours

36,000+

Children per week

G8 Education provides quality teaching and learning programs that are evidence-informed and deliver on our Purpose to *nurture the greatness in every child to grow, thrive and learn*. Our learning environments are designed to engage and support children's learning, development and wellbeing. Our professional teachers and educators celebrate and nurture each child's individual strengths and needs through meaningful collaboration with families to support and inform program planning. Responsive relationships, experiences and teacher informed programming provide life-long positive impacts.

At G8 Education, we are privileged to contribute to the lives of children and their families in the vital early years. The quality of these interactions, experiences and relationships is crucial. That is why a child and family's involvement in a quality early learning program is so important. We promote the very best practices in our centres to nurture each child's wellbeing and support them to fulfil their potential.



About G8 Education



TOTAL CENTRES AND CENTRE TEAM MEMBERS



Centres



Centre team members

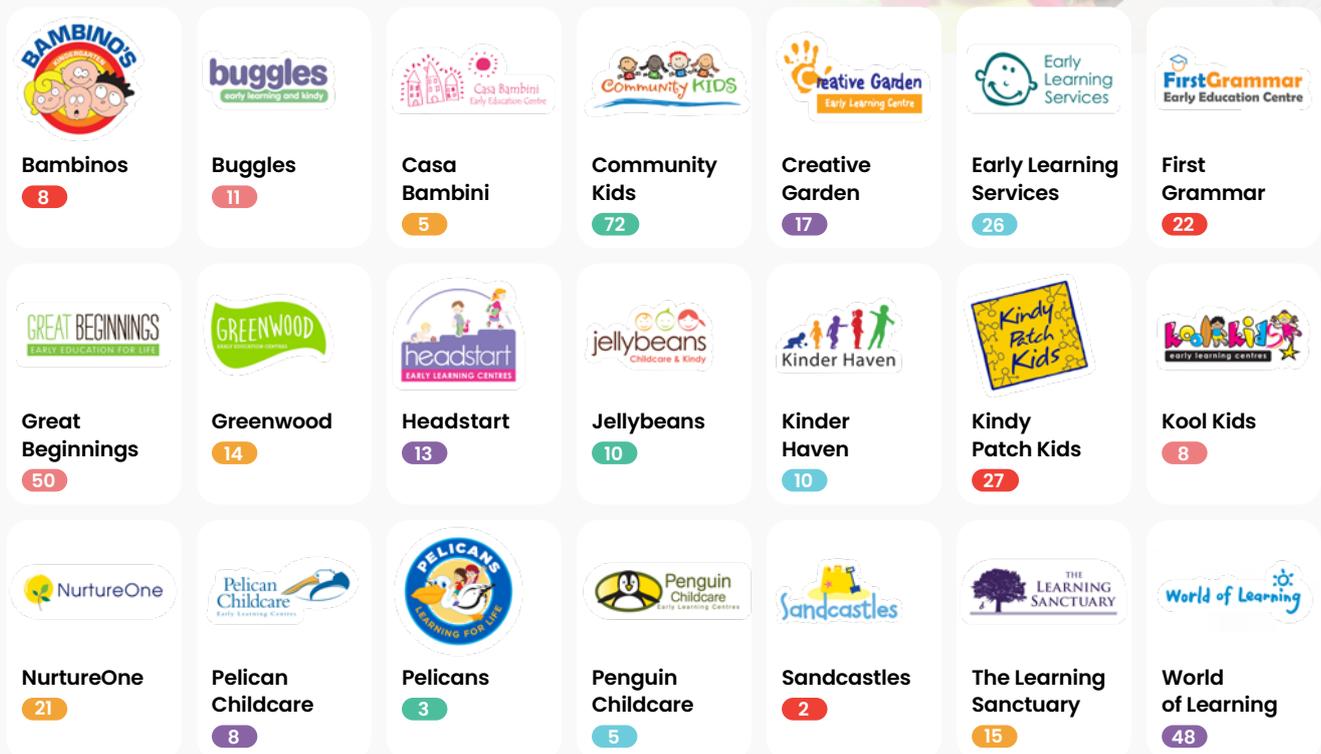


395

TOTAL CENTRES¹

With more than 36,000 children attending each week

Total centres by brand



1. G8 Education exited the ACT in May 2025.

Acknowledgement of Country

G8 Education acknowledges the Traditional Owners of the lands on which we operate and we pay our respect to Elders past and present.

We recognise that Aboriginal and Torres Strait Islander peoples have been nurturing and teaching children on these lands for thousands of years.

We are grateful for the opportunity to work, learn and grow connections together as a united community.



Image taken at the 2025 G8 Education National Conference.



Chair and CEO Message

Debra Singh

Chair of the Board



Pejman Okhovat

CEO and Managing Director

Dear Shareholders,

2025 was a defining year for G8 Education and for the early childhood education and care sector. The child safety matter in Victoria had a significant impact on confidence and trust and we were challenged to reflect deeply, listen and strengthen the way we show up for children and families every day.

The shining light was the passion, commitment and professionalism of our team members who supported our children, families, communities and each other with empathy and understanding. The year reminded us of the privilege and responsibility we hold in providing education and care to children across Australia. It reinforced the importance of continuous improvement, transparent communication and a culture that prioritises safety, trust and high-quality outcomes above all else.

Throughout 2025, we focused on child safety and protection and operational optimisation, which translated into clear priorities that included transforming our culture and ways of working, enhancing our Family Value Promise, sustaining high quality and compliance every day, managing costs and assets and building capability across our teams. We launched our new Purpose and Values, reinforcing a shared commitment to safe, high-quality education and care and a culture that strengthens the learning outcomes of children through proven pedagogical practice.

G8 Education's strategy was refreshed to ensure it was aligned and considerate of the dynamic and emerging factors in the sector. This included introducing an intermediary Horizon 2.5, focused on strengthening and enhancing our foundations. Strategic Horizon 2.5 reflects a deliberate shift toward consolidating capability, improving core systems and embedding the initiatives launched in earlier years, whilst assessing and implementing the significant changes to the regulatory environment. By reinforcing the organisation's safety, operational, cultural and service fundamentals, we are positioning ourselves for sustainable growth in future strategic horizons.

We ended the year with around 36,000 children attending our services each week and more than 8,800 dedicated team members with a continued focus on delivering high quality education and care, ensuring our children receive the best experience possible.

Our commitment to Safety, First and Always

In 2025, the early childhood education and care sector faced heightened scrutiny following an increase in incidents reported nationally. It was a challenging year for G8 Education and for the sector more broadly, underscoring the vital importance of maintaining the highest standards of quality care and education, safety, vigilance and accountability.

At G8 Education, child protection and safeguarding remained our highest priority. *Safety, First and Always* is one of our core values, shaping every decision we made. Our teams took this responsibility extremely seriously with a no tolerance policy for any behaviour that compromises the safety or wellbeing of children. We were unwavering in our commitment to providing safe, nurturing and transparent environments for the children in our care. Child Safe Standards, including those relating to child safety and wellbeing, were firmly embedded in our governance frameworks and organisational culture, ensuring consistent expectations and behaviour across all levels of the organisation.

To uphold these standards, we committed to continued rigorous recruitment practices to ensure we employed qualified educators and early childhood teachers who built and delivered safe, supportive environments through high-quality programs. Personal devices were not permitted in centre rooms and all team members received comprehensive and ongoing training, including specific training modules on Child Safety and Child Safeguarding. Additional rigour was added to reference and background checks, including the centralisation of Working with Children Checks and state-specific teacher registrations, and we ensured that every team member understood their obligations as Mandatory Reporters. Team members were supported to act on any disclosure, concern or reasonable suspicion of harm and we actively encouraged confidential and anonymous reporting of concerns under our Whistleblower Policy. Our centres were designed to provide physical and online environments that promoted safety and wellbeing, supported by continued investment in cyber security.



To strengthen governance and provide the Board with an enhanced level of oversight, a dedicated Safety Committee was established¹, separating this function from the Audit and Risk Management Committee and reinforcing the organisation's continued focus on safety.

Investment focused on elevating the role of Safety Leaders within each centre leadership team, supported by structured training and a defined focus and commitment to child safety. We also reinforced the importance of giving children a voice in their own safety. Body safety programs were incorporated into our curriculum, with a plan mapped out to expand our Protective Behaviours Program through evidence-based initiatives that support children, families and team members in 2026. Following our announcement in July 2025 to rollout CCTV across our network, the project has progressed diligently and we will commence our pilot and phased rollout in 2026. While CCTV is not a standalone solution, it provides an important additional layer of protection within our broader safeguarding approach.

Quality, Education and Inclusion

We recognise the essential role we play in the lives of families and we remain committed to delivering high quality education and care that ensures every child receives the best possible early learning and care experience. Our Family Value Promise was enhanced, strengthening our committed focus on what families told us matter to them the most. This included clearer communication, visibility of children's learning, flexibility and access to meaningful learning support services. Our efforts to improve the family experience were reflected in an increase in our Net Promoter Score (NPS) to 53², demonstrating growing confidence and satisfaction among the families we serve.

In 2025, we continued to strengthen the quality and impact of our educational programs, with a clear focus on inclusion, evidence-based practice and teacher proficiency. Our commitment to continuous improvement was reflected in strong assessment and ratings outcomes. By the end of 2025, 95 per cent of our network was meeting or exceeding the National Quality Standards (NQS) overall, 4 per cent above sector average and 2 per cent above the prior year. Our continued focus on quality education saw 96 per cent of centres assessed rated Meeting or Exceeding in NQS Quality Area 1: Educational Program and Practice and 96 per cent of centres assessed rated Meeting or Exceeding NQS Quality Area 2: Children's Health and Safety.

1. Commencing from 1 January 2026.

2. As at 31 December 2025.

A key achievement for the year was the full embedding of Individual Learning Plans across our network. These plans support personalised approaches to each child's learning, development and wellbeing and deepen collaboration between educators, children and families. We also expanded our *digital literacies@play* initiative, ensuring children engage with technology in purposeful, age appropriate ways that enhance learning, rather than replace it. Our preschool and kindergarten programs were further strengthened, with a strong emphasis on effective transitions to school and outcomes based practice that supports children's readiness and confidence.

Since launching our Reconciliation Action Plan (RAP) in 2024, we have continued to build cultural capability across our organisation. By the end of 2025, 98 per cent of our centres were operating with their own RAPs in place, reflecting our commitment to meaningful reconciliation and culturally responsive practice.

The G8 Education Team

Supporting our educators and teachers remains central to delivering innovative, relevant and evidence-based educational programs that enrich children's development. In 2025, we continued to strengthen the capability of our teams through a series of targeted initiatives. These included building leadership capability, talent mapping and succession planning and programs to optimise team health and safety, reinforcing our commitment to building a skilled, supported and motivated team that is focused and capable of consistently deliver high quality learning outcomes for children and families in our centres.



Chair and CEO Message

The second tranche of the ECEC Worker Retention Payment for centre-based team members was implemented in December 2025, providing meaningful recognition for the critical role they play in the learning and development of children in our centres every day. This investment was not only positive for our team members, but also an encouraging signal for the broader early childhood education and care sector.

Team member engagement trended downward to 76 per cent¹. Retention, however, strengthened with team member retention improving from 77 per cent to 79 per cent², reflecting the impact of our focus on culture, capability and career pathways.

We expanded our commitment to growing our own talent, enhancing internal pipelines and leadership development opportunities to support long term career progression. Complementing this, we rolled out our capability framework, providing clear alignment between skills, expectations and development pathways across G8 Education.

Our Operating Context

Cost of living pressures continued to affect family decision making and household budgets, influencing enrolment patterns and demand stability across the sector. At the same time, multiple government reviews into the early childhood education and care sector signalled a period of policy scrutiny and reform, requiring us to remain agile and engaged in regulatory discussions, advocacy and implementation of changes.

We continued to enhance our core operations through targeted strategic initiatives designed to support sustainable operating performance. While the broader macroeconomic environment remained challenging, we maintained a disciplined focus on operational efficiency, portfolio quality and long term value creation. In response, we advanced our centre optimisation program, including divestments in Victoria, Queensland and New South Wales. These actions sharpened the quality and alignment of our portfolio and enabled reinvestment into priority areas that strengthen our network and support future performance.

Occupancy remained under pressure as families navigated ongoing cost of living constraints. The number of enquiries and the conversion rates softened across all jurisdictions, reflecting the financial pressures influencing family decision making. This challenging environment resulted in a modest decrease in year-on-year group occupancy which was recorded at 65.8 per cent³.

The year also saw significant sector reforms and strengthened child safety regulations, with heightened compliance expectations shaping operational priorities. Alongside these changes, the broader reputation of the sector was impacted by child safety and protection incidents across the sector in multiple jurisdictions. Developments, particularly in Victoria and New South Wales, drew public attention and influenced family sentiment, trust and demand patterns nationally. Combined, these dynamics underscored the importance of maintaining strong governance, investing in quality and safety and continuing to build trust with families and communities.

Performance

Our full year financial performance reflects a constrained operating environment impacted by elevated cost of living pressures, an increasingly competitive market, softer demand conditions and sector reputation dynamics. Despite these headwinds, we continued to invest in safety, quality and our centres to strengthen long term performance. Throughout 2025 we prioritised upgrades that enhanced safety, improved learning environments, increased operational efficiency, play space enhancements, maintenance uplift and digital platform improvements.

Our financial sustainability and health softened, reflecting ongoing downward pressure. Our statutory Earnings Before Interest and Tax (EBIT) decreased to \$(234.7) million, with a Net Loss After Tax of \$(303.3) million. Operating cash flow⁴ is \$103.8 million, with a cash conversion rate of 114 per cent.

Financially, maintaining the strength of our balance sheet was challenged, with pressures on capital management affecting the anticipated completion of the on-market share buy-back and limiting shareholder returns with no final dividend payable in respect of the year ended 31 December 2025.

1. Based on internal employee engagement surveys conducted in 2024 and 2025.

2. Based on 31 December 2024 data compared to 31 December 2025 data.

3. Based on data as at 31 December 2025.

4. Underlying operating cash flow is calculated as the reported net cash inflows from operating activities less principal elements of lease payments and adding back software development expenses and other non-trading payments and receipts.

Community and Sustainability

We manage our business with a long term view, ensuring G8 Education remains a sustainable, regenerative and financially strong organisation that can continue serving communities for decades to come. In 2025, we progressed several initiatives that strengthened our environmental, social and financial foundations. Collaboration across the early childhood education and care sector remained a priority, recognising that consistent safety and quality outcomes are best achieved when providers, regulators and partners work together.

Our commitment to environmental stewardship also progressed, with a 9.43 per cent reduction in Scope 1 and Scope 2 emissions¹, reflecting ongoing efforts to improve energy efficiency and reduce our carbon footprint. We further enhanced our climate risk reporting, providing deeper insights to support informed decision making and strengthen organisational resilience in a changing climate. These improvements ensure we are better equipped to anticipate and manage emerging risks.

Outlook for 2026

Looking ahead, we are moving into a “Strengthening & Enhancing” strategic horizon, with an unwavering commitment to safety, quality and disciplined execution. We will continue strengthening child safeguarding, Safety Leader capability and CCTV deployment across the network, while embedding body safety education and protective behaviours in partnership programs.

Sector wide conditions remain challenging. The Board of G8 Education, while maintaining confidence in its strategic direction and core operations, remains focused on navigating the current operating environment with discipline and delivering on our key priorities: safety and compliance, family experience, high quality education, occupancy growth and financial sustainability.

We are grateful to our teams, families, and communities for their continued trust and partnership. Together, we remain committed to nurturing the greatness in every child and building a safer, stronger G8 Education.

2026 Annual General Meeting

Our AGM will be held at 12:00 noon (AEST) on Wednesday, 29 April 2026, in Brisbane.

Thank you

As we reflect on 2025, it was a year of significant challenge and dynamic sector complexity for G8 Education. Throughout the year, our focus remained on what matters most: supporting strong outcomes for children, investing in our team and our future and strengthening our operations with a priority on safety. Our progress is a direct reflection of the dedication and commitment shown by our team across the country, who provide quality education and care to children across Australia every day.

We are proud to highlight some of the key milestones from this year that underscore the strength and resilience and extend our heartfelt thanks to all our G8 Education team members, our stakeholders, Federal and State-based authorities, sector partners, supplier partners and shareholders. Your continued support is invaluable as we work together to deliver high-quality care and education to children across Australia.

Debra Singh
Chair of the Board

Pejman Okhovat
CEO and Managing Director

1. Based on 31 December 2024 data compared to 31 December 2025 data.



2025 at G8 Education

\$948.2m

Total Revenue
▼ by 7.2% on FY24

\$93.3m

Operating EBIT (lease adjusted)
▼ by 18.9% on FY24

\$(303.3)m

Reported Net Loss After Tax

\$103.8m

Operating Cash Flow⁴



79%

Team Retention
▲ 2% on FY24



65.8%

Group Occupancy
▼ 4.9% on FY24



9.9%

Operating EBIT Margin¹
▼ 1.4% on FY24



53

NPS² ▲ 3 pts on FY24



95%

of centres "Meeting"
or "Exceeding" the NQS³
overall ▲ 2% on FY24



96%

of centres "Meeting"
or "Exceeding" NQS³
Quality Area 1
▲ 2% on FY24

1. Lease adjusted.

2. Net Promoter Score.

3. National Quality Standards.

4. Underlying operating cash flow is calculated as the reported net cash inflows from operating activities less principal elements of lease payments and adding back software development expenses and other non-trading payments and receipts.



G8 Education committed to enhanced safety initiatives and bolstered policies embedded across all operations including the deployment of CCTV to our network, the introduction of Individual Learning Plans and personal care preferences, removing personal devices from rooms and embedding IPlace Childcare.



G8 Education was presented with a signed National Apology to recognise our commitment to reconciliation.



G8 Education undertook increased advocacy for harmonised ECEC policy and regulation to support child protection, safety, stability and quality.



G8 Education implemented the second stage of the multi-employer agreement securing an additional 5% pay increase for our centre-based team members, bringing the total pay increase since 2024 to 15% above Award.



G8 Education launched its refreshed Purpose and Values at the 2025 G8 Education National Conference.



G8 Education joined the national mission to improve how care is delivered in Australia



Care Economy CRC

joining 55 other partners in the newly launched Care Economy Cooperative Research Centre.

G8 Education sponsored the 2025 ECA Conference in Perth and contributed to sessions about the practical educator tools used to support children living with autism, ECEC policy reforms and workforce considerations.



Learn to Be Safe with **Emmy & Friends**

G8 Education commenced the roll out of the evidence-based protective behaviours program, Learn to Be Safe with Emmy and Friends – Early Years Safety Threads developed by Act for Kids, a leading child protection organisation.



Purpose and Values

Our Journey to a Shared Purpose & Values

2025 marked an important milestone in our organisation's cultural evolution. We set out to redefine our Purpose and Values so they accurately reflect who we are today and the organisation we aspire to become. What resulted was not a simple refresh, but a collaboratively shaped framework informed by meaningful engagement, shared expectations and a clear vision for the culture we want to strengthen.

G8 Education is a thriving community where together we reach our goals and nurture a sense of belonging and purpose among our teams and families.

Listening and Co-Creation

To ensure our Purpose and Values were both aspirational and practical, we engaged with those who experience our culture daily. Over several months, Centre Managers, Support Office teams, Board Members and Executive Leaders contributed their reflections on what supports them to do their best work and what matters most in our environment.

Our consultation process included:

- Organisation-wide surveys focused on retention, engagement and everyday experience
- Regional Values Workshops with representatives from all workforce cohorts
- Leadership and Executive consultation
- Multiple testing and refinement cycles

Across all feedback channels, a consistent message emerged: our Purpose and Values must reflect the professionalism of early childhood education and care and reinforce our collective commitment to safety, community and each child's potential.



OUR PURPOSE

To nurture the greatness in every child to grow, thrive and learn

Our Purpose reflects what motivates our team, the role we play in early childhood education and care and the impact we want to have across every centre, every day.

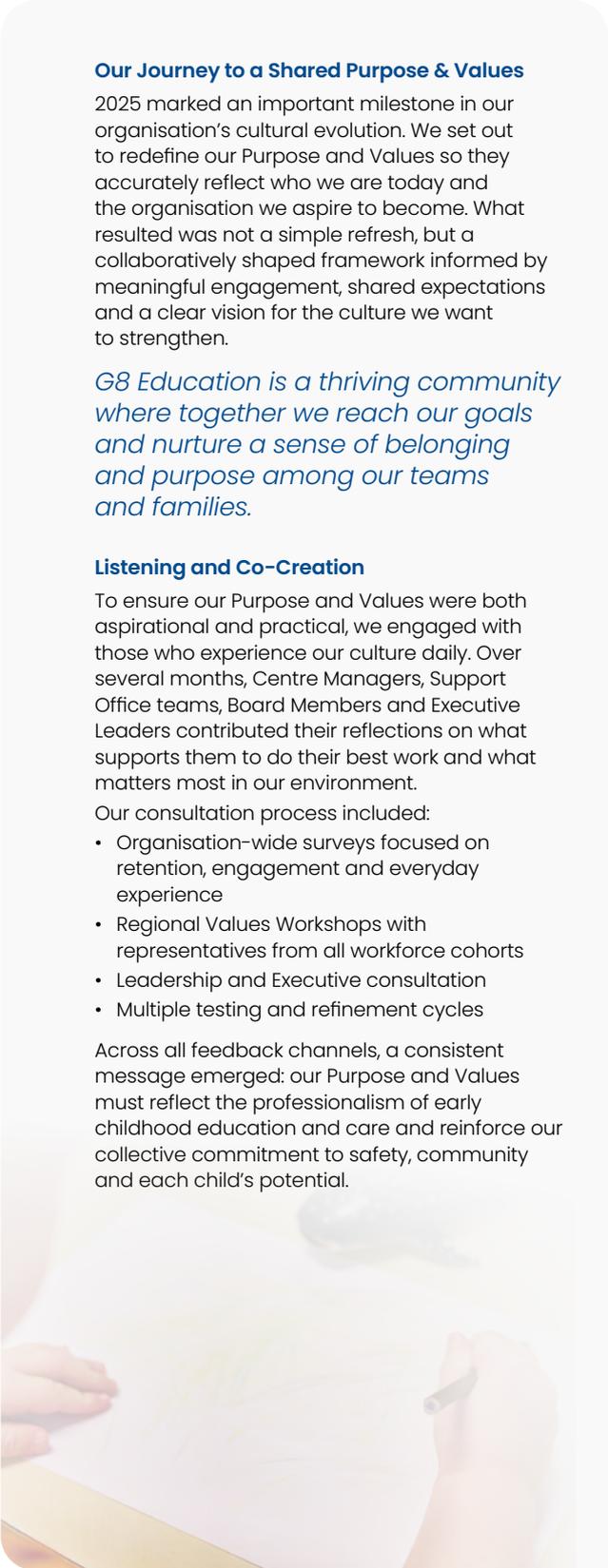


What Our Teams Told Us

Common themes guided the development of the final framework:

- Safety is the foundation of everything we do
- Our teams and communities are our key strengths
- Clear expectations and shared accountability enable high performance
- Children remain at the heart of everything we do
- Our teams take pride in delivering quality outcomes
- Consistent leadership builds trust and belonging

These insights informed every stage of the design and refinement process.



Our Values

Our Values provide clarity on what we expect of each other and how we work together to deliver safe, high-quality outcomes for children, families and our teams.



SAFETY, FIRST AND ALWAYS

We are committed to the highest standards of safety and wellbeing – first and always – and we speak up for the children in our care, their families and our team.



OWNING THE OUTCOME

We take ownership and responsibility to achieve quality outcomes – leading with courage and holding each other accountable.



THRIVING TOGETHER

We believe in teamwork, connection and collaboration – creating a community where learning, belonging and success is shared and celebrated.



BEING THE DIFFERENCE

We embrace change with resilience and positivity, making every moment – big or small – count toward excellence.



BUILDING BRIGHT FUTURES

We build trusting, supportive and joyful relationships with families and communities, empowering children to learn and grow.

Launching our Purpose & Values

The 2025 G8 National Conference served as the platform to introduce the new Purpose and Values to our team, with program content intentionally aligned to support understanding and adoption. A dedicated “Living the Values” session provided leaders with practical ways to apply the Values in their daily work and with their teams.

Embedding the Work

Throughout the year, we focused on integrating the Purpose and Values into how we operate, including:

- Developing branded materials to support visibility across centres and digital environments
- Updating key policies, procedures and documents, including the Code of Conduct, Position Descriptions, induction materials and performance frameworks
- Integrating the Values into our Centre Philosophies
- Embedding a Safety Moment into our team meeting practices
- Incorporating the Purpose and Values across our team member journey, from recruitment to exit

- Establishing a Support Office recognition program for our Values Champions
- Aligning our Listening Survey questions to Values-related measures
- Ensuring our Employee Value Proposition aligns with our new Purpose

These steps have already contributed to improved clarity, alignment and cultural consistency.

Looking Ahead

The journey does not end here. Our Purpose and Values now serve as cultural anchors, shaping the way we lead, work and make decisions. They reinforce the importance of the work we do and the impact we create for children and families every day. As we continue to embed this framework, we are strengthening a culture where our teams feel supported, connected and confident in the difference they make.

Strategy

At G8 Education, the child is at the heart of everything we do—their safety, wellbeing and opportunity to thrive. Our renewed Purpose is clear: to nurture the greatness in every child to grow, thrive and learn. This Purpose is the foundation of everything we do.

Given the challenges the early childhood education and care sector experienced, 2025 was a year of learning and progress. We have strengthened our core and we will now focus on strengthening and enhancement initiatives. This horizon reflects our commitment to raising the bar on safety, compliance and quality, while continuing to deliver on our Family Value Promise, ensuring families feel supported and confident in the education and care we provide.

Our refreshed approach recognises the evolving expectations of families, changes in government policy and sector dynamics. We are mobilising around priorities that matter most, including:

- Elevating safety and quality standards across our network
- Enhancing the experience for families through a stronger value proposition
- Driving occupancy growth and operational efficiency
- Building a culture of accountability and capability
- Rebuilding trust and reputation with all stakeholders.

These strategic priorities underpin the measures we have set for 2026. There is consistency in our key measures with previous years, which ensures transparency and enables stakeholders to track our progress toward aspirational goals. Successful delivery of this horizon will create the right foundation for the next phase, differentiation and growth, where we will leverage a talented team, a winning Family Value Promise and sector-leading safety and quality standards.

Our Values



SAFETY, FIRST AND ALWAYS

We are committed to the highest standards of safety and wellbeing – first and always – and we speak up for the children in our care, their families and our team.



THRIVING TOGETHER

We believe in teamwork, connection and collaboration – creating a community where learning, belonging and success is shared and celebrated.



OWNING THE OUTCOME

We take ownership and responsibility to achieve quality outcomes – leading with courage and holding each other accountable.



BEING THE DIFFERENCE

We embrace change with resilience and positivity, making every moment – big or small – count toward excellence.



BUILDING BRIGHT FUTURES

We build trusting, supportive and joyful relationships with families and communities, empowering children to learn and grow.

Strategic Pillars



Team

Having a capable and confident team, motivated by their passion, aligned by our culture and values



Safety and Compliance

...delivers a high-quality environment that protects children and team, that is safe and enables wellbeing



Education and Quality

...and delivers pedagogy and developmental programs that are seen as differentiators, preparing children for school



Family Experience

...creates great experiences for our families, building trust and confidence in our services, to become top of mind



Operating Model

...ensures G8 is serving its communities for decades, while being sustainable, regenerative and financially strong



Financial Sustainability

...combined with an efficient operating model that supports the team to be productive, deal with challenges and deliver great outcomes



2026 Measures

Team retention

Focus on children's safety – % of centres meeting or exceeding Quality Area 2 NQS¹

High quality – % of centres meeting or exceeding NQS¹ overall

Net Promoter Score (NPS)

Occupancy

Operating EBIT margin²

1. National Quality Standards. 2. Lease adjusted.

Our Sustainability Approach

At G8 Education, sustainability is embedded in how we govern our business to deliver high quality early childhood education and care, support our team and manage our environmental responsibilities. Our sustainability approach recognises that strong governance, safe and high quality services, a capable and supported workforce and responsible environmental practices are fundamental to our purpose of nurturing the greatness in every child to grow, thrive and learn - while creating long term value for our families, communities, team members and shareholders.

Through our four sustainability pillars of Governance, Service Quality, Our People and Our Environment, we focus on managing risks and opportunities for our most material matters across our operations. Further information on our sustainability approach, commitments, initiatives and progress is available at www.g8education.edu.au/about-us/sustainability or by contacting the Registered Office. Further information is also available in our inaugural Climate Report on pages 48 to 63 of this Annual Report.

Our Sustainability Pillars



Governance

Strong oversight and trust

G8 Education's governance structures and practices ensure accountability, ethical conduct and robust risk management. Good governance creates the conditions for safety, quality and transparency in everything we do, from compliance with regulation to proactive safety and child protection frameworks. This was further enhanced by the establishment of a dedicated Safety Committee¹. Oversight by the Board and leadership teams build stakeholder trust and underpins sustainable decision making.



Service Quality

Safe, child-centred early education and care

Service quality is a core business requirement. We are committed to providing safe, high quality early childhood education and care that reflects play-based, inclusive, child-led pedagogy that meets or exceeds National Quality Standards. Child health, safety and wellbeing are paramount and embedded in curriculum design, educator practice and family engagement as essential elements of quality.



Our People

Capable, supported, engaged workforce

Our team is the foundation of our ability to deliver service quality. We invest in recruitment, capability development, wellbeing and retention to build a sustainable, capable and values-driven workforce. In a challenging sector environment, a focus on team enables us to support children, deliver consistent experiences for families and maintain a strong culture of safety and care.



Our Environment

Responsible, resilient operations

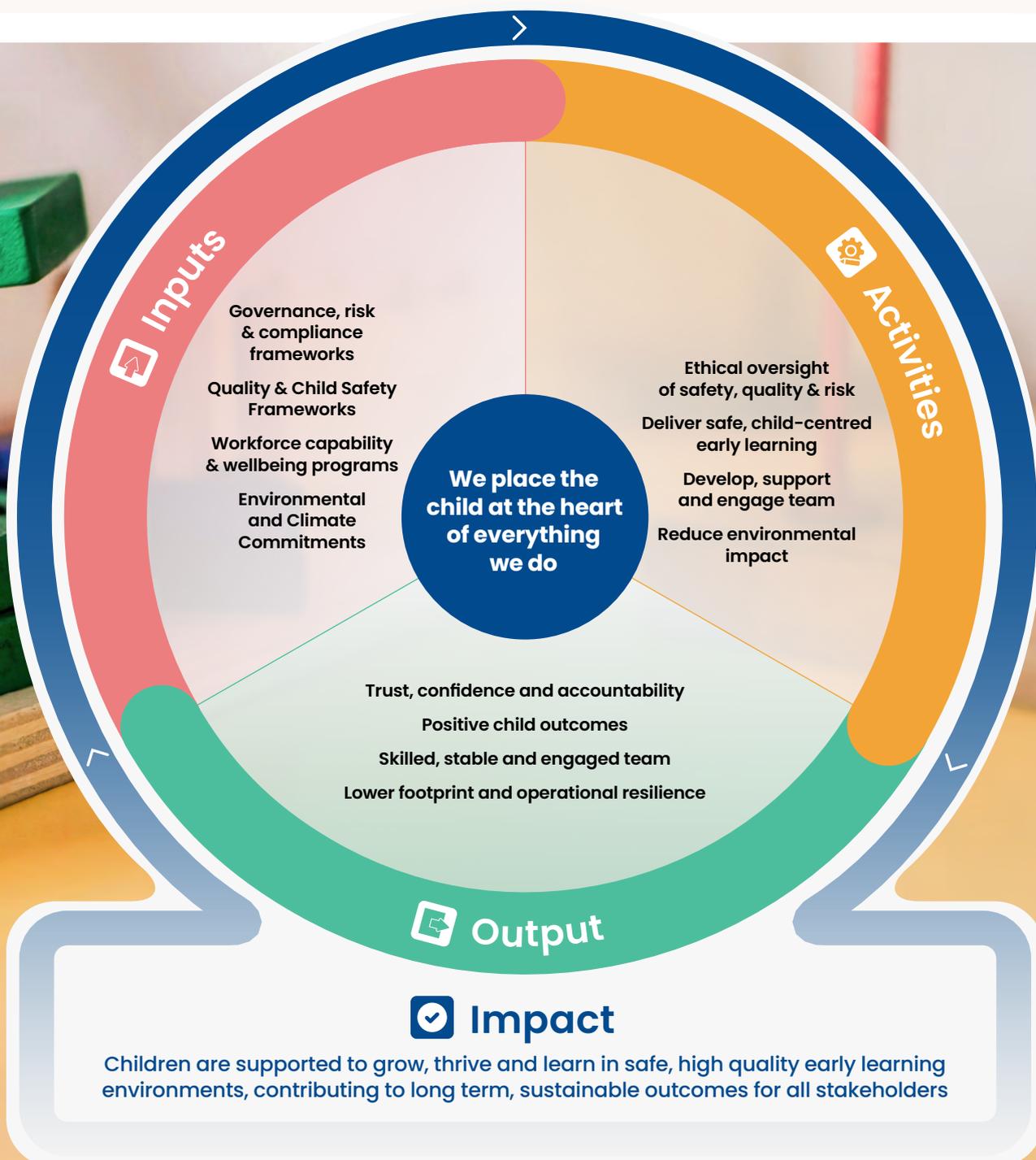
We are committed to responsibly managing our environmental footprint and advancing practices that support climate resilience and environmental stewardship, consistent with climate reporting standards and the requirements of the National Quality Framework. This includes energy and resource efficiency, waste reduction and integrating sustainability principles into centre operations and early learning environments, recognising the role we play in modelling sustainable behaviours for children in our care.

1. Commencing from 1 January 2026.

Sustainability Value Chain

At G8 Education sustainability creates value by linking the strength of our operations and culture to meaningful outcomes across our stakeholders.

Our governance and oversight frameworks are designed to reinforce safety and trust. Child-centred service quality drives improvements in safety, developmental outcomes and family confidence. Investment in our people builds capability and consistency of care. Environmental responsibility enhances business continuity and climate resilience.



Material Risks

G8 Education aligns to ISO 31000:2018 Risk Management Guidelines to identify and manage its risks. The Board oversees this process by reviewing monthly reports and conducting annual reviews of enterprise risk management (including review of the enterprise risk register and the risk appetite of the group). Board Committees have specific responsibilities to provide oversight of certain material risks under the Risk Management Framework and the Board and Committee Charters. Management plays a key role in promoting a culture of risk awareness, fostering open communication and taking proactive measures to manage and mitigate risks.



Child Protection

Child safety is paramount and ensuring all children in our care are protected from harm is essential. A failure to safeguard may result in child harm, reputational damage, financial liabilities and team member harm.

Mitigating Activities

- Pre-commencement probity checks including mandatory “Working with Children Checks” and reference checks from previous employer
- Mandatory pre-commencement induction training and mandatory annual refresher training
- Protocols for visitor and contractor verification, induction and access
- Ongoing review and delivery of Child Safe Organisation Action Plan to align G8 Education policy, practices and culture to the National Principles for Child Safe Organisations
- Comprehensive policies and procedures, readily available and translated, aligned to National Law, National Regulations and National Principles for Child Safe Organisations
- Centralised incident and complaint reporting system driving oversight and analysis of incident causes, responses and emerging risks
- Investigations of all allegations of child harm aligning to state specific reportable conduct scheme requirements and follow up disciplinary actions where required
- Monthly Board reporting on child safety and child safeguarding



Health, safety and well-being

It is imperative that G8 Education upholds safe business practices and work environments. We prioritise both physical and psychological safety to ensure everyone is safe at work. A failure to manage health, safety and well-being could harm our reputation and lead to injuries, regulatory action, penalties and recruitment challenges.

Mitigating Activities

- Quarterly Board reporting
- Policies and procedures aligned to relevant WHS legislation
- Mandatory WHS induction training and annual refresher training
- Daily safety checks conducted at Centre level
- Periodic safety drills completed
- Injury management procedures and early intervention programs are in place, overseen by Safety Leaders and a dedicated advisory team
- Centralised WHS hazard and incident identification and reporting system including mitigating actions and follow up
- Ongoing investment in safety programs to drive a culture of safety and quality improvement
- Protocols for visitor and contractor verification, induction and access
- Significant Incident Response Team processes to respond to incidents and hazards



Attraction, retention and capability of team

Our success hinges on our team. We need skilled, motivated team members who meet education and care needs, ensure compliance and drive growth. Inefficient structures, capability misalignment and cultural issues may negatively impact child safety, team attraction and retention and hinder execution of our strategy.

Mitigating Activities

- Workforce Strategy and Planning Framework
- Dedicated in-house team for talent acquisition and retention
- Performance Management Framework supported by Code of Conduct, Learning & Development Framework, Leadership Development Program, Remuneration & Benefits Framework and Consequence Management Framework
- Comprehensive learning and development plans including study pathways program, Teach@G8 and suite of learning and development options
- Regular listening program and follow up of actions and insights
- Investment in employee value proposition and remuneration
- Multi-Employer bargaining for sector recognition and incorporation of ECEC Worker Retention Payments



Government and policy reform

Failure to anticipate and adapt to early childhood education and care policy changes or government reforms could harm G8 Education’s financial performance and future prospects.

Mitigating Activities

- Engagement of external advocate to improve relationships with Federal and State Governments
- Membership of sector leading bodies
- Increased organisation-wide focus on regulatory reform, including advocacy for change



Liquidity and funding management

Managing cash flow, payments, capital and funding is vital for our business sustainability and growth. Mismanagement could result in financial liability and hinder our ability to fund our strategy.

Mitigating Activities

- Monthly monitoring of Board approved budget, cash flow forecast and compliance with key finance policies
- Clear policy and procedure framework including accounting policies, delegations of authority, expense approval policies and procedures and debt recovery procedures

- Board approved Capital Management Framework and Treasury Policy outlining approach to managing liquidity, funding, interest rates, the use of derivatives and counterparty risk
- Bank funding facilities in place to meet forecasted liquidity and capital requirements
- Revenue and cost management oversight via daily, weekly and monthly reporting and monthly management review meetings
- Centralised procurement function and oversight of expenses
- Fraud mitigation measures
- Internal and external audit program



Strategy and competitive pressures

Underperformance may occur if we do not effectively execute our strategy. Changes in market dynamics and competitor actions could impact our market share and strategic goals, leading to diminished performance and market relevance.

Mitigating Activities

- Annual review of strategic framework with clear initiatives identified

- Monthly meetings and Board updates of progress against strategic objectives
- Family Value Promise program including initiatives to attract and retain families
- Ongoing external environment monitoring including changes in competitive and regulatory landscape
- Development of metrics and guidelines to monitor growth
- Portfolio optimisation for underperforming centres and growth
- Defined education and inclusion strategy for quality and innovation



Cyber, confidential data and IP

The risk to digital security and personal information remains high in the everchanging threat environment. Unauthorised access, disclosure or misuse could lead to reputational harm, financial losses and legal consequences.

Mitigating Activities

- Head of Cyber Security oversees information security management system, reporting to the Board through the Audit and Risk Management Committee

- Mandatory annual cyber security awareness training
- Policies and procedures for technology asset management, identity/access, and cyber protection aligned to ISO 27001
- Continuous investment in technology infrastructure and cyber incident response strategies including periodic testing of incident response preparedness at management and board level
- Monthly and quarterly cyber security posture report
- Periodic internal audits completed and actions monitored



Regulatory and legislative obligations

We operate in a complex regulatory and legislative landscape. Non-compliance could lead to penalties, fines, or jeopardise our provider and/or service approvals.

Mitigating Activities

- Comprehensive suite of policies and procedures for legal and regulatory compliance

- In-house legal and other subject matter experts advising on compliance, legislative and regulatory risk obligations
- Engagement of external experts
- Incident notification and escalation processes
- Internal audit function ensures governance effectiveness and legislative compliance



Business disruption and system failure

G8 Education faces risks from disruptions such as cyber incidents, system failures and supply chain challenges and, in respect of a small number of centres, extreme weather (floods, storms, bushfires). Failure to adapt to these risks could result in extended disruptions, increased costs and challenges in achieving strategic objectives.

Mitigating Activities

- Annual program of review and testing of business continuity and disaster recovery plans
- Ongoing risk assessment and scenario planning
- Significant incident response team processes to respond to serious incidents
- Continuous investment in technology infrastructure to enhance system resilience
- Collaboration with suppliers to ensure continuity and address potential disruptions in the supply chain
- Mitigation of insurable risks through insurance program
- Development of business impact assessment and disaster recovery plans
- Monitoring regulatory changes and enhancing approach to mandatory climate-related reporting
- Climate Change Risk Management Framework

Directors' Report

The Directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of G8 Education Limited and the entities it controlled at the end of, or during, the year ended 31 December 2025.

All of the following persons were Directors of G8 Education Limited during the financial year and up to the date of this report unless otherwise stated.



Debra Singh
MAICD

Chair since 25 October 2023
Independent Non-Executive Director since 29 November 2021

Debra Singh has over 30 years' retail experience in C suite roles across business transformation, general management, retail operations, change management and human resources. Debra was the first woman to run a trading division at Woolworths where she spent 11 years working across supermarkets, operations and consumer electronics. In more recent years, Debra was also the CEO of Fantastic Furniture, Group CEO of Greenlit Brands Household Goods and Board Director of Hypnos Group. Debra is also a Non Executive Director of the Shaver Shop, Baby Bunting Group and The Kids Cancer Project boards.

Special responsibilities:

- Chair of the Board
- Member of Audit and Risk Management Committee
- Member of Nomination Committee
- Member of People, Culture and Education Committee

Other current listed public Company Directorships: Shaver Shop Group Limited (appointed 2 September 2020), Baby Bunting Group Limited (appointed 21 May 2025)

Former listed public Company Directorships in the last three years: Nil



Pejman Okhovat
B.Business Studies (Hons)

Chief Executive Officer and Managing Director since 3 January 2023

Pejman Okhovat joined G8 Education as Chief Executive Officer and Managing Director in January 2023. Prior to joining the Group, Pejman held senior leadership positions across a number of well known retail organisations in Australia and internationally, including as the Managing Director of BIG W, Chief Executive Officer of NZX listed retailer The Warehouse and as a senior leader at UK retailers Marks and Spencer, Sainsburys and ASDA/Walmart. Pejman has experience with charitable organisations as director of Variety NZ and chair of The Warehouse Trust in New Zealand. He has extensive experience in leading large teams within geographically dispersed networks, with a strong focus on customer service, business transformation and delivering value for

all stakeholders. Pejman is committed to continuing G8 Education's purpose led approach to delivering meaningful societal impact through quality early childhood education and care delivered through a passionate and capable team of educators and support teams. He holds a BA Hons in Business Studies from Leeds Business School, with further executive education at Babson College (USA) and the AMP course at INSEAD (Singapore).

Special responsibilities: Nil

Other current listed public Company Directorships: Nil

Former listed public Company Directorships in the last three years: Nil



Margaret Zabel
MBA, BMath, GAICD

**Independent Non-Executive
Director since 1 September 2017**

Margaret Zabel is a specialist in customer centred business transformation, brand strategy, innovation, digital communications, customer experience and change leadership. She has 20 years' senior executive experience working across major companies and brands in FMCG, food, technology and communications industries including multinationals, ASX 100 and not for profits. Her previous roles include National Marketing Director for Lion, VP Marketing for McDonald's Australia, CEO and Board Director of The Advertising Council of Australia and Board Director of The Reject Shop Limited. Margaret has also served as a Board Director for the mental health charity R U OK? and is

currently a Non Executive Director on the Boards of Select Harvests, Collective Wellness Group and Australian Vintage.

Special responsibilities:

- Chair of Nomination Committee
- Member of People, Culture and Education Committee

Other current listed public Company Directorships: Select Harvests Limited (appointed 1 October 2022) and Australian Vintage Limited (appointed 23 July 2024)

Former listed public Company Directorships in the last three years: The Reject Shop Limited (resigned 22 July 2025)



Professor Julie Cogin
PhD, M. Law (Distinction), M. Ed / HRM, Grad. Dip. Cyber Security, B. Bus, FAICD

**Independent Non-Executive
Director since 1 September 2017**

Professor Julie Cogin has worked in the Australian education sector for more than 30 years. In addition to her Non Executive Director responsibilities, Professor Cogin is the Provost at Australian Catholic University (ACU), ranked in the global top 2% of all universities. In this role, she is responsible for education and research outcomes, the student experience, financial performance and global operations. As the Chief Academic Officer of the university, Professor Cogin holds accountability for the quality and integrity of all academic work. Prior to ACU, she was Deputy Vice Chancellor and Vice President at RMIT University, Australia's largest multisector university and accountable for financial, people, legal and student experience outcomes in Australia, Vietnam, Singapore and China. Over the last two decades, Professor Cogin has held a number of senior academic leadership positions, including Dean and Head of UQ Business School at the University of Queensland and Director of the Australian Graduate School of Management, University of New South Wales. She has also Chaired the Board of two education entities which were subsidiaries of universities. Professor Cogin has made numerous leadership contributions while achieving substantial research and education outcomes.

She is a recognised thought leader in strategy implementation, high performing workplaces, corporate culture and executive remuneration, having authored books and world leading academic articles. Professor Cogin has received prestigious education awards at university, national and international levels and delivered education or consulting engagements for many leading companies throughout Australia, Asia and the USA. Professor Cogin has been engaged as an expert witness in a number of tribunals and courts of Australia. In 2016, she was named as one of Australia's Women of Influence for her work to address gender imbalance in leadership. Professor Cogin is a member of Chief Executive Women (CEW) and a Fellow of the AICD.

Special responsibilities:

- Chair of the People, Culture and Education Committee
- Chair Education Advisory Committee
- Member of the Nomination Committee

Other current listed public Company Directorships: Nil

Former listed public Company Directorships in the last three years: Nil

Directors' Report



Peter Trimble
B.Com, FCPA, GAICD

Independent Non-Executive Director since 13 May 2020

Peter Trimble is an experienced Non-Executive Director and finance executive of publicly listed companies having held roles at CSR Limited, Rinker Limited, ABC Learning Limited and Sugar Terminals Limited. These roles have crossed a diverse range of industries comprising education, construction materials, manufacturing, infrastructure and agriculture and includes 12 years of experience in the USA. Peter has an extensive background in child care operations, having joined ABC Learning in 2008 as Chief Financial Officer immediately prior to the group going into administration. Peter was a critical part of the team that managed, restructured and prepared the child care business for sale to its current owners, Goodstart Early Learning.

Peter also has a background in governance, risk management, strategy and planning, mergers and acquisitions and business restructuring and improvement.

Special responsibilities:

- Chair of Audit and Risk Management Committee
- Member of Nomination Committee

Other current listed public Company Directorships: Sugar Terminals Limited (appointed 18 December 2024, appointed Chair 19 November 2025 and appointed Interim Executive Chair from 16 December 2025)

Former listed public Company Directorships in the last three years: Nil



Toni Thornton¹
B.A PolSci Ec, GradCert AppFin, LLM EG

Independent Non-Executive Director since 29 November 2021

Toni Thornton has worked in corporate finance agencies for more than 15 years. She brings a strategic commercial focus to the G8 Education Board, having previously held senior positions with JBWere, Goldman Sachs and NAB. Toni has more than 15 years' experience in audit at board level and holds a Master of Law in Enterprise Governance through Bond University. Toni is a Founding Director of the private child care enterprise Habitat Early Learning. Toni was previously a Board Member of CS Energy, South Bank Corporation, boutique developer Devcorp, the Gallipoli Medical Research Foundation and Star Entertainment Group.

During her time with a leading global investment bank, Toni gained significant strategic advisory experience with prominent Queensland listed companies, large private companies and Profit for Purpose groups including a number of Queensland's major hospital groups.

Special responsibilities:

- Member of the Audit and Risk Management Committee
- Member of the Nomination Committee

Other current listed public Company Directorships: Nil

Former listed public Company Directorships in the last three years: Star Entertainment Group (resigned 16 December 2025)

1. Full name Antonia Thornton.





Stephen Heath

Graduate Diploma in Management (GAIM)

Independent Non-Executive Director since 3 June 2024

Stephen Heath is a highly accomplished Chair and Non-Executive Director with extensive experience leading and growing prominent consumer brands across Australia, New Zealand and Asia. His 15-year executive career includes CEO and Managing Director roles at major companies such as Rebel Sport and Fantastic Holdings, where he demonstrated expertise in retail operations, strategic management and driving shareholder value. Mr. Heath currently serves as Chair of Temple & Webster Group Limited and Sapphire Group Pty Ltd, Sapphire Group Holdings Pty Ltd and Sapphire Retail Pty Ltd.

Previously, Mr. Heath has also held board positions at Best & Less Holdings Limited, Total Tools Pty Ltd and Redhill Education Limited. His board experience spans diverse sectors, including e-commerce, retail, education and early childhood learning, showcasing his adaptability and strategic acumen.

Mr. Heath possesses deep expertise in complex business models, including multi-country operations and vertically integrated supply chains. He is adept at navigating various strategic scenarios, from IPOs and takeovers to capital raises and business turnarounds. His early career in software engineering provides a unique technology perspective, particularly relevant in his current focus on AI integration at Temple & Webster.

Special responsibilities:

- Member of the Nomination Committee
- Member of the People, Culture and Education Committee

Other current listed public Company Directorships: Temple & Webster Group Limited (appointed 1 May 2016)

Former listed public Company Directorships in the last three years: Best & Less Holdings (retired 30 September 2023)



Directors' Report

Key Operational Information

395

Consolidated Group
number of owned
centres at year end

33,032

Licence capacity
of owned centres
at year end

8,830

Total number of
employees at
year end

8,265

Total number of
full time equivalent
employees at year end

Principal Activities

The principal continuing activity of the Group during the year was the operation of early childhood education and care centres owned by the Group.

Review of Operations

The Group reported a Net Loss After Tax of \$303.3 million for the year ended 31 December 2025, representing a 548.1% decrease compared to the prior comparative period (pcp), primarily due to the recognition of \$349.1 million of goodwill impairment expense in the current year. Excluding goodwill impairment expense and other post-tax net non-trading items (totalling \$362.4 million), the Group had an Operating Net Profit After Tax¹ of \$59.0 million which was a 18.4% decrease on the pcp (2024: \$72.4 million).

Total revenue for the year ended 31 December 2025 was 7.2% lower vs the pcp as a result of lower occupancy and divestments. Occupancy for the year ended 31 December 2025 was 65.8%, a decline of 4.9% compared to the pcp, with occupancy continuing to be affected by affordability pressures, which contributed to reduced demand levels across the sector.

Effective cost management, in particular in network support office costs, a further reduction in agency usage, procurement savings and divestments helped to maintain Operating EBIT (adjusted for leases)¹ margin stability at 9.9% for the year ended 31 December 2025 (2024: 11.3%).

The Group maintained a conservative balance sheet, supported by solid cash conversion and low leverage.

The Board acknowledges the shocking and extremely distressing allegations that a former G8 Education employee has been charged with offences involving children. The Board has no tolerance for any behaviour that compromises the safety or wellbeing of children. The individual involved in this matter was employed by G8 Education between 28 October 2021 to 2 February 2024.

Aligned with G8 Education's commitment to child safety and protection, during the former employee's employment, all required employment and background checks, including Working with Children Checks, were current in accordance with legal and regulatory requirements. The individual is currently in police custody. G8 Education is cooperating fully with Victoria Police, the Victorian Government and other relevant authorities as part of the ongoing investigation.

The Investor Presentation for the year ended 31 December 2025, released on 23 February 2026, outlines further detail of the Group's performance and child safety and protection measures.

Further information on the operations and financial position of the Group and its business strategies and prospects are set out on pages 2 to 27 of this Annual Report.

Chief Financial Officer

Following the departure of Sharyn Williams, Steven Becker joined G8 Education in January 2025 in the role of Chief Financial Officer. Steven brings more than 35 years of experience in finance and financial leadership to G8 Education. Having worked across diverse industries and organisational structures, Steven offers a broad skill set and expertise to his role. Passionate about the impact of early childhood education and care on future generations, Steven combines his sector-specific knowledge with strong capabilities in strategic financial planning, governance and operational efficiency. Steven is a Chartered Accountant and holds a Bachelor of Commerce, a Graduate Diploma in Applied Finance and Investment and a Master of Business Administration. He is also a Fellow of the Finance and Securities Institute of Australia.

1. Non-IFRS financial information - refer to page 27 for definitions.



Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Group during the year ended 31 December 2025.

Matters subsequent to the end of the financial year

The following matters have taken place subsequent to year end:

- On 10 February 2026 it was announced that the Board has determined that no final dividend will be paid in respect of the year ended 31 December 2025.
- On 10 February 2026 it was announced that the share buy-back program will be paused until there is greater clarity around occupancy and sector conditions.

Likely developments and expected results of operations

The Group will remain focused on delivering its key priorities: safety and compliance, family experience, high-quality education, occupancy growth and financial sustainability. However, strong sector-wide headwinds, constrained occupancy growth, reduced capital allocation flexibility and limited capacity to optimise the existing network or realise further cost efficiencies are expected to impede performance.

Rounding amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' reports) Instrument 2016/191, relating to the "rounding off" of amounts in the financial reports. In certain instances, amounts in the financial statements have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, the nearest tenth of a million dollars.

Dividends

Dividends declared or paid during the financial year were as follows:

	2025 \$'000
Final dividend for the financial year ended 31 December 2024 of 3.5 cents per share paid on 3 April 2025	27,597
Dividend for the half year ended 30 June 2025 of 2.0 cents per share paid on 3 October 2025	15,431
Total	43,028

Meeting of Directors

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 31 December 2025, and the number of meetings attended by each Director were:

	Full meetings of Directors (does not include AGM)		Audit and Risk Management Committee		Nomination Committee		People, Culture & Education Committee	
	A	B	A	B	A	B	A	B
D Singh	24	24	4	4	3	3	5	5
P Okhovat	23	24	4 ¹	4	3 ¹	3	5 ¹	5
J Cogin	23	24	2 ¹	4	3	3	5	5
T Thornton	21	24	4	4	2	3	3 ¹	5
P Trimble	20	24	4	4	3	3	5 ¹	5
M Zabel	22	24	4 ¹	4	3	3	5	5
S Heath	22	24	4 ¹	4	3	3	5	5

A = Number of meetings attended by member.

B = Number of meetings held during the time the Director held office or was a member of the Committee during the year.

1. Indicates the Director is not a member of the relevant Committee.

While the above table records Committee member attendance, Directors are invited to all Committee meetings.

Directors' Report

Environmental and social risk and regulations

The Group is subject to and complies with environmental regulations under state legislation in the management of its operations. The Group does not engage in activities that have potential for material environmental harm. No environmental incidents have been recorded.

Whilst the Directors are not aware of any current environmental issues which have had, or are likely to have, a material impact on the Group's business, the long term effects of climate change have the potential to impact the Group's operations and business. The Group's approach with respect to climate governance, strategy and risk management is set out on pages 16 to 17 and 48 to 63 of this Annual Report.

Other risks that could have a material impact on the Company are set out on pages 18 to 19 of this Annual Report.

Insurance of Officers and Auditors

During the year, the Group paid a premium to insure the Directors and Officers (Managers) of the Company and its controlled entities. Under the terms of the policy the amount of the premium and the nature of the liability cannot be disclosed. The liabilities insured may include legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the Managers in their capacity as Managers of entities in the Group alleging a wrongful act, and other payments arising from liabilities incurred by the Managers in connection with such proceedings. This does not include such liabilities that arise from conduct involving wilful breach of duty of the Managers or the improper use by the Managers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Group. It is not possible to apportion the premium between the amounts relating to the insurance against legal costs and those relating to other liabilities. No insurance premiums or indemnities have been paid for or agreed by the Group for the current or former auditors.

Indemnification of Auditors

To the extent permitted by law, the Group has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year. Ernst & Young provide an annual declaration of their independence to the Audit and Risk Management Committee in accordance with the requirements of the *Corporations Act 2001* (Cth).

Performance rights

Unissued ordinary shares of G8 Education Limited under the G8 Education Employee Incentive Plan (GEIP) at the date of this report are set out in the table below.

Grant date	Vesting date	Value of performance right at grant date (\$)	Number of performance rights	Expiry date
13 June 2023	To be confirmed ¹	0.49	413,033	To be confirmed ¹
13 June 2023	To be confirmed ¹	0.92	413,033	To be confirmed ¹
13 November 2023	To be confirmed ¹	0.46	46,453	To be confirmed ¹
13 November 2023	To be confirmed ¹	0.93	46,452	To be confirmed ¹
7 May 2024	1 March 2027	0.50	377,674	31 May 2027
7 May 2024	1 March 2027	1.13	377,673	31 May 2027
29 May 2024	1 March 2027	0.44	186,841	31 May 2027
29 May 2024	1 March 2027	1.08	186,841	31 May 2027
29 April 2025	1 March 2028	0.41	358,267	31 May 2028
29 April 2025	1 March 2028	1.13	358,267	31 May 2028
23 May 2025	1 March 2028	0.41	307,749	31 May 2028
23 May 2025	1 March 2028	1.13	307,746	31 May 2028
Total			3,380,029	

1. Under the terms of the 2023 Grant, the vesting date for these Performance Rights was 1 March 2026 and the expiry date for these Performance Rights was 31 May 2026. However, as explained on page 28 of the Remuneration Report, the Board has determined that it would not be appropriate for the 2023 Grant to vest at this time. Accordingly, the vesting date and expiry date will be extended to a date to be determined by the Board.

In regards to the performance conditions of the 2023 Grant, the Absolute TSR CAGR condition was not met and the EPS CAGR condition was partially met. On this basis, 26.5% of rights would ordinarily have vested on 1 March 2026. The remaining 73.5% of the 2023 Grant rights will lapse during 2026.



Non-IFRS financial information

The 2025 Annual Report contains certain non-IFRS financial measures of historical financial performance, balance sheet or cash flows that are used by Management and the Directors as the primary measures of assessing the financial performance of the Group. Non-IFRS financial measures are financial measures other than those defined or specified under all relevant accounting standards and may not be directly comparable with other companies' measures but are common practice in the industry in which G8 Education operates. Non-IFRS financial information should be considered in addition to, and is not intended to be a substitute for, or more important than, IFRS measures.

The presentation of non-IFRS measures is in line with Regulatory Guide 230 issued by Australian Securities and Investments Commission (ASIC) in December 2011 to promote full and clear disclosure for investors and other users of financial information and minimise the possibility of being misled by such information. Non-IFRS measures are not subject to audit or review.

Operating Net Profit After Tax (NPAT) is considered a non-IFRS measure. 2025 Operating NPAT is calculated as the reported Net Loss After Tax (\$303.3 million) and adding back post-tax non-trading net expense items totalling \$362.4 million. Operating Net Profit Before Tax (NPBT) is considered a non-IFRS measure. 2025 Operating NPBT is calculated as the reported Net Loss Before Tax (\$284.2 million) and adding back pre-tax non-trading net expense items totalling \$369.5 million. Non-trading items are not included in Operating NPAT or NPBT due to their non-operational nature. Non-trading items include net impairment expense, loss on sale of centres and disposal of assets / centres, loss on surrender / termination of leases, software development expenses (during the development phase only) offset in part by net restructuring, regulatory and legal costs recovery. Refer to note 7 of the Financial Report section of this Annual Report for a breakdown of the non-trading items. The Board exercises its discretion in determining whether non-trading items or other significant items are adjusted for when determining remuneration outcomes.

Operating EBIT (adjusted for leases) is considered a non-IFRS measure. 2025 Operating EBIT (adjusted for leases) is calculated as Operating NPBT subtracting interest income and adding back interest expense on borrowings, unwind interest expense on make good provision and borrowing costs.

Operating Earnings Per Share (EPS) is considered a non-IFRS measure. 2025 Operating EPS is calculated by dividing 2025 Operating NPAT by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Directors' Report

Remuneration Report (Audited)

Scope

This Remuneration Report sets out, in accordance with the relevant *Corporations Act 2001* (Cth) and accounting standard requirements, the remuneration arrangements in place for Key Management Personnel (KMP) during 2025.

Contents

1. Introduction from the People Culture and Education Committee (PCEC) Chair
2. Who is covered by the Report
3. Remuneration Governance
4. Executive Key Management Personnel (KMP) Remuneration Framework
5. Remuneration details for Executive KMP
6. Equity Interests for KMP
7. Employment Agreements
8. Non-Executive Director Remuneration



Professor Julie Cogin
Chair, People, Culture &
Education Committee

1. Introduction from the People, Culture and Education Committee Chair

On behalf of the Board of Directors, I am pleased to present the Remuneration Report for the year ended 31 December 2025.

The purpose of this report is to set out, in a clear and transparent way, our approach to remunerating Executive KMP, the elements of our Strategic Remuneration Framework and remuneration of our Non-Executive Directors.

The Board believes that the Company's remuneration framework remains appropriate for our business, balancing the need to attract, reward and motivate Executive KMP with the imperative to align outcomes to overall business performance and value creation for shareholders. During the year, our teams faced exceptional pressures and worked with unwavering commitment to support families through an extraordinarily challenging period. The Board acknowledges and greatly appreciates these sustained efforts and the dedication shown across the organisation.

2025 Reward Outcomes

Fixed Remuneration

As part of our Strategic Remuneration Framework, fixed remuneration is externally benchmarked to ensure market competitiveness. After reviewing the Executive KMP remuneration arrangements compared to the market, the Board approved an adjustment to the remuneration of the Chief Executive Officer and Managing Director and Chief Operating Officer, both effective 1 July 2025. There was no increase in the fixed remuneration for the Chief Financial Officer.

2025 Short-Term Incentive Plan (STIP)

Operating Net Profit Before Tax (NPBT) was set as a gate for any payment under the 2025 Short Term Incentive Plan (STIP). As the Operating NPBT gate (set at 90% of budget) was not achieved, Executive KMP were not eligible to receive STIP awards.

Long term Incentive Plan (LTIP)

As disclosed in the 2024 Remuneration Report, the Earnings Per Share (EPS) growth performance conditions under the 2022 LTIP (vesting on 1 March 2025) was met in full. Consequently, all rights granted under the 2022 LTIP vested for Executive KMP.

The performance conditions for the CEO Special Equity Grant (vesting on 1 March 2025) were partially met and 75% of rights were vested.

Under the 2023 LTIP, vesting was scheduled for 1 March 2026. The earnings per share (EPS) growth performance conditions were partially met, while the total shareholder return (TSR) conditions were not met. On this basis, 26.5% of rights would ordinarily have vested. However, consistent with our responsibility to ensure remuneration outcomes reflect overall performance, the Board and Management have agreed that it would not be appropriate to vest the 2023 LTIP shares at this time. Vesting will be reassessed by the Board at a date to be determined. This approach reflects the Board's commitment to responsible stewardship, prudent governance and fairness to all stakeholders.

1. Introduction from the People, Culture and Education Committee Chair *continued*

Board Remuneration and Gender Balance

At the 2025 AGM, the Board did not seek an increase to the aggregate Non-Executive Director fee pool and the fees paid to Non-Executive did not change for the 2025 year. Our Board composition continues to reflect a healthy gender balance, resulting in 67% of our independent Non-Executive Directors being female, including our Chair.

2025 Key Achievements

We have continued to invest in succession planning and talent management initiatives (attraction, engagement and retention), with our sector leading Study Pathways Program resulting in over 621 Team Members completing Certificate III, Diploma and Bachelor programs in 2025 and as of year end, over 1000 active students enrolled. Our Listening Program launched in 2024 has become well embedded in the business, achieving over 60% participation and an Engagement Score of 76% recorded in our most recent survey. This result exceeds Australian and Sector benchmarks.

Recruitment performance has also strengthened, with stable vacancy levels and an 14% reduction in time-to-fill, reflecting the impact of our enhanced employer brand. This improved pace of hiring is supporting greater centre stability and reducing external labour-hire dependency.

Our most significant improvement is a 25% year-on-year reduction in Early Childhood Teacher vacancies, signalling continued momentum in a critical workforce segment.

We have also continued to enhance our child safety safeguards through ongoing improvements to screening, verification and recruitment processes to ensure the highest standards of safety in every appointment.

In 2024 G8 Education was involved in collective bargaining resulting in our nation's first Multi-Employer Agreement (MEA). This outcome recognises the value and significant contributions of our educators working in our centres and whilst early days, the first uplift in wages is already having a positive impact on employee engagement and retention. The MEA delivers a Federal Government funded 15% rate pay increase above Award for early childhood education and care workers over a two-year period. 10% on top of the current national Award rate in the first year (December 2024) and an additional 5% above the current national Award rate in the second year (December 2025).

All these initiatives have resulted in Team Retention continuing to improve across the organisation, and in particular, strong gains in Centre Manager and Early Childhood Teacher roles.

Looking Forward

The Strategic Remuneration Framework, which applies to our Executive Leadership Team, commenced in 2023 and has a lifespan of three years. It was reviewed by the Board in 2025 to assess its ongoing effectiveness in supporting the achievement of G8 Education's business strategy.

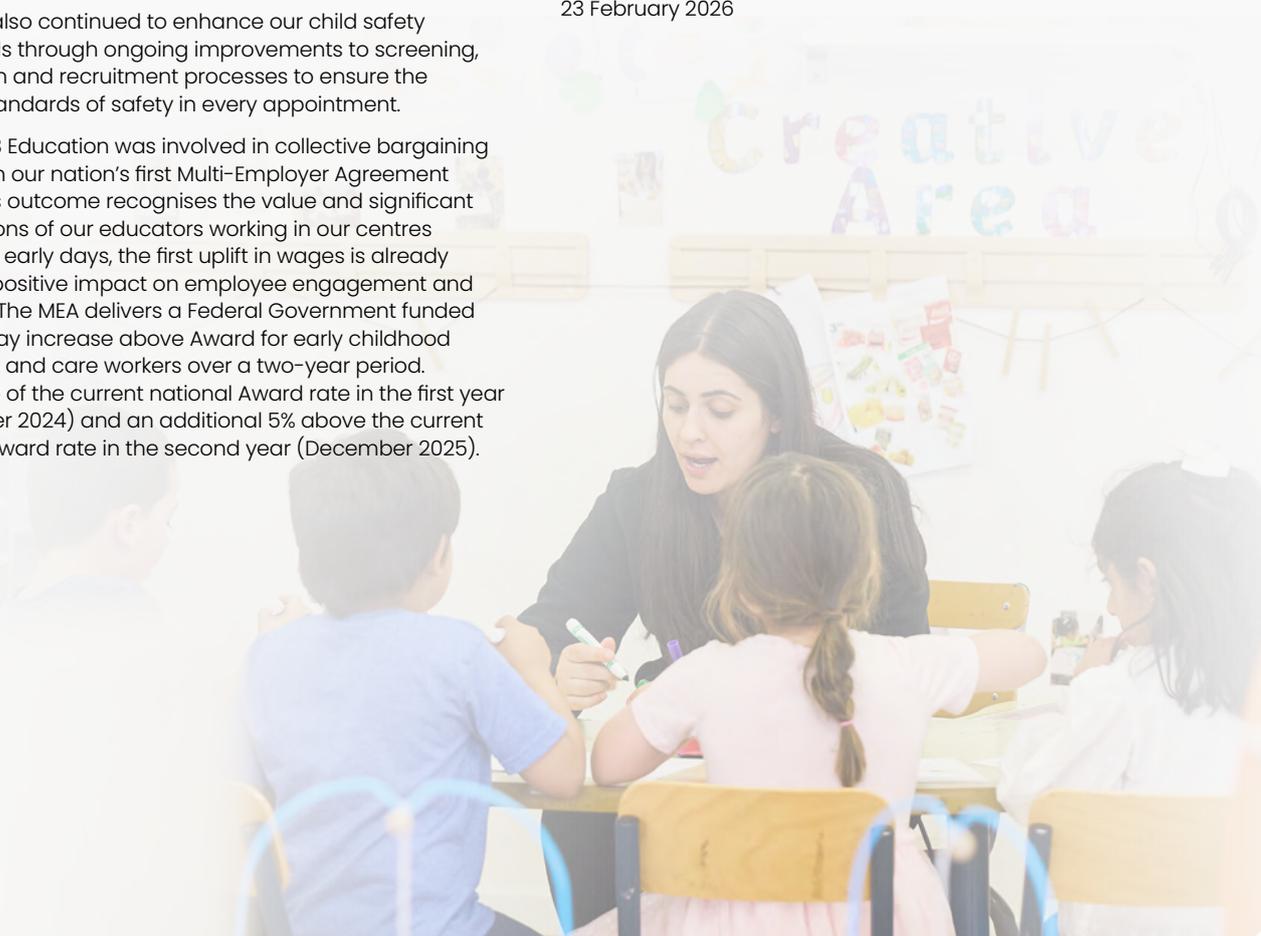
The Board has taken this opportunity to ensure that our value - Safety, First and Always - is at the forefront of how we reward and recognise Executive KMP performance and has updated the 2026 Short Term Incentive Plan gates and KPIs accordingly. This has also been cascaded throughout our Remuneration Frameworks for all STI eligible non-KMP team members.

The Board hopes you find this report informative and thanks you for your ongoing support.



Professor Julie Cogin
Chair, People, Culture & Education Committee

23 February 2026



Directors' Report

Remuneration Report (Audited)

2. Who is covered by the Report

Key Management Personnel

KMP have authority and responsibility for planning, directing and controlling the activities of G8 Education, directly or indirectly, including any directors (whether executive or otherwise) of G8 Education, and comprise the Non-Executive Directors and Executive KMP (being the executive directors and other senior executives named in this report). Details of the Executive KMP during the year are set out in the table below:

Executive Directors	Title/Committee	Change in 2025
Pejman Okhovat	CEO and Managing Director	No Change
Other Executive KMP		
Steven Becker	Chief Financial Officer ¹	Change
Shane Dann	Chief Operating Officer	No Change
Sharyn Williams	Chief Financial Officer ¹	Change
Non-Executive Directors		
Debra Singh	Chair	No Change
	Member, Audit & Risk Management	No Change
	Member, People, Culture & Education	No Change
	Member, Nomination	No Change
Julie Cogin	Director	No Change
	Chair, People, Culture & Education	No Change
	Member, Nomination	No Change
Peter Trimble	Director	No Change
	Chair, Audit & Risk Management	No Change
	Member, Nomination	No Change
Antonia Thornton	Director	No Change
	Member, Audit & Risk Management	No Change
	Member, Nomination	No Change
Margaret Zabel	Director	No Change
	Chair, Nomination	No Change
	Member, People, Culture & Education	No Change
Stephen Heath	Director	No Change
	Member, People, Culture & Education	No Change
	Member, Nomination	No Change

1. S Williams resigned as Chief Financial Officer effective 17 January 2025. Effective 20 January 2025, S Becker was appointed Chief Financial Officer.

3. Remuneration Governance

This section of the Remuneration Report describes the role of the Board and the People, Culture and Education Committee (PCEC) and the use of remuneration consultants when making remuneration decisions affecting Executive KMP.

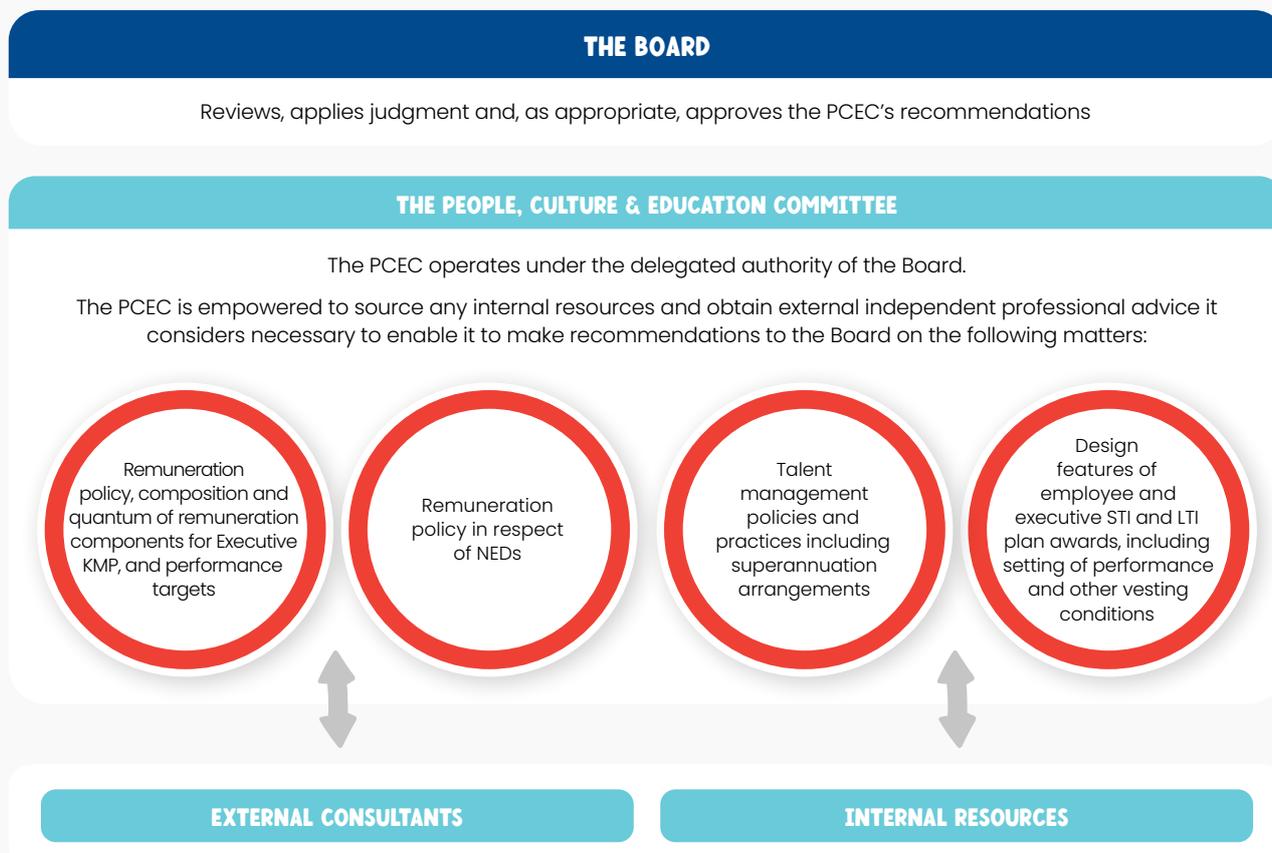
Role of the Board and the People, Culture and Education Committee

The Board is responsible for G8 Education's remuneration strategy and policies. Consistent with this responsibility, the Board has established the PCEC which is comprised solely of independent Non-Executive Directors (NEDs).

The role of the PCEC is set out in its Charter. The Charter is reviewed annually and was last revised and approved by the Board in November 2025. In summary, the PCEC's role is to:

- Ensure that appropriate procedures exist to assess the remuneration levels of the Chair, NEDs, Executive Directors, direct reports to the CEO, Board Committees and the Board as a whole;
- Ensure that G8 Education meets diversity requirements as determined by the Australian Securities Exchange (ASX) or other relevant guidelines;
- Ensure that G8 Education adopts, monitors and applies appropriate remuneration policies and procedures;
- Ensure that reporting disclosures related to remuneration meet the Board's disclosure objectives and all relevant legal requirements;
- Develop, maintain and monitor appropriate talent management programs including succession planning, recruitment, development, retention and termination policies and procedures for executives;
- Develop, maintain and monitor appropriate superannuation arrangements for G8 Education; and
- Oversee the establishment and operation of an Education Advisory Board.

The PCEC's role and interaction with the Board and internal and external advisors are further illustrated below:



Further information on the PCEC's role, responsibilities and membership is contained in the PCEC Charter, at g8education.edu.au/investor-information/corporate-governance or by contacting the Registered Office.

Directors' Report

Remuneration Report (Audited)

3. Remuneration Governance *continued*

Use of Remuneration Consultants

All proposed remuneration consultancy contracts (within the meaning of section 206K of the *Corporations Act 2001* (Cth)) are subject to prior approval by the Board or the PCEC in accordance with the *Corporations Act 2001* (Cth).

The Board directly engages external advisors to provide input to the process of reviewing Executive KMP and NED remuneration. During 2025, Godfrey Remuneration Group, were engaged by the Chair of the PCEC to review the Executive Remuneration Framework. AON Advisory were engaged by the Chair of the PCEC to externally benchmark Director Fees. The Board was satisfied that the remuneration recommendations provided to the Board were made free from undue influence from any member of the Executive KMP. That view was formed due to the above arrangements being in place, the professional nature of the remuneration consultants' businesses and reputation and the absence of any reason to suggest otherwise.

4. Executive KMP Remuneration Framework

Our Strategy, Purpose and Values and linkage to Executive KMP Reward

Executive KMP remuneration has been designed to support and reinforce G8 Education's Strategy, Purpose and Values. The at-risk components of Executive KMP remuneration are therefore closely linked to the successful execution of the organisation's strategy.

To support the building of a high-performance culture, and in line with the Board and Executive Remuneration Policy, the Short-Term Incentive Plan (STIP) includes threshold, target and stretch components, to support a focus on driving incremental improvements in performance and includes linear vesting between target and stretch.

To continue the alignment of Executive KMP remuneration with shareholder interests, the Long Term Incentive Plan (LTIP) consists of two performance measures: growth in Total Shareholder Return (TSR) and Earnings Per Share (EPS). This positions G8 Education's remuneration framework more closely in line with general market practice.

Our Purpose

TO NUTURE THE GREATNESS IN EVERY CHILD TO GROW, THRIVE AND LEARN.

Our Values

- SAFETY, FIRST AND ALWAYS**
- OWNING THE OUTCOME**
- THRIVING TOGETHER**
- BEING THE DIFFERENCE**
- BUILDING BRIGHT FUTURES**

Our Remuneration Framework is designed to support G8 Education's Strategic Focus Areas

Our Strategic Focus Areas

- Team**
- Safety and Compliance**
- Education and Quality**
- Family Experience**
- Operating Model**
- Financial Sustainability**



4. Executive KMP Remuneration Framework *continued*

Remuneration Principles

The four principles that underpin the remuneration framework for Executive KMP are:

Attract, motivate and retain executive talent across diverse geographic locations

The creation of reward differentiation to drive performance values and behaviours

An appropriate balance of 'fixed' and 'variable' components

Alignment of Executive and Shareholder interests through equity components

These principles are the same as those that apply to other employees, however Executive KMP arrangements have a greater emphasis on, and a higher proportion of remuneration that is at-risk as performance related variable pay.

FY25 Remuneration Framework

	Fixed Remuneration	Variable Remuneration	
		Short Term Incentive (STI)	Long Term Incentive (LTI)
Purpose	Total Fixed Remuneration (TFR) is set based on relevant market relativities, reflecting responsibilities, performance, qualifications, experience and geographical location	Short Term Incentive encourages and focuses Executives' efforts for the financial year to deliver against our Strategic Focus Areas	Long Term Incentive is intended to reward Executives for long term growth aligned with shareholders' interests
Component	Base Salary, Allowances, Superannuation (up to Statutory Maximum) and any salary sacrifice arrangements	Part cash and/or part equity (via performance rights and the Board's discretion) Any deferred component will be subject to service and deferred for one year	Equity in Performance Rights. All equity is held subject to service and performance for three years from the date of grant Performance is tested at the end of the performance period
Approach and link to performance	Executive KMP is reviewed annually taking into consideration the Executive's performance and expertise	Consisting of a Balanced Scorecard aligned to our Strategic Focus Areas with performance payout at Threshold, Near Miss, Target and Stretch, with the largest weighting towards financial sustainability	LTI Targets are linked to the growth in G8 Education's Earnings per Share (EPS) and Total Shareholder Return (TSR)

Directors' Report

Remuneration Report (Audited)

4. Executive KMP Remuneration Framework *continued*

Remuneration Mix

The diagram below illustrates the scenarios for the potential total remuneration of the CEO and Executive KMP at different levels of performance.

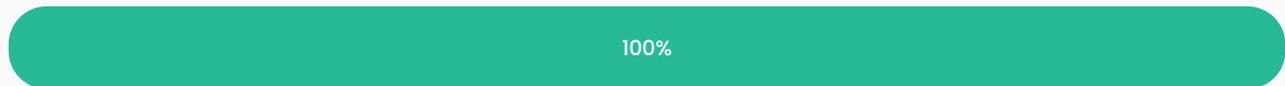
G8 Education endeavours to provide an appropriate and competitive mix of fixed and variable remuneration components paid in cash and equity.

The target remuneration mix represents the intended variable remuneration opportunities for Executive KMP assuming all relevant performance requirements are fully satisfied. The remuneration mix is intended to support a high-performance culture at the Executive KMP level, with at least half of TFR tied to variable remuneration components. The CEO target remuneration mix places more weighting on LTI to align more closely with sustainable financial performance and shareholder interests and returns.



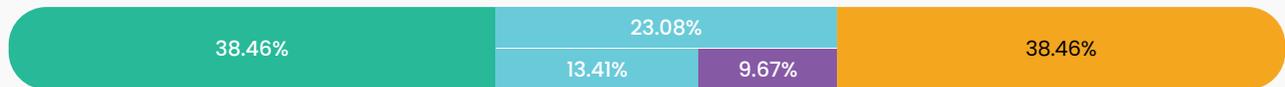
Minimum

CEO and Executive KMP

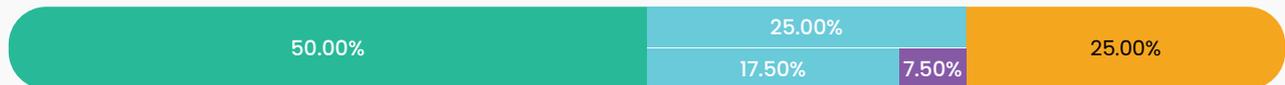


Target

CEO



Executive KMP – CFO

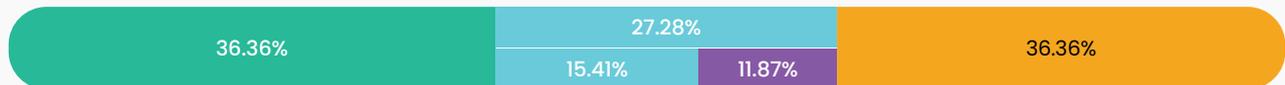


Executive KMP – COO



Stretch

CEO



Executive KMP – CFO



Executive KMP – COO



1. At the discretion of the Board, subject to continued employment, half of the component of STIP award which exceeds \$100,000 may be deferred for one year and may be satisfied in either performance rights or cash.

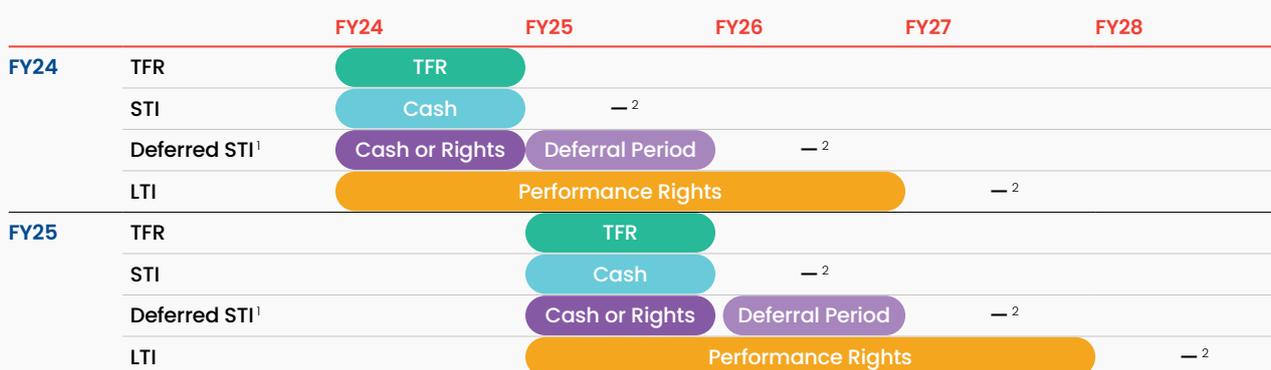


4. Executive KMP Remuneration Framework *continued*

How Total Target Remuneration is delivered

Executive KMP remuneration is delivered over several years, with a material portion of total remuneration deferred and awarded as equity. This remuneration mix is designed to ensure Executive KMP are focused on delivering results over the short, medium and long term if they are to maximise their remuneration opportunity. The Board believes this approach aligns Executive KMP remuneration to shareholder interests and expectations.

The three complementary components of Executive KMP remuneration are 'earned' over multiple time horizons. This is illustrated in the following chart:



1. Triggers if STI is above \$100,000. Delivery via cash or rights at Board's discretion.

2. Date of payment or vesting of incentive awards.

Total Fixed Remuneration (TFR)

TFR includes all remuneration and benefits paid to Executive KMP calculated on a total employment cost basis. In addition to base salary, superannuation, allowances and any salary sacrificed components are included.

G8 Education's approach continues to position Executive KMP at or around the market median (allowing for a range of 15% either side of the determined market median level). This target positioning is validated by reference to remuneration surveys and independent benchmark assessments undertaken on a biennial basis, or more regularly as required. Where a market reference peer / comparator group is used, careful consideration is given to relevant ASX-listed organisations selected for inclusion, based on factors such as Market Capitalisation, sector, size and complexity.

TFR adjustments, if any, are made with reference to individual performance, an increase in job role or responsibility, changing market circumstances as reflected through independent benchmark assessments or through promotion.

Any adjustments to Executive KMP remuneration are approved by the Board, based on PCEC and CEO recommendations (where appropriate).

Directors' Report

Remuneration Report (Audited)

4. Executive KMP Remuneration Framework *continued*

Variable Remuneration

The key aspects of the STI and LTI Plans are summarised below:

Short-Term Incentives (STI)

Purpose

The STI Plan at G8 Education is designed to reward executives for the achievement of annual performance targets set by the Board at the beginning of the performance period. The STI Plan is reviewed annually by the PCEC and approved by the Board.

All STI awards to Executive KMP are approved by the PCEC and Board.

Performance Targets

The key performance objectives under the STI Plan are tied to achievement of Board approved group objectives and performance targets relevant to the specific executive.

Operating Net Profit Before Tax (NPBT) has been set as a gate for any award under the STI Plan. This means that there is no STI award payable unless a threshold level of Operating NPBT (as approved by the Board) has been met. As a key indicator of G8 Education's performance, Operating NPBT is also a primary measure under the STI Plan, comprising at least 50% of the overall STI opportunity available to Executive KMP.

In 2025 there were four non-financial KPIs including Occupancy, Net Promoter Score, Team Retention and Quality. These KPIs were set based on annual targets linked to G8 Education's strategic priorities. 2025 Scorecard outcomes are further subject to adjustment at the Board's discretion based on holistic performance across areas including but not limited to safety. Details of the 2025 Scorecard are set out in Section 5 below.

To support the building of a high-performance culture and in line with the Board and Executive Remuneration Policy, the STIP includes threshold, near miss, target and stretch components, to support a focus on driving incremental improvements in performance and includes linear vesting between target and stretch.

The Board approves the gate, performance measures and hurdles, and retains absolute discretion in determining the achievement thereof for Executive KMP.

Performance Period

The STI Plan measures performance over a time horizon of one year, commencing 1 January and ending 31 December. For the 2025 year, the relevant Performance Period is 1 January 2025 to 31 December 2025. Any awards under the Plan are made at the completion of the Performance Period and following the announcement of full-year results.

Delivery

Generally, any award under the STI Plan will be made in cash. However, the Board may defer 50% of any component of an STI award above \$100,000, to be delivered in cash or performance rights, at its discretion.

Any deferred portion will be determined at the end of the Performance Period and deferred for a period of one year. There are no further performance measures attached to any deferred portion of STI other than continued tenure for the deferral period or subject to Board discretion.

This mechanism achieves additional retention of Executive KMP and aligns their interests with those of shareholders.

Should the Board apply discretion to award deferred STI in performance rights, the equity allocation will be calculated using G8 Education's five-day volume weighted average price (VWAP) following the announcement of year end results.



4. Executive KMP Remuneration Framework *continued*

Long Term Incentives (LTI)

Purpose	The LTI Plan at G8 Education is designed to align a significant portion of executives' overall remuneration to the delivery of sustainable shareholder value and provide retention stimulus over the long term.																
Delivery	<p>LTI is awarded in equity and provided under the G8 Education Executive Incentive Plan (GEIP).</p> <p>The GEIP underwent formal review in 2022 and was approved by Shareholders at the 2023 Annual General Meeting, with an intended operating cycle of three years. It was reviewed 2025 as part of the Executive Remuneration Review with no change to the LTI Plan for 2026.</p> <p>Under the GEIP, selected senior executives (based on their ability to influence and execute strategy) are offered performance rights (one right being a nil exercise price right to one fully paid ordinary share in G8 Education Limited), subject to satisfying the relevant Vesting Conditions.</p> <p>The number of rights granted under the 2025 LTI grant was determined by dividing the executive's LTI target opportunity by the notional value of a Performance Right. The notional value of a Performance Right was calculated using the 5-day Volume Weighted Average Price (VWAP) of one G8 Education Limited share up to and including 4 March 2025.</p>																
Performance Period	<p>The LTI Plan measures performance over a time horizon of three years. For the 2025 LTI grant, the Performance Period is 1 January 2025 to 31 December 2027. Any awards under the Plan are made at Vesting Date (following the announcement of full-year results).</p> <p>LTI is tested against pre-determined performance hurdles at the end of the Performance Period. If the performance hurdles are not met at time of testing, performance rights lapse. There is no holding lock or retesting of awards under the LTI.</p>																
Vesting Conditions	<p>Vesting of the 2025 LTI grant is subject to the Vesting Conditions being met. These comprise a service condition and two performance hurdles.</p> <p>The service condition is continuous employment with G8 Education Limited from the date performance rights are granted until the Vesting Date.</p> <p>Compound Annual Growth Rate (CAGR) of Reported (audited) Earnings Per Share (EPS) is used as a measure to align Executive outcomes as a sound indicator of performance over the medium to long term and is a key indicator of the value of a company's stock.</p> <p>CAGR of EPS is measured over the Performance Period and is subject to adjustment for significant items as determined by the Board in its discretion. The percentage of performance rights that vest for each % of CAGR of EPS is set out in the following table:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">CAGR of EPS over the three financial year ending 31 December 2027</th> <th style="text-align: right;">% of Performance Rights that vest</th> </tr> </thead> <tbody> <tr> <td>< 10%</td> <td style="text-align: right;">0%</td> </tr> <tr> <td>10% – 15%</td> <td style="text-align: right;">25% to 50% (pro-rata)</td> </tr> <tr> <td>> 15%</td> <td style="text-align: right;">50%</td> </tr> </tbody> </table> <p>Compound Annual Growth Rate (CAGR) of Absolute Total Shareholder Return (TSR) is used as a measure to align Executive outcomes with long-term shareholder value creation. TSR is calculated as:</p> $\frac{(\text{share price at end of the period} - \text{share price at the beginning of period}) + \text{dividends during the period}}{\text{share price at beginning of period}} \times 100^1$ <p>The percentage of performance rights that vest is set out in the following table:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">CAGR of Absolute TSR over the three financial year ending 31 December 2027</th> <th style="text-align: right;">% of Performance Rights that vest</th> </tr> </thead> <tbody> <tr> <td>< 12%</td> <td style="text-align: right;">0%</td> </tr> <tr> <td>12% – 15%</td> <td style="text-align: right;">25% to 50% (pro-rata)</td> </tr> <tr> <td>> 15%</td> <td style="text-align: right;">50%</td> </tr> </tbody> </table>	CAGR of EPS over the three financial year ending 31 December 2027	% of Performance Rights that vest	< 10%	0%	10% – 15%	25% to 50% (pro-rata)	> 15%	50%	CAGR of Absolute TSR over the three financial year ending 31 December 2027	% of Performance Rights that vest	< 12%	0%	12% – 15%	25% to 50% (pro-rata)	> 15%	50%
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> 15%	50%																

1. Adjusted to reflect compounding over three year period.

Directors' Report

Remuneration Report (Audited)

4. Executive KMP Remuneration Framework *continued*

Long Term Incentives (LTI)

Vesting
Conditions
continued

In respect of the 2024 LTI grant, the performance hurdle is CAGR of Reported (audited) EPS and CAGR of Absolute TSR over the Performance Period, subject to adjustment for significant items as determined by the Board in its discretion. The relevant vesting schedule is as follows:

CAGR of EPS over the three financial year ending 31 December 2026	% of Performance Rights that vest
< 10%	0%
10% – 15%	25% to 50% (pro-rata)
> 15%	50%

CAGR of Absolute TSR over the three financial year ending 31 December 2026	% of Performance Rights that vest
< 12%	0%
12% – 15%	25% to 50% (pro-rata)
> 15%	50%

In respect of the 2023 LTI grant, the performance hurdle was CAGR of Reported (audited) EPS over the Performance Period, subject to adjustment for significant items as determined by the Board in its discretion. The relevant vesting schedule was as follows:

CAGR of EPS over the three financial year ending 31 December 2025	% of Performance Rights that vest
< 10%	0%
10% – 15%	25% to 50% (pro-rata)
> 15%	50%

CAGR of Absolute TSR over the three financial year ending 31 December 2025	% of Performance Rights that vest
< 12%	0%
12% – 15%	25% to 50% (pro-rata)
> 15%	50%

Dividends No dividends are attached to Performance Rights.

Voting Rights There are no voting rights attached to Performance Rights.

Cessation of Employment In general, when an Executive resigns, is terminated with cause or is terminated in other circumstances involving unacceptable performance or conduct, any Performance Rights which have not vested will be forfeited.

In the case of retrenchment or redundancy, Performance Rights will remain on foot on a pro-rata basis and may vest at the end of the relevant Performance Period, subject to satisfaction of the relevant performance hurdles.

In the case of termination without cause, death or permanent disability – the number of Performance Rights which vest will be determined by the Board in its sole discretion.

Change of Control Where a Change of Control occurs, or in the Board's opinion will occur, the number of Performance Rights available to be exercised will be determined by the Board in its absolute discretion.



4. Executive KMP Remuneration Framework *continued*

Other Remuneration elements and disclosures relevant to Executive KMP

One-off Outperformance Cash Bonus

In addition to the above, the CEO and Managing Director and Executive KMP participated in a one-off Outperformance Cash Bonus to the value of 40% of Fixed Remuneration for the CEO and Managing Director and 25% of Fixed Remuneration for the Executive KMP, payable in March 2026 following the announcement of 2025 full-year results and upon the achievement of the following hurdles:

- CAGR of EPS subject to adjustment of significant items as determined by the Board in its discretion – CAGR EPS over the three financial years ending 31 December 2025 – 17.5% or above equates to 50% payable
- CAGR of Absolute TSR (CAGR of Absolute Total Shareholder Return) – CAGR of Absolute TSR over the three financial years ending 31 December 2025 – 16.5% or above equates to 50% payable. TSR is calculated as:

$$\frac{(\text{share price at end of the period} - \text{share price at the beginning of period}) + \text{dividends during the period}}{\text{share price at beginning of period}} \times 100^1$$

Neither the CAGR EPS and CAGR TSR hurdles were met resulting in no vesting of the performance rights.

Malus and Clawback

The Executive KMP STI and LTI arrangements are subject to malus and clawback provisions that enable the Board to adjust unpaid and/or unvested awards (including cancellation of all outstanding incentives) where it is appropriate to do so. The Board may determine that any unpaid cash STI or cash deferred STI, or unvested deferred STI or LTI awards will be forfeited in the event of fraudulent, dishonest, gross misconduct or breach of G8's Code of Conduct by the Executive KMP. The Board may also adjust these incentives where the Executive KMP acts in a manner that brings G8 into disrepute or contributes to material reputational damage to the Group, where there have been material misstatements of the financial results as a result of errors, omissions, misrepresentation, fraud or dishonesty, or the Board determines the Executive KMP would otherwise obtain an unfair benefit from the incentive.

Hedging and margin lending prohibition

Under the G8 Education Securities Trading Policy and in accordance with the *Corporations Act 2001* (Cth), equity granted under G8 Education equity incentive schemes must remain at risk until vested, or until exercised if performance rights. It is a specific condition of grant that no schemes are entered into, by an individual or their associates that specifically protect the unvested value of performance rights allocated.

G8 Education also prohibits the CEO or other 'Designated Persons' (including Executive KMP) providing G8 Education securities in connection with any margin loan or similar financing arrangement unless that person has received a specific notice of no objection in compliance with the policy from the Board.

G8 Education, in line with good corporate governance, has a formal policy setting out how and when employees of G8 Education may deal in G8 Education securities.

G8 Education's Securities Trading Policy is available at g8education.edu.au/investor-information/corporate-governance or by contacting the Registered Office.

1. Adjusted to reflect compounding over three year period.

Directors' Report

Remuneration Report (Audited)

5. Remuneration details for Executive KMP

2025 Short-Term Incentive Plan Outcomes

The Operating NPBT gate (set at 90% of the Board-approved Operating NPBT budget) was not met, therefore no KMP will be eligible for payment under the 2025 STIP.

The table below summarises the results for Executive KMP against the 2025 G8 Scorecard.

Category	Measure	Calculation	Target	Achieved
Financial	GATE – Operating Net Profit Before Tax (NPBT) ¹	Operating Net Profit Before Tax ¹ has been set as a gate before any STI can be paid	≥ 90% Operating NPBT Budget	Not Achieved
	Operating Net Profit Before Tax (NPBT) ¹	Operating Net Profit Before Tax ¹ is the sole financial KPI	\$113.15 million Operating NPBT budget	75.4%
Team	Team Retention	Number of voluntary terminations divided by the average headcount for the same period	Team Retention ≥ 78%	79.0%
Quality	NQS Assessment & Rating (A&R)	Assessment & Rating results of centres assessed in 2024 in relation to the National Quality Standards	≥ 92% of Centres assessed as 'meeting' or 'exceeding' NQS	93.0%
Family	Net Promoter Score	(Promoter % - Detractor %)/100	NPS ≥ 56%	52.7%
Occupancy	Occupancy	Calculated as total bookings divided by total licensed places	≥73% Full Year Group Occupancy	65.8%

1. 2025 Operating NPBT is calculated as the reported NPBT and adding back pre-tax non-trading net expense items totalling \$369.5 million (refer to note 7 of the Financial Report section of this Annual Report for a breakdown of these costs). Non-trading items include net impairment expense, loss on sale of centres and disposal of assets / centres, loss on surrender / termination of leases and software development expenses (during the development phase only) offset in part by net restructuring, regulatory and legal costs recovery. Non-trading items are not included in Operating NPBT due to their non-operational nature.

Based on the outcomes detailed above and the Board's overall adjustment to reflect a holistic view of performance, the CEO and Managing Director and other Executive KMP were not awarded their 2025 STIP Payment.

2025 performance against the STI measures was 30% of Target (24% of Maximum)

KPI Measure	Outcome	2025 STI measure outcome (% of target)				
Gate: Operating Net Profit Before Tax (NPBT) >90%	Not achieved					
Net Profit Before Tax (NPBT)	0%	Threshold	Near miss	Target	Stretch	
Occupancy	0%					
Net Promoter Score	50%					
Team Voluntary Turnover	125%					
NQS Assessment & Rating (A&R)	125%					

In accordance with the STIP framework, no payment will be made.



5. Remuneration details for Executive KMP *continued*

2023 Long-Term Incentive Plan outcomes

The 2023 LTI Plan was tested based on performance to 31 December 2025. Under the 2023 Grant, vesting is scheduled for 1 March 2026. In regards to the performance conditions of the 2023 Grant, the Absolute TSR CAGR condition was not met and the EPS CAGR condition was partially met. On this basis, 26.5% of rights would ordinarily have vested on 1 March 2026. However, the Board and Management have agreed that it would not be appropriate to vest the 2023 Grant on 1 March 2026. Vesting will be reassessed by the Board at a date to be determined. This approach reflects the Board's commitment to responsible stewardship, prudent governance and fairness to stakeholders. The remaining 73.5% of the 2023 Grant will lapse during 2026.

2023 LTI Outcomes – 26.5% may vest

KPI Measure	Achieved	2025 LTI measure outcome			
CAGR of Earnings Per Share	10.3%	26.5% vesting	Threshold	Target	Stretch
CAGR of Absolute Total Shareholder Return	N/A	Nil vesting	Threshold	Target	Stretch

Remuneration earned by Executive KMP

The following table sets out the value of the remuneration earned by Executive KMP during the year. For the avoidance of doubt, remuneration figures in the table include all remuneration earned, but not necessarily received, relating to performance during the period of 1 January to 31 December 2025. The figures in this table differ from those shown in the statutory table as the statutory table includes an apportioned accounting value for all unvested equity grants (which remain subject to the satisfaction of performance and service conditions and may not ultimately vest).

The values disclosed in the below table, while not in accordance with the accounting standards, are intended to be helpful for shareholders in better demonstrating the linkages between performance and the remuneration realised by the Executive KMP during the 2025 financial year.

The table below shows:

- Total Fixed Remuneration
- Short-Term Incentives
- Non-Monetary Benefits
- Tested Long-Term Incentives
- Termination Payments

Executive KMP	Fixed Remuneration ¹		2025 STI Cash	2025 STI Deferred – Cash	2022 LTI ²	2023 Special Equity grant ³	Total actual remuneration earned
	Base Salary and Superannuation benefits	Non- monetary benefits					
P Okhovat	1,002,962	9,608	–	–	–	656,055	1,668,625
S Becker ⁴	471,073	–	–	–	–	–	471,073
S Williams ⁵	52,720	–	–	–	134,409	–	187,129
S Dann	464,523	–	–	–	–	–	464,523

1. Base salary, superannuation and non-monetary benefits.

2. As disclosed in the 2024 Annual Report, 100% of the performance rights under the 2022 LTI vested in 2025. The intrinsic value (based on G8 Education's share price as at 31 December 2025 of \$0.69, multiplied by the number of rights vesting) of the 2022 LTI grant that vested in 2025 has been included in the above table.

3. As disclosed in the 2024 Annual Report, 75% of the performance rights under the Special Equity Award vested in 2025. The intrinsic value (based on G8 Education's share price as at 31 December 2025 of \$0.69, multiplied by the number of rights vesting) of the 2023 Special Equity Grant that vested in 2025 has been included in the above table.

4. Steve Becker was appointed Chief Financial Officer effective 20 January 2025.

5. Sharyn Williams resigned as Chief Financial Officer effective 17 January 2025.

Directors' Report

Remuneration Report (Audited)

5. Remuneration details for Executive KMP *continued*

Relationship between G8 Education performance and KMP remuneration

The performance of the Group and remuneration paid to KMP over the last 5 years is summarised in the table below.

	2025 \$'000	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000
Total revenue	948,163	1,021,777	987,001	905,224	878,733
EBIT	(234,693)	152,782	133,079	105,635	118,720
Operating EBIT (adjusted for leases) (Non IFRS) ¹	93,290	115,045	100,659	80,307	80,121
Net Profit After Tax	(303,305)	67,688	56,056	36,606	45,681
Operating NPBT (Non IFRS) ¹	85,292	104,424	90,588	66,667	66,404
Operating NPAT (Non IFRS) ¹	59,047	72,403	63,412	45,690	39,499
Operating EPS (cents) (Non IFRS) ¹	7.64	8.97	7.83	5.69	4.66
Annual dividend per share (cents)	5.50	5.00	3.50	4.00	—
Share price as at 31 December (\$)	0.69	1.31	1.18	1.11	1.11
Total Fixed Remuneration Executive KMP²	2,001	2,045	2,187	1,955	1,900
Total Variable Remuneration Executive KMP³	790	961	1,549	1,430	836
Total Fees Non-Executive Directors⁴	1,060	1,050	1,068	1,082	1,018

1. As defined on page 27.

2. TFR for Executive KMP in 2023 included a once off sign-on bonus relating to P Okhovat.

3. Includes STI and LTI earned in year (i.e. 2025 includes the 2022 LTI Grant and 2023 Special Equity Grant which vested and were converted to shares during 2025).

4. NED fees are inclusive of superannuation.

Statutory Remuneration Table

Year	Short-term benefits				Post-employment benefits	Termination benefits	Long-term benefits/Share-based payments		Total remuneration	Performance related	Share Plan related	
	Base salary	Non-monetary benefits ¹	Sign on bonus	Cash STI	Super-annuation benefits	Cash	Performance Rights and Shares ²	Other long-term benefits ³				
							% of Total Remuneration	% of Total Remuneration				
P Okhovat	2025	972,996	9,608	—	—	29,966	—	151,576	(144,727)	1,019,419	1%	15%
	2024	927,802	40,016	—	317,213	28,666	—	1,706,496	310,023	3,330,216	70%	51%
S Becker ⁴	2025	441,107	—	—	—	29,966	—	31,001	—	502,074	6%	6%
S Williams ⁵	2025	48,938	—	—	—	3,782	—	—	—	52,720	0%	0%
	2024	563,084	—	—	240,495	28,666	—	47,491	(72,609)	807,127	27%	6%
S Dann	2025	434,557	—	—	—	29,966	—	21,308	(39,620)	446,211	(4%)	5%
	2024	427,825	—	—	142,891	28,666	—	47,055	51,978	698,415	35%	7%
Totals	2025	1,897,598	9,608	—	—	93,680	—	203,885	(184,347)	2,020,424	1%	10%
	2024	1,918,711	40,016	—	700,599	85,998	—	1,801,042	289,392	4,835,758	58%	37%

1. 2025 non-monetary benefits relates to car parking and FBT associated with the car parking.

2. 2025 long-term performance rights and shares figures include expenses or credits recognised in relation to the 2023 LTI, 2024 LTI, 2025 LTI and CEO and Managing Director Special Equity Award.

3. 2025 other long-term benefits relates to the reversal of previously recognised expense relating to the One-off Outperformance Cash Bonus (this one-off cash incentive will not vest) offset in part by 2024 Deferred STI award expense.

4. Steve Becker was appointed Chief Financial Officer effective 20 January 2025.

5. Sharyn Williams resigned as Chief Financial Officer effective 17 January 2025.

6. Equity Interests

The tables below set out the equity interests held by Non-Executive Directors (NEDs) and Executive KMP.

Shares	Ownership type	Balance at the start of the year	Changes during the year	Balance at the end of the year/ at retirement or termination
Directors of G8 Education Limited				
Ordinary Shares				
D Singh (Chair)	Indirectly	125,000	80,000	205,000
P Okhovat (CEO)	Directly	737,207	950,805	1,688,012
J Cogin	Indirectly	66,500	8,500	75,000
S Heath	Indirectly	37,750	122,000	159,750
A Thornton	Directly	88,150	—	88,150
P Trimble	Indirectly	150,000	55,000	205,000
M Zabel	Indirectly	82,000	—	82,000
Executive KMP of G8 Education Limited				
Ordinary Shares				
S Becker	N/A	—	—	—
S Dann	N/A	—	—	—
S Williams ¹	Directly and indirectly	283,708	—	283,708

1. S Williams' closing balance is as at 17 January 2025 when she resigned as Chief Financial Officer. In relation to the 2022 LTI grant that vested and were converted to shares during 2025, these shares were issued post 17 January 2025.



Directors' Report

Remuneration Report (Audited)

6. Equity Interests *continued*

The movement during the reporting period in the number of performance rights over ordinary shares in the Company held directly or beneficially, by each Executive KMP, including their related parties is as table below.

Executive KMP / Plan	Grant date	Fair Value at grant date ²	Balance at the start of the year	Number of Rights			Balance at the end of the year	Value of Rights \$ ¹			Year in which grant vests
				Granted in year	Vested in year	Lapsed/ forfeited in year		Granted in year	Vested in year ³	Lapsed/ forfeited in year ³	
P Okhovat											
2025 LTI EPS	29 Apr 25	1.13	—	358,267	—	—	358,267	404,842	—	—	2028
2025 LTI TSR	29 Apr 25	0.41	—	358,267	—	—	358,267	146,889	—	—	2028
2024 LTI EPS	7 May 24	1.13	377,673	—	—	—	377,673	—	—	—	2027
2024 LTI TSR	7 May 24	0.50	377,674	—	—	—	377,674	—	—	—	2027
2023 LTI EPS	13 Jun 23	0.92	387,060	—	—	—	387,060	—	—	—	2026
2023 LTI TSR	13 Jun 23	0.49	387,060	—	—	—	387,060	—	—	—	2026
2023 Special Equity Grant EPS	20 Feb 23	1.22	633,870	—	633,870	—	—	—	773,321	—	2025
2023 Special Equity Grant TSR	20 Feb 23	0.67	633,870	—	316,935	316,935 ⁴	—	—	212,346	212,346	2025
Total			2,797,207	716,534	950,805	316,935	2,246,001	551,731	985,668	212,346	
S Becker											
2025 LTI EPS	23 May 25	1.13	—	91,534	—	—	91,534	103,433	—	—	2028
2025 LTI TSR	23 May 25	0.41	—	91,535	—	—	91,535	37,529	—	—	2028
Total			—	183,069	—	—	183,069	140,963	—	—	
S Williams											
2024 LTI EPS	29 May 24	1.08	119,265	—	—	119,265	—	—	—	128,806	2027
2024 LTI TSR	29 May 24	0.44	119,265	—	—	119,265	—	—	—	52,477	2027
2023 LTI EPS	13 Jun 23	0.92	122,229	—	—	122,229	—	—	—	112,451	2026
2023 LTI TSR	13 Jun 23	0.49	122,229	—	—	122,229	—	—	—	59,892	2026
2022 LTI	19 May 22	1.01	194,795	—	194,795	—	—	—	196,743	—	2025
Total			677,783	—	194,795	482,988	—	—	196,743	353,626	
S Dann											
2025 LTI EPS	23 May 25	1.13	—	84,852	—	—	84,852	95,883	—	—	2028
2025 LTI TSR	23 May 25	0.41	—	84,853	—	—	84,853	34,790	—	—	2028
2024 LTI EPS	29 May 24	1.08	89,449	—	—	—	89,449	—	—	—	2027
2024 LTI TSR	29 May 24	0.44	89,448	—	—	—	89,448	—	—	—	2027
2023 LTI EPS	13 Nov 23	0.93	29,284	—	—	—	29,284	—	—	—	2026
2023 LTI TSR	13 Nov 23	0.46	29,284	—	—	—	29,284	—	—	—	2026
Total			237,465	169,705	—	—	407,170	130,672	—	—	
Grand Total			3,712,455	1,069,308	1,145,600	799,923	2,836,240	823,366	1,182,411	565,972	

1. Performance Rights are expensed in line with the vesting conditions of the Performance Rights (refer to note 31 of the Financial Report section of this Annual Report).
2. Fair value at grant date is calculated independently based on a Monte Carlo pricing model and using a risk-neutral assumption (refer to note 31 of the Financial Report section of this Annual Report).
3. Amount provided is the initial dollar value at fair value grant date, not amount actually received/forfeited.
4. As disclosed in the 2024 Annual Report, 25% of the performance rights under the 2023 Special Equity Award lapsed in 2025. Refer to note 31 of the Financial Report section of this Annual Report for the terms and conditions of the 2023 Special Equity Grant.



7. Employment Agreements

The CEO and Managing Director and other Executive KMP operate under employment agreements.

The following sets out details of the employment agreements relating to the CEO and Managing Director and other Executive KMP, as it pertains to those employed as at 31 December 2025.

Length of contract

The CEO and Managing Director and other Executive KMP are on permanent contracts, which is an ongoing employment contract until notice is given by either party.

Notice periods

Unless otherwise agreed, in order to terminate the employment arrangements, all Executive KMP (including the CEO and Managing Director) are required to provide G8 Education with six months' written notice.

Resignation

On resignation, unless the Board determines otherwise, all unvested STI or LTI benefits are forfeited.

Termination on notice by G8 Education

Unless otherwise agreed, G8 Education may terminate employment of the CEO and Managing Director or any other Executive KMP by providing six months' written notice. The Company may make payment, based on total fixed remuneration, in lieu of the notice period. For termination without cause, the number of unvested STI or LTI benefits which will vest will be determined by the Board in its sole discretion.

Death or total and permanent disability

On death or total and permanent disability, the Board has discretion to allow any unvested STI and LTI benefits to vest.

Termination for serious misconduct

Unless otherwise agreed, G8 Education may immediately terminate employment at any time in the case of serious misconduct and CEO and Managing Director and other Executive KMP will only be entitled to payment of TFR up to the date of termination. On termination without notice by G8 Education in the event of serious misconduct:

- All unvested STI or LTI benefits will be forfeited; and
- Any employee share scheme instruments provided to the employee on vesting of STI or LTI awards that are held in trust will be forfeited.

Statutory entitlements

Payment of statutory entitlements of long service leave and annual leave applies in all events of separation.

Post-employment restraints

The CEO and Managing Director and all other Executive KMP are subject to post-employment restraints for up to 6 months.

8. Non-Executive Director (NED) Remuneration

Principle	Comment
Fees are set by reference to key considerations	<p>Fees for NEDs are based on the nature of the NEDs' work and their responsibilities. The remuneration rates reflect the complexity of G8 Education's business and the extent of the number of geographical locations in which G8 Education operates. In determining the level of fees, survey data on comparable companies is considered. NEDs' fees are recommended by the PCEC and determined by the Board. Shareholders approve the aggregate amount available for the remuneration of NEDs.</p> <p>There was no increase in NED remuneration for 2025, and there has been no increase since 2018.</p>
Remuneration is structured to preserve independence whilst creating alignment	<p>To preserve independence and impartiality, NEDs are not entitled to any form of variable remuneration including incentive payments or equity awards. NED fees are not set with reference to any measure of G8 Education performance. However, to create alignment between directors and shareholders, the Board has adopted a Minimum Shareholding Guideline that encourages NEDs to hold (or have a benefit in) shares in G8 Education equivalent in value to at least one year's base fees. G8 Education does not offer loans to NEDs to fund share ownership. Aggregate Board and committee fees are approved by shareholders.</p>
Aggregate Board and committee fees are approved by shareholders	<p>The total amount of fees paid to NEDs in 2025 is within the aggregate amount approved by shareholders at the AGM in May 2024 of \$1,350,000 per annum including superannuation.</p>

Directors' Report

Remuneration Report (Audited)

8. Non-Executive Director (NED) Remuneration *continued*

NED Fees and Other Benefits Explained

Element	Details	2025 ¹ \$	2024 ¹ \$
Board base fees per annum	Board Chair	285,000	285,000
	Board NED	140,000	140,000
Committee fees per annum	Audit & Risk Chair	25,000	25,000
	Nominations Chair	25,000	25,000
	People, Culture & Education Chair	25,000	25,000
	Audit & Risk Member	No fee	No fee
	Nominations Member	No fee	No fee
	People, Culture & Education Member	No fee	No fee

1. NED fees include Superannuation.

Post-Employment Benefits

Superannuation	Superannuation contributions are made in line with the legislated Superannuation Guarantee. NED fees are inclusive of superannuation contributions, which have been made at a rate of 12% from 1 July 2025 (and 11.5% for the 2024 financial year and up to 30 Jun 2025). Any superannuation contributions will be limited to the Australian Government's prescribed maximum contributions limit.
Retirement schemes	There are no retirement schemes in place for NEDs other than Statutory Superannuation.
Fixed Fees	NEDs do not receive any performance-related compensation in cash, options, rights or shares.
Other fees/ benefits	NEDs receive reimbursement for costs directly related to G8 Education business and reimbursement for up to \$1,000 per annum of relevant continued education expenses. No payments were made to NEDs during 2025 for travel allowances, extra services or special exertions.

NED Total Remuneration Paid

	Year	Fees \$	Superannuation benefits \$	Total \$
D Singh (Chair)	2025	255,303	29,697	285,000
	2024	256,603	28,397	285,000
D Foster	2025	—	—	—
	2024	47,055	5,176	52,231
M Zabel	2025	147,652	17,348	165,000
	2024	148,315	16,685	165,000
J Cogin	2025	147,652	17,348	165,000
	2024	148,315	16,685	165,000
P Trimble	2025	147,652	17,348	165,000
	2024	148,315	16,685	165,000
A Thornton	2025	125,280	14,720	140,000
	2024	125,843	14,157	140,000
S Heath	2025	125,280	14,720	140,000
	2024	70,024	8,053	78,077
Totals	2025	948,819	111,182	1,060,000
	2024	944,472	105,836	1,050,308

Directors' Report

Minimum Shareholding Guidelines

The Board has approved minimum shareholding guidelines for Directors and Executive KMP. Under these guidelines, all Directors and Executive KMP are encouraged to accumulate a minimum shareholding in G8 Education shares equivalent in value to one year's base fees or salary. The Board believes that this guideline will ensure alignment with shareholders' interests.

The guidelines were implemented in January 2017, with Non-Executive Directors and Executive KMP encouraged to accumulate the recommended holding within five years of appointment.

Directors' Tenure

The Directors shall retire from office in accordance with the Constitution of G8 Education and/or the applicable sections of the *Corporations Act 2001* (Cth). The Board has a policy that, in general, the maximum term of service for a Non-Executive Director should be approximately ten years. However, this term may be extended for reasons such as Board or Committee chairship, providing continuity or a particular capability of a Non-Executive Director.

Corporate Governance

G8 Education is strongly committed to good corporate governance practices and substantially complies with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition) (Principles). The Board of Directors guides and monitors the business and affairs of G8 Education on behalf of the shareholders by whom they are elected and to whom they are accountable. G8 Education's compliance with the Principles can be found at: www.g8education.edu.au/investor-information/corporate-governance or by contacting the Registered Office.

Non-Audit Services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important. During 2025 G8 Education did not engage Ernst & Young to perform non-audit services.

Auditor's Independence Declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* (Cth) is set out on page 68 of this Annual Report.

Auditor

Ernst & Young were appointed as auditor on 25 May 2016 and continue in office in accordance with section 237 of the *Corporations Act 2001* (Cth). This report is made in accordance with a resolution of Directors.



Pejman Okhovat
CEO and Managing Director

23 February 2026

Climate Report

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2025 Climate-Related Financial Disclosures

This report represents a complete set of climate-related financial disclosures for G8 Education Limited and its subsidiaries (collectively, "the Group") for the year ended 31 December 2025. The Group's climate-related disclosures have been prepared in accordance with AASB S2 *Climate related Disclosures*, which is the mandatory Australian Sustainability Reporting Standard (ASRS) that has been issued by the Australian Accounting Standards Board (AASB).

The Group is committed to providing transparent and decision-useful financial information. All material information has been disclosed, even where not otherwise required by law or regulation. Information has only been omitted where it is assessed to be immaterial or where measurement uncertainty is so significant that disclosure would not be useful to users. As this is the first year in which the Group has applied the ASRS, the Group has elected to not disclose comparative information in this Annual Report and are applying the transitional relief available to not disclose Scope 3 emissions information.

This report has been prepared for the same consolidated reporting entity and reporting period as the Group's Consolidated Financial Statements (please refer to "note 34(b) Principles of consolidation" in the financial statements) and has incorporated climate-related information of the parent company and all of its subsidiaries noted on pages 106 to 107 of this Annual Report.

This report was authorised for issue in accordance with a resolution of the Directors on 23 February 2026

Directors' Declaration

In the opinion of the Directors of G8 Education Limited (the Company), I state that the Company has taken reasonable steps to ensure that the substantive provisions of the Climate Report of the Company and its subsidiaries (collectively the Group) for the year ended 31 December 2025, as presented on pages 48 to 63, are in accordance with the *Corporations Act 2001*, including:

- a. Complying with Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* and any further requirements determined under section 296C(2) of the *Corporations Act 2001*; and
- b. Containing the climate statement disclosures required by section 296D of the *Corporations Act 2001*.

Made in accordance with a resolution of the directors of G8 Education Limited pursuant to section 296A(6) of the *Corporations Act 2001*, as modified by section 1707C(2) of the *Corporations Act 2001*.

On behalf of the Board

Pejman Okhovat
Director

23 February 2026

1. Executive summary

This report presents the Group's inaugural climate-related financial disclosures, outlining its approach to climate governance, strategy, risk management, metrics and targets.

The Group has adopted a proportionate, risk-based approach to climate-related governance and disclosure, having regard to the nature of its operations, sector context and assessed exposure to climate-related financial risk. Climate considerations are integrated into the Group's governance and enterprise risk management arrangements through a dedicated Climate Change Risk Management Framework.

In 2025 the Group undertook scenario analysis with external support to test the resilience of its strategy under a range of plausible climate futures. This included assessment of physical risks using the Munich Re Climate Model and transition risks using IPCC-aligned scenarios. The analysis indicates low to moderate physical risk exposure across the Group's network, with heat related stressors increasing over time and low transition risk, other than anticipated increases in insurance costs. No scenarios tested indicate a material impact on the Group's financial position, performance or cash flows over the short, medium or long term.

The climate-related opportunities that were identified largely align with existing operational initiatives, including rooftop solar expansion, energy efficiency improvements, fleet transition and waste-reduction programs. These initiatives support emissions reduction, cost management and operational resilience.

The Group has established Scope 1 and Scope 2 emissions-reduction targets, requiring a 6% reduction in Scope 1 and 2 GHG emissions from a FY21 baseline through to FY29. These targets are consistent with, and more ambitious than, a 1.5 degree Celsius aligned decarbonisation trajectory based on IPCC guidance. Emissions are calculated using standardised methodologies under the Greenhouse Gas Protocol with performance subject to limited assurance.

This inaugural climate-related financial disclosure establishes the Group's baseline approach, with subsequent reports expected to be refined over time in line with enhancements to data capability and the development of market practice.

Climate Report

2. Introduction

2.1 Corporate information

The Group is an Australian company, headquartered on the Gold Coast, specialising in the provision of quality early childhood education and care. The Group operates 395 child care centres nationwide under 21 trusted brands and has two office locations. The Group leases its child care centre and office locations from third parties, except for the Gold Coast office and two child care centres which are directly owned.

The Group prioritises safety and efficiency in all operations, while continually working to identify opportunities to reduce its environmental footprint and foster a sustainable future for generations to come.

G8 Education partners with approximately 1,200 suppliers to help us provide quality early childhood education and care to our national footprint of centres. During the reporting period we spent approximately \$155 million with our direct suppliers, ranging from large multinational corporations to small local, community businesses. Most of our direct suppliers are located in Australia.

The Group's largest procurement categories by spend were:

- property and facilities management (including commercial cleaners, gardeners and repair and maintenance workers);
- centre resources (including food, nappies and office supplies);
- education resources (including arts, crafts, toys and teaching aids);
- furniture;
- marketing and professional services;
- technology services and devices (including software licences, IT services, laptops, iPads, mobile phones and printers); and
- people costs (including agency and casual recruitment and educational development).

The Group has existing investments in roof top solar systems on centres and hybrid vehicles.

2.2 How to read these disclosures

These climate-related financial disclosures are designed to be read as an integrated whole. Governance arrangements (section 3) establish oversight that informs the strategy (section 4). Risk management processes (section 5) explain how climate-related risks and opportunities are identified, assessed and managed with the Group's Enterprise Risk Management Framework, while metrics and targets (section 6) set out how performance is measured and monitored.

The data sources and assumptions used in preparing these climate-related financial disclosures are consistent with those applied in the preparation of the Group's audited Financial Statements for the year ended 31 December 2025. Any differences relate to the forward looking scenario analysis and extended time horizons and are not considered material for accounting or audit purposes.

These disclosures should be read together with the balance of this Annual Report and Financial Statements which consider related factors, where relevant.

3. Governance

The Board of Directors (the Board) has ultimate responsibility for setting and overseeing the Group's strategy, business plans and annual budgets and the risk management approach. Climate-related risks and opportunities are considered by the Board as part of the performance of these responsibilities.

The Board Charter outlines how the Board's oversight of climate-related risks and opportunities is supported by several established governance functions across the organisation. Primary oversight is delegated to the Audit and Risk Management Committee, while the People, Culture and Education Committee provides input on appropriate linkage of climate-related matters to remuneration and the Nomination Committee ensures an appropriate mix of skills and experience on the Board.

3.1 Roles and responsibilities for Governance

3.1.1 Board Oversight

The Board brings a wealth of experience and expertise across diverse sectors, products and regions to guide the Group's climate-related strategy. Detailed biographies of Board members are outlined in the Directors' Report on pages 20 to 23.

The Board receives quarterly updates through operational and risk reports on areas of progress, emerging trends and climate-related risks and opportunities that could reasonably be expected to affect the Group's prospects in terms of its impact on cash flows, access to finance or cost of capital over the short, medium or long-term. This structured information flow ensures that the Board is appropriately informed and can assess implications for the Group's strategy, business model and targets.

Environmental, Social and Governance (ESG) matters, including climate-related issues, are a standing agenda item at all Audit and Risk Management Committee meetings and their corresponding Board meetings. During 2025, ESG updates were provided to three Board meetings where the Board considered climate-related risks and opportunities, scenario analysis outcomes, progress against targets and implications for strategy. Climate-related matters were also discussed at the annual Board strategy day.

The Board oversees the Group's response to climate-related risks and opportunities, including approving targets and monitoring progress through the Enterprise Risk Management Framework. Targets are reviewed at least annually and progress is reported quarterly.

3.1.2 Committees in place to support Board oversight

3.1.2.1 Audit and Risk Management Committee

The Audit and Risk Management Committee (ARMC) assists the Board by overseeing emerging risks and opportunities and the effectiveness of risk management and internal control systems. This includes oversight of relevant climate-related risks and opportunities. The ARMC meets quarterly, with the Chair of the ARMC providing updates to the Board at corresponding meetings.



The ARMC applies the Group's risk matrix to assess risk exposure and appetite, considering both likelihood and impact of climate-related risks. It conducts an annual review of the Group's risks and related mitigation and adaptation plans, including consideration of acceptable risk appetite levels for the Group. During the reporting period both the ARMC and the Board regularly reviewed key enterprise and emerging risks, along with the relevant controls and mitigating actions in place, the assurance obtained and the residual risk exposure. Climate-related risks and opportunities were reviewed and assessed as low and remained within the Board's risk appetite during the reporting period.

The Chief Financial Officer and Chief Legal, Quality and Risk Officer attend each ARMC meeting and provide updates on ESG matters, including progress towards the Group's emissions reduction target, transition planning, metrics relating to climate-related risks and opportunities and other sustainability matters.

3.1.2.2 People, Culture and Education Committee

The People, Culture and Education Committee assists the Board in overseeing executive remuneration frameworks. Climate-related performance measures are not currently linked to remuneration, reflecting the Group's assessment that climate-related risk and opportunities are not material to the Group at this time. This position is reviewed annually to ensure alignment with the Group's strategy and evolving risk profile. Further detail on performance measures and targets is provided in the Remuneration Report on pages 28 to 46.

3.1.2.3 Nomination Committee

The Nomination Committee assists the Board in overseeing succession planning, including consideration of the Board's climate-related skills, experience and ongoing training in this area. Further detail on the Board skills is set out in the Corporate Governance Statement available on the Company's website.

3.1.3 Management Responsibilities

The Board delegates day-to-day execution of strategy, including consideration of climate-related matters, to the Executive Leadership Team (ELT). The Chief Executive Officer and Managing Director (CEO), supported by the ELT, is accountable for implementing Board approved strategy and ensuring climate-related risks and opportunities are managed through the Group's Enterprise Risk Management Framework and embedded within financial, operational and reporting processes.

The Climate Change Risk Management Framework, which forms part of the Group's enterprise risk management processes, was designed and implemented in the reporting period. It sets out how climate-related risks and opportunities are identified, assessed and managed across the organisation and formalises integration into existing governance processes while providing line-of-sight for Board oversight.

A working group jointly led by the Chief Financial Officer and Chief Legal, Quality and Risk Officer coordinates internal and external subject matter expertise, monitors regulatory developments and stakeholder expectations and prepares analysis and reporting to ELT and the ARMC.

Senior leaders are responsible for embedding risk processes within their functions, escalating emerging risks and supporting the delivery of ELT responsibilities. All team members are expected to apply business-as-usual risk management processes, including consideration of climate-related risk factors in their daily activities and to escalate issues in accordance with the Group's Climate Change Risk Management Framework.

3.1.3.1 Training

The Group recognises that effective governance of climate-related risks and opportunities requires ongoing capability development. Training is provided to the Board, ELT and team members as appropriate to support understanding of climate-related risks and opportunities, their financial impacts and the Group's obligations under relevant compliance and reporting standards.

During the 31 December 2025 reporting year:

- The Board undertook a dedicated session on climate-related risks, opportunities and disclosure requirements under the AASB S2 *Climate-related Disclosures*.
- Members of the ELT participated in scenario analysis and climate risk and opportunities workshops within the Group's Enterprise Risk Management Framework.
- Team members received training through business-as-usual risk and compliance programs, such as health and safety and operational risk assessment, which incorporates consideration of climate and environmental factors in the day-to-day operation of our services.

3.1.3.2 Controls and procedures

ELT's oversight of the Group's climate-related risks and opportunities is supported by the use of controls and procedures documented in the Climate Change Risk Management Framework. These include processes for identifying and assessing climate-related risks and opportunities (for example, in investment business cases and approval for major transactions), measuring greenhouse gas emissions and for monitoring performance against climate-related targets.

ELT are responsible for ensuring compliance with the Climate Change Risk Management Framework and implementing the applicable controls and procedures to meet regulatory requirements and support transparent stakeholder communications.

3.2 Internal audit and assurance

Climate governance controls are not currently subject to internal audit or assurance testing. The internal audit plan is reviewed annually and testing of climate governance controls may be considered as the Group's climate risk profile and regulatory requirements evolve.

The Group's Scope 1 and Scope 2 emissions targets, being those targets linked to its sustainability linked loan, are subject to limited assurance by a third party provider on an annual basis. This external limited assurance provides confidence to the Board and ELT that reported outcomes are accurate and reliable.

Climate Report

3.3 Climate-related skills and experience

The Board gives frequent and deliberate consideration to the experience, qualifications, background and skills required for effective oversight of the Group. Each Director, including the Chair, complete an annual self-assessment of their individual skills and experience and these ratings inform the Board's Skills Matrix. The matrix, developed and maintained by the Nominations Committee, identifies the skills and experience the Board currently holds and those it seeks to strengthen through new appointments or ongoing education and training. The matrix is considered in the context of the Group's strategic priorities and the external environment within which the Group operates. The matrix is reviewed annually and approved by the Board.

The Board collectively has significant experience in overseeing strategy in response to risks and opportunities and in recent years has expanded its understanding of climate-related risks and opportunities. Within the Board Skills Matrix, sustainability experience is assessed across areas such as sustainability governance, climate change and emissions oversight and environmental impact oversight. At the most recent review, the Board's sustainability skills comprised six Directors with advanced experience and one Director with general experience.

Based on the Group's assessment of its risk exposure and the overall materiality of climate-related risks and opportunities to its operations, the Board considers that the current mix of skill is sufficient to provide effective oversight on a proportionate basis. This position is assessed annually through the Board Skills Matrix review to ensure it remains appropriate and aligned to the Group's strategy as its risks and opportunities evolve.

4. Strategy

4.1 Business strategy

G8 Education's business strategy considers climate-related risks and opportunities in a manner proportionate to their materiality to our operations. Our focus is on reducing our environmental impact where practicable and maintaining resilience across our network and services.

More broadly, the Group's ESG Strategy aims to embed ESG principles aligned with business objectives and strategic priorities to:

- recognise and respond to sector-specific challenges;
- maintain compliance with regulatory requirements; and
- advance the Group's position as a responsible, quality driven leader in early childhood education.

The Group considers the impact of climate change across multiple time horizons aligned to its scenario analysis and strategic planning. These are:



These horizons correspond with the projection years used in the Group's climate scenario modelling under the Munich Re Climate Model. The short- and medium-term horizons align to the Group's strategic and financial planning cycles, including the typical duration of childcare centre leases and the exercise of lease options. The long-term horizon extends beyond current lease cycles to assess potential exposure to climate change risks that could influence the resilience and value of the network over time.

4.2 Scenario Analysis and the Group's view of the world

There is a high degree of uncertainty in the level and timing of global action to reduce greenhouse gas (GHG) emissions. This uncertainty affects projections of warming levels, the timing of transition measures and frequency and severity of climate events. Different geographies, jurisdictions and industry sectors are unlikely to act in the same way or against the same timeframes, creating an almost infinite number of potential pathways towards net zero.

To manage these complexities, the Group considered a number of defined climate scenarios drawing on recognised global sources, including the Intergovernmental Panel on Climate Change (IPCC) and the Network for Greening the Financial Systems (NGFS).

For physical risk exposure analysis, the Group has used the Munich Re Climate Model to apply Climate Hazard Scores across Representative Concentration Pathways (RCP) scenarios (RCP2.6, RCP4.5 and RCP8.5) and corresponding IPCC Shared Socioeconomic Pathways (SSP) scenarios (SSP1-2.6, SSP2-4.5, SSP3-7.0 and SSP5-8.5) for projection years current, 2030, 2040, 2050 and 2100. Hazards assessed included cyclone, river flood, storm surge, subsidence, heat stress index, heat-humidity stress index, cold stress index, fire weather stress index, precipitation stress index, drought stress index, sea level rise and water scarcity.





The Group acknowledges that while RCP2.6 and SSP1-2.6 represent lower emission pathways consistent with global mitigation efforts, they have a lower probability of achieving a 1.5 degree outcome when compared to the more stringent scenarios such as SSP1-1.9. RCP2.6 and SSP1-2.6 are widely used, supported by the Munich Re dataset and provide a baseline for assessing current physical risk exposure. The Group will continue to review its scenario selection aligned to the Paris agreement as additional data and analytical tools become available.

For transition risk exposure analysis, the Group modelled low, moderate and high emissions scenarios using the same SSP pathways to consider potential financial and operational effects of regulatory policy, technology and market change. SSP1-2.6 represents a strong-action scenario with accelerated decarbonisation, SSP2-4.5 aligns with moderate emissions and SSP5-8.5 reflects a high emissions scenario. To ensure proportional alignment with Paris-aligned outcomes, the analysis also considered qualitative characteristics, such as accelerated policy action, stronger carbon pricing mechanisms and rapid decarbonisation, when evaluating transition risks. This approach will be refined as the Company improves its data and modelling capability.

The scenario analysis incorporated assumptions about projected GHG emission trajectories, energy mix and operational energy use, consistent with the Group's current profile and Australian policy settings. These assumptions were applied consistently across all scenario pathways to assess the relative sensitivity of the Group's assets and operations under differing climate futures.

The Group recognises the inverse relationship between transition and physical risks. In scenarios where global emissions are reduced more rapidly, transition risks are higher in the short term but help limit the long-term severity of physical risk impacts. Conversely, in high emissions pathways, transition risks are lower initially, but physical risks intensify over time. The scenario analysis therefore captures both dimensions to test resilience under plausible climate futures.

4.3 Climate risks and opportunities impacting the business

Climate-related risks and opportunities are assessed as part of the Group's Climate Risk Management Framework and Enterprise Risk Management processes. These include physical and transition risks as disclosed in section 5.2 of this report.

The approach for assessing and rating climate-related risks and opportunities impacting the business as low, moderate or high is consistent with the Group's Enterprise Risk Management Framework and is outlined in Section 5 (Risk Management) of this report.

Results from the Group's scenario analysis modelling moderate to high emissions in the short-term indicated predominantly low to moderate financial risk exposure across most physical risks, with heat-related stressors presenting the greatest increasing risk.

Modelling of the Group's physical asset portfolio indicates low flood and cyclone exposure overall, with a small subset of centres facing moderate to high river flood and cyclone risks requiring targeted resilience and adaptation measures.

In relation to transition risks, modelling indicates an increase in operating costs through indirect carbon pricing mechanisms and the transition to lower carbon economy, however the residual risk remains low over the short to medium term applying low to moderate carbon emission scenarios. Transition risk associated with increasing insurance costs represents the highest risk to the Company over the short to long term. Opportunities arise through proactive adaptation to changing customer behaviour, with carbon pricing exposure mitigated through the Group's solar program expansion and Scope 1 and 2 reduction initiatives.

For strategy purposes, the Group recognises that climate-related factors may impact business continuity, cost structures (e.g. cost of energy and insurance), regulatory compliance and stakeholder expectations, while opportunities remain in areas such as energy efficiency and investment in renewable energy and recycling initiatives. However, as the overall business impact is currently assessed as low, the Group's strategy is to adopt a proportionate response implementing targeted resilience and adaptation measures as required.

4.4 Effects of identified risks on its business model and concentration of those risks

The potential effects of climate-related risks and opportunities on the Group's strategy and business model are considered through the Group's Enterprise Risk Management Framework. Risks are assessed for their potential financial, operational and reputational impacts and integrated into the Group's existing strategic planning and risk reporting processes. The overall impact of climate-related risks and opportunities on the Group's business model is currently assessed as low.

Heat related climate stressors are broadly distributed, while cyclone and flood related risks are more concentrated into certain regions. These concentrations are limited in scale and managed through existing controls and insurance. They do not materially affect the overall impact assessment of low.

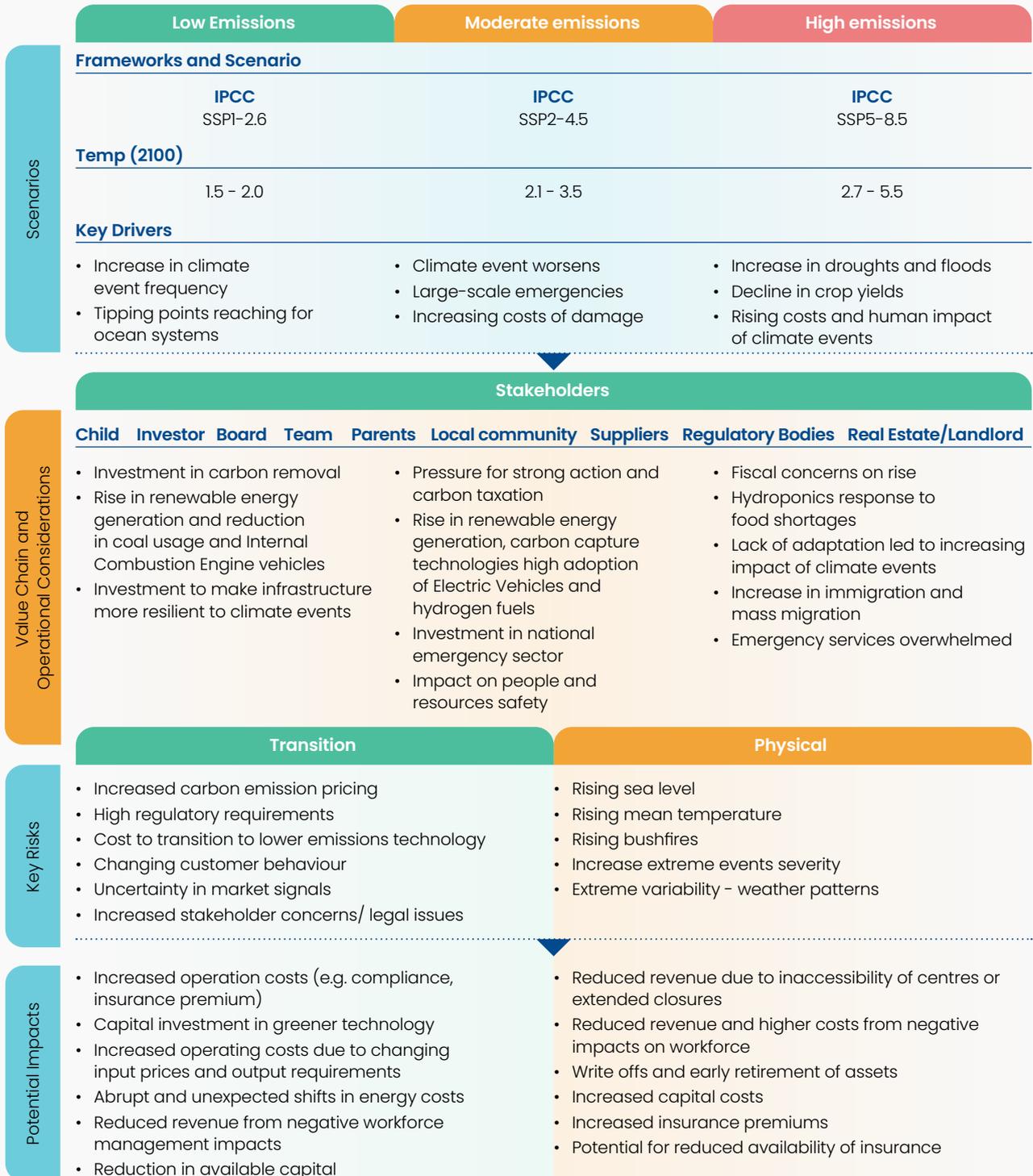
For detailed descriptions of climate-related risk, opportunities and related mitigants, see Section 5 (Risk Management) of this report.

Climate Report

4.5 Value chain estimation

The Group has considered upstream and downstream exposures across its value chain, using all reasonable and supportable information available without undue cost or effort.

The below sets out an assessment of the Group’s scenario impact chain, from short to long-term disruptions to the value chain and overall operations:



The current focus is on assessing physical climate risk exposure screening across the group’s physical asset portfolio (primarily leased premises), supported by external modelling. This informs the assessment of potential impacts and will continue to be refined and developed in future reporting periods as the assessments of risks and associated modelling evolves.

It is important to note that the overall impact of the key risks and potential impacts identified across the value chain are currently assessed as low risk using the Group's risk matrix and are not considered either qualitatively or quantitatively material to the business.

4.6 Current and anticipated financial effects

The Group has assessed the anticipated financial effects of climate-related risks and opportunities on its financial position, financial performance and cash flows for the current reporting period and the anticipated financial effects that those climate-related risks and opportunities are expected to have over the short, medium and long-term. These assessments use the same consequence and likelihood criteria as the Group's Enterprise Risk Management framework, ensuring climate-related risks and opportunities are rated consistently with other risks that may have a financial effect on the Group. Further details on the risk rating approach is set out in Section 5 (Risk Management).

In the short term, no material impacts are expected. Over the medium to long term, increased insurance premiums, potential site level repair costs following extreme weather events and modest compliance costs from transition measures may affect operating expenses. Conversely, investment in solar and energy efficiency initiatives is expected to reduce reliance on grid electricity and deliver gradual cost savings. These effects are not considered material for financial reporting purposes but are monitored through the Group's climate risk management processes.

The anticipated financial effects of climate-related risks include:

- Physical risks related to climate change – vulnerability of assets: Low short-term exposure across most physical risks, with heat-related stressors presenting the greatest increasing risk, managed by heating, ventilation and air conditioning (HVAC) maintenance and efficiencies. While the majority of the Group's childcare centres are not subject to flood and cyclone exposure, there is a small subset of centres facing moderate to high river flood and cyclone risks requiring targeted resilience and adaptation measures.
- Transition risks: Low residual risk over the short to medium term, with increase in operating costs through indirect carbon pricing mechanisms and the transition to lower carbon economy presenting the greatest increasing risk.
- Opportunities: Opportunities to deliver costs savings and improved energy resilience through energy efficiency initiatives and the Group's solar rollout program.

The overall impact of climate-related risks and opportunities is currently assessed as low and the Group does not expect climate-related risks to have a material impact on its financial position over the short term. This modelling will continue to be reviewed through the Group's Climate Change Risk Management Framework, with results to inform future business planning and resilience measures.

The Group has not provided quantitative information about the current or anticipated financial effects of climate-related risks and opportunities in the reporting period, as those effects are not separately identifiable and the level of measurement uncertainty is too high for quantitative disclosure to be useful.



Climate Report

4.7 Decarbonisation targets and transition planning

The Group does not maintain a standalone climate transition plan.

The Group has adopted a GHG emissions reduction target aligned with the IPCC Special Report on Global Warming of 1.5 degrees Celsius (2018). The target reflects the scale of global emissions reductions identified by the IPCC as necessary to limit warming to 1.5 degree Celsius, having regard to the group's emissions profile and operational context off a FY21 baseline.

The target applies to Scope 1 and Scope 2 emissions and was developed using a Science Based Targets initiative SBTi target-setting tool in connection with the Group's sustainability linked loan. The target has been subject to independent limited assurance by an external provider and has not been submitted for validation under the Science Based Targets initiative (SBTi).

More information about the Group's climate targets can be found in Section 6 of this report.

The Group's current and anticipated mitigation and adaptation efforts include both direct and indirect initiatives. Direct mitigation measures focus on reducing operational emissions through continued rollout of rooftop solar, improvements in energy efficiency and the transition of fleet vehicles to hybrid models. Indirect mitigation and adaptation initiatives include supplier engagement on waste reduction and collaboration with landlords to improve site level resilience and ongoing review of insurance coverage and business continuity plans. These initiatives are designed to strengthen resilience to physical risks while supporting achievement of the Group's emissions reduction target.

4.8 Integration into business strategy and capital allocation

The Group's Enterprise Risk Management Framework, including the Climate Change Risk Management Framework are designed to ensure climate-related risks and opportunities are assessed alongside other material risks, with reference to the risk appetite statement and risk matrix. This process supports integration into the Group's strategy and business planning by:

- identifying and assessing risks and opportunities with respect to their potential ability impact strategic objectives, financial performance and resilience;
- using insights from climate risk assessments and scenario analysis to inform business continuity planning and resilience, insurance considerations and operational risk management; and
- considering climate-related factors in capital allocation decisions.

The Group does not expect its financial position to be materially impacted by climate-related risks and opportunities over the short, medium or long-term. Capital allocation commitments are therefore currently considered in a proportionate manner, primarily through initiatives such as the continued rollout of rooftop solar, hybrid vehicle transition and energy efficiency improvements of facilities.

These measures are implemented where practicable and possible in the context of the Group's refurbishment, repair and maintenance obligations under its real property leases.

There is no material capital expenditure and investment deployed by the Group towards managing climate-related risks and opportunities. Accordingly, no quantitative information is presented in this report.

4.9 Building resilience through scenario analysis

The Group's climate-related scenario analysis provides a structured basis for testing the resilience of its strategy and operations under a range of plausible climate futures. These insights are used to strengthen governance, planning and decision making by:

- embedding scenario analysis outcomes in the Enterprise Risk Management Framework and Climate Change Risk Management Framework, ensuring climate considerations are incorporated into risk assessment, business continuity planning and investment decisions;
- identifying physical risk exposures that inform site-selection, lease-renewal and insurance decisions, as well as engagement with landlords on asset-level resilience measures; and
- guiding prioritisation of adaptation and strategically adjacent initiatives to exploit opportunities and mitigate risks, such as energy efficiency upgrades, solar rollout and hybrid fleet transition to enhance operational resilience.

4.9.1 Scenario Analysis – business response to the effects identified

Scenario analysis has informed a proportionate business response rather than a strategic overhaul. In the short term, Management activity is to update risk registers, refresh business continuity plans for exposure to physical risks and implement processes for screening new site selections and lease renewal decisions.

Where practicable, landlords are engaged on asset-level resilience (e.g. drainage and water ingress controls). Relocation opportunities are also considered at renewal for sites assessed as persistently high risk. The Group's insurance program is reviewed on an annual basis to reflect changing risk profiles, where possible.

The Group's energy costs and transition exposure is managed through the ongoing rollout of rooftop solar across the network and energy efficiency replacements of plant and equipment where possible and practicable. The transition to more efficient hybrid fleet vehicles is also continuing, noting that fleet represents <5% of the Group's overall combined Scope 1 and Scope 2 emissions.

Any changes in the Group's capital allocation are expected to be limited and targeted to the measures above unless future assessments indicate a material change in risk.

4.9.2 Significant areas of uncertainty considered in the assessment of climate resilience

The Group recognises that significant uncertainty exists in relation to policy responses worldwide and the pace of regulatory and technology advancements, which may impact the timing and scale of the climate-related risks and opportunities identified. These uncertainties affect the degree to which the Group can plan with precision. The scenario analysis provides a structured basis to model a range of possible pathways, but the Group acknowledges that the actual outcomes may differ materially.

4.9.3 Capacity to adjust/adapt the Group's strategy and business model to climate change

The Group's capacity to remain resilient to climate change is supported by its existing enterprise risk management processes, which integrate climate considerations through the Climate Change Risk Management Framework. Resilience is also influenced by maintaining financial flexibility to allocate capital efficiently towards emerging climate priorities as the risks and opportunities evolve. This enables the Group to incorporate appropriate mitigation and adaptation measures into its planning and operations as risks become more pronounced over time.

4.9.4 Effect of the Group's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience

The Group continues to invest in emissions reduction initiatives, including solar installations, energy efficiency measures and the transition to hybrid fleet vehicles. These initiatives are designed to reduce reliance on grid energy and improve operational resilience to rising energy costs.

While overall assessed as low risk, the physical climate change risk assessment financial modelling completed in 2025 provides further insights into the potential exposures of the Group's physical assets and operations to physical climate risk and may be used guide future decisions on prioritising resilience and adaptation measures across the business.

5. Risk Management

The Group's identification and management of all risks is performed in accordance with Enterprise Risk Management Framework. Climate-related risks are not treated as a separate category but are integrated within the Enterprise Risk Management Framework to ensure a consistent and proportionate approach. There is no separate risk taxonomy for climate risk categories.

The assessment of climate-related risks and opportunities is overseen by ELT through established governance processes in the Climate Change Risk Management Framework, which formalised how existing enterprise risk management processes apply to climate-related matters. Identified risks are reviewed annually, or earlier where a significant change arises (for example, new regulation or material physical events).

5.1 Risk Processes

The Group's climate-related risks and opportunities are identified and assessed using existing enterprise risk management processes, supported by the Climate Change Risk Management Framework. The Climate Change Risk Management Framework formalises how existing governance and risk processes apply to climate matters, ensuring a consistent lens is applied across the business. This includes:

- annual risk reviews and periodic assessments where material events occur (e.g. extreme weather events, new regulation);
- consideration of emerging risks informed by scenario analysis; and
- risk owner responsibility for capturing climate-related risks within business-as-usual assessments (e.g. investment cases, supplier reviews, operational risk assessment).

Scenario analysis help identify potential short, medium and long-term exposures to both physical and transition risks.

The Group's enterprise risk management process has not changed in current reporting period when compared to prior periods, however the Group has provided additional climate oversight through the development and adoption of the Climate Change Risk Management Framework in the reporting period.



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5.2 Risk and Opportunity Assessment

The assessment of climate-related risks and opportunities is carried out in accordance with the Climate Change Risk Management Framework, which embeds climate considerations into the Group's Enterprise Risk Management Framework. This allows climate-related risks and opportunities to be considered in the context of existing governance, controls, risk matrix and risk appetite.

As outlined in Section 4 (Strategy) of this report, the Group considers short, medium and long-term horizons and applies recognised frameworks to scenario analysis to inform its understanding of potential financial impacts. The scenario analysis completed in the reporting period provides insights into how physical and transition risks may evolve over time.

The Group acknowledges that while climate-related risks are not currently considered financially material, they are assessed at the gross (inherent) level before considering existing controls such as insurance, adaptation measures or business continuity and disaster recovering planning. This ensures potential exposures are fully understood even

where mitigation significantly reduces the likelihood or impact of an event. For example, the assessment of the possible effect of adverse weather temporarily affecting centre operations is assessed before applying controls such as the use of nearby centres or activation of other business continuity and emergency response plans. This approach helps ensure that broader operational and reputational implications are considered, even where direct financial exposure is limited.

The Group's assessment of climate-related risks considers both the likelihood and consequence using the Group's Enterprise Risk Management risk matrix as further set out in Section 5.3 (Risk evaluation matrix) below. Opportunities are assessed focusing on feasibility, alignment with strategic objectives and potential value creation.

During the reporting period, the Group engaged an external consultant, Marsh Advisory, to assist in the development and assessment of physical and transition risks. In determining climate risks and opportunities for disclosure, consideration was given to matters that could reasonably be expected to affect the Group's prospects.

Physical Risk: Physical climate-related events disrupting centre operations and child-safe environments

Risk Description

Physical climate-related events may disrupt the Group's ability to deliver safe and continuous early childhood education services. The Group leases the majority of its childcare centres and office locations from third parties, with only the Gold Coast office and two centres directly owned. As a result, exposure to physical climate risk is primarily operational, with potential impacts arising through centre closures or reduced operating capacity, interruptions to utilities and access, child and workforce safety and increased operating and insurance costs.

Physical climate risks identified across the Group's national footprint include acute, chronic and escalating climate stressors. Acute risks comprise:

- Riverine and flash flooding, cyclones, severe storms and extreme rainfall events, which have the potential to disrupt access to centres, interrupt utilities and require temporary closures in affected regions.
- Heat related risks, including more frequent and intense heatwaves and elevated heat humidity conditions, are broadly distributed across the portfolio and may place additional pressure on indoor thermal comfort, cooling systems and workforce wellbeing.
- Bushfire weather and smoke exposure, while episodic, may affect air quality and operating conditions for centres in exposed catchments.

Chronic physical risks such as rising average temperatures, changing rainfall patterns and increased weather variability, may progressively increase operating costs and maintenance requirements and reduce the margin for safe operation at certain sites. Cyclone and flood risks are more geographically concentrated, while heat related stressors affect a larger proportion of the network. These risks may also extend into the Group's value chain, including impacts on the availability and reliability of key services such as cleaning, food supply, maintenance contractors, utilities and transport, particularly during regional weather events.

Physical Risk: Physical climate-related events disrupting centre operations and child-safe environments

Controls/Mitigants Key controls and mitigants include:

- Business continuity and disaster recovery planning, supported by site level emergency procedures, escalation protocols and communications with families, staff and regulators.
- Workplace Health and Safety (WHS) and child protection frameworks, which provide structured guidance for managing heat, air quality, severe weather and emergency events to safeguard children and employees.
- Preventative and reactive maintenance programs, including ongoing HVAC maintenance, to maintain safe indoor temperatures and air quality across centres.
- Insurance coverage to mitigate the financial effects of eligible adverse weather events, including property damage and business interruption.
- Scenario analysis and stress testing, used to assess preparedness under different climate conditions and to inform prioritisation of higher risk locations.
- Targeted investment in resilience and efficiency, including existing investments in rooftop solar systems at selected centres, which provide cost and resilience co benefits during periods of high energy demand.

Given the Group's leased property business model, the ability to implement structural resilience upgrades (such as improved building envelope performance, shading, flood mitigation or enhanced HVAC capacity) may be constrained by landlord consent, lease tenure and the availability of properties that meet required configuration and resilience specifications.

Time Horizon The effects of physical risks have the potential to present over the short to long term time horizons.

- Potential Impacts**
- Operational disruption, including temporary centre closures, reduced operating hours or modified service delivery, which may result in short term revenue impacts and enrolment volatility.
 - Increased operating costs, including higher energy consumption for cooling, increased maintenance expenditure for HVAC and building systems and additional staffing costs to manage heat, smoke or access disruptions.
 - Workforce and child safety considerations, requiring enhanced WHS controls, indoor environment management and emergency response procedures during extreme weather conditions.
 - Insurance impacts, including rising premiums, deductibles or policy restrictions in regions experiencing more frequent extreme weather events.



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Transition Risk: Energy transition, technology uplift and supply chain cost pressures

Risk Description	<p>Transition risks may arise from market and technology changes during the shift to a lower emissions economy. These include exposure to rising and more volatile energy costs driven by changes in energy supply, pricing and investment dynamics. For the Group, this may increase operating expenses across centres due to reliance on electricity for heating, cooling, lighting and essential equipment.</p> <p>Additional risks relate to the cost and complexity of adopting lower emissions and higher efficiency technologies across a large, predominantly leased centre network, particularly where base building upgrades require landlord cooperation.</p> <p>Market and supply chain risks arise from changing customer and community expectations, rising input costs and the availability and pricing of low emissions goods and services. The Group partners with approximately 1,200 suppliers, the majority located in Australia. Key procurement categories – such as property and facilities management, centre resources (including food and nappies), education materials, furniture, technology and people costs – may experience cost pressure or disruption as suppliers respond to climate and transition dynamics.</p> <p>Insurance and financing markets may also reflect climate transition risk through higher premiums, tighter underwriting conditions or more stringent expectations.</p>
Controls/Mitigants	<p>Key controls and mitigants include:</p> <ul style="list-style-type: none"> • Business continuity and disaster recovery planning, supported by established incident response protocols, to manage disruptive market, regulatory and cost impacts associated with the climate transition, including energy price volatility, supplier disruption and changes in insurance availability. • WHS and child protection frameworks, which support safe, compliant and trusted operating environments and assist the Group in responding to evolving stakeholder, regulatory and community expectations regarding child wellbeing, sustainability and transparency. • Insurance coverage and ongoing engagement with insurers and financiers, to mitigate financial exposure arising from tightening underwriting standards, premium increases and other transition related changes in insurance and capital markets. • Targeted investment in energy efficiency and lower emissions initiatives, including rooftop solar installations at selected centres and the transition to hybrid vehicles, to reduce exposure to rising energy costs and improve long term operating efficiency. • Emissions measurement and performance monitoring, used to support compliance with expanding climate-related reporting requirements and to inform technology upgrades, procurement decisions and portfolio planning. <p>Given the Group's predominantly leased property business model, the pace and scope of energy efficiency and technology upgrades may be influenced by landlord consent, lease tenure and constraints associated with existing building configurations.</p>
Time Horizon	The effects of transition risks have the potential to present over the short to long term time horizons.
Potential Impacts	<ul style="list-style-type: none"> • Increased compliance and administrative costs, associated with climate reporting, data management and assurance. • Higher operating and procurement costs, driven by energy pricing, supplier cost pass through and technology upgrades. • Capital investment requirements, including expenditure on energy efficiency, fleet transition and digital systems. • Insurance and financing constraints, which may affect cost of capital, flexibility and growth options over time. • Reputational impacts, influencing enrolment demand, workforce attraction and stakeholder trust if expectations are not met.

Climate-related opportunities:

- Investments in energy efficiency and lower-emissions technologies, such as rooftop solar installations at selected centres and the transition to hybrid vehicles, provide opportunities to reduce operating costs, improve energy resilience and lower exposure to energy price volatility. These initiatives can also enhance the quality and reliability of centre environments, supporting child wellbeing and workforce comfort.
- Strengthen brand and reputation through credible sustainability actions aligned with community expectations for early childhood education providers.
- Demonstrating a commitment to responsible energy use, emissions reduction efforts and safe, resilient operating environments may support differentiation in a competitive market and reinforce trust with families, employees and communities.

Potential impacts

- Improved resource efficiency and cost savings, driven by reduced electricity consumption, on-site renewable generation and lower fuel costs associated with fleet optimisation.
- Enhanced operational resilience, through strengthened business continuity planning, improved building performance and safer, more comfortable indoor environments for children and staff.
- Brand and reputational benefits, supporting enrolment demand, workforce attraction and retention and positive community perception.
- Stronger stakeholder relationships, including improved engagement with investors, regulators, insurers and financing partners, potentially supporting access to capital and insurance over time.

These risk and opportunities will be reassessed and updated as new information emerges, including through ongoing scenario analysis and regulatory developments.

5.3 Risk evaluation matrix

The Group has assessed the likelihood and consequence of climate-related risks using the Group's standard enterprise risk management risk matrix, applying likelihood and consequence ratings consistently with other risk categories.

When assessing climate-related risks and opportunities, the same financial consequence thresholds are applied as those used across the Group's Enterprise Risk Management Framework. These thresholds align with the financial risk consequence ratings applied organisationally wide, ensuring climate risks and opportunities are assessed consistently and proportionately relative to other risk categories. For example, no physical or transitional risk is expected to have a financial consequence greater than 'minor' under a low to moderate emissions scenario in the short to medium term and a 'minor' financial consequence on the Group reflects an earnings or financial impact of less than \$2 million. Consequence is rated alongside likelihood to determine the overall risk rating of all risks affecting the Group as a whole. This approach ensures climate risks are not overstated relative to other strategic or operational risks within the Group.

5.4 Risk and Opportunity Prioritisation

Climate-related risks are prioritised relative to other business risks based on their potential impact on operations, financial performance and reputation. Where risks exceed the Board approved risk tolerance, they are included in the Group's risk register and monitored by ELT and the Board.

Opportunities are prioritised based on their potential impact, feasibility and alignment with strategic business goals. Initiatives such as rooftop solar installations and efficiency upgrades are considered based on their return on investment and where they support resilience and long-term sustainability.



Climate Report

5.5 Risk and opportunity monitoring

There are currently no material or standalone climate-related risks captured in the Group's risk strategic risk register. However existing and emerging risks are monitored through existing enterprise risk management reporting cycles. Risk owners are responsible for reviewing progress on mitigation activities, with quarterly reporting to the ELT and Board via the ARMC.

Reporting and monitoring include:

- Scope 1 and Scope 2 carbon emissions tracking, which are measured and reported quarterly to Management and the Board, forming part of the Group's broader ESG reporting.
- The results of physical and transition risk assessment as an outcome of scenario analysis are incorporated into annual risk reviews and Board reporting.
- Extreme climate events are tested as part of the Group's business continuity planning, enhancing resilience to major disruptions.

In parallel with risk assessment, the Group evaluates climate-related opportunities through its Climate Risk Management Framework. Opportunities are assessed using the same structure and approach as risks (considering their likelihood and potential impact) and are prioritised based on their ability to create long-term value or strengthen operational resilience. These may include opportunities to reduce operating costs, improve energy efficiency, enhance reputation, or develop partnerships and initiatives to support the transition to a lower-emissions economy.

Typically, the Group's opportunities also represent forms of risk mitigation. For example, the Group's solar rollout reduces exposure to energy price volatility and transition risk while delivering cost savings and emissions reductions. Similar initiatives that reduce environmental impact or improve operational efficiency are identified and considered for both their risk management and value creation potential.

Identified opportunities are integrated into business planning and capital allocation decisions through established governance channels, ensuring that the potential benefits are realised and controlled in a measurable way.

6. Metrics and targets

6.1 Greenhouse gases: 2025 Results

Operational GHG emissions

See below for the Group's total absolute gross Scope 1 and Scope 2 GHG emissions for year ended 31 December 2025

	FY25 Target (Tonnes CO ₂ -e)	FY25 (Tonnes CO ₂ -e)
Scope 1 emissions		679.5
Scope 2 emissions		7,798.7
Total Scope 1 and Scope 2 emissions	9,916.8	8,478.2

Scope 1 GHG emissions refer to the direct GHG emissions that occur from sources owned or controlled by the Group and primarily stem from use of natural gas and transportation activities.

Scope 2 GHG emissions refer to indirect GHG emissions from the generation of electricity acquired and consumed by the Group. The Group's Scope 2 GHG emissions are measured using the location-based method, which reflects the average emissions factors of the electricity grids on which the Group consumes electricity.

Value chain GHG emissions

The Group does not currently measure Scope 3 emissions.

6.2 Methodology for the calculation of GHG emissions Calculation Standard

For the calculation of the Scope 1 and 2 emissions, the Group follows the guidelines and methodologies contained in the GHG Protocol: Corporate Standard Reporting Standard (2004) and the Australian Government National Greenhouse Accounts (NGA) Factors. The Group has measured emissions via the operational control approach, as the operational control approach assumes accountability for emissions produced directly or indirectly through its activities. These boundaries reflect all the operations within the consolidated Group.

The Group follows the directives of the GHG Protocol in its selection of the emissions factors adopted in the calculation of the inventory. Emission factors applied in the calculation of Scope 1 (natural gas) and Scope 2 emissions are sourced from the NGA Factors, as published annually.



Scope 2 Factor selection is location based, with electricity emission factors are applied on a jurisdictional basis, using the relevant state or territory grid emission factor corresponding to the physical location of each childcare centre or office. Scope 1 emissions from natural gas consumed via distributed pipeline gas are calculated using the national natural gas emission factor published in the NGA Factors. This factor is applied consistently across all sites using this fuel type.

The NGA factors express emissions in CO₂-e using IPCC Fifth Assessment Report (AR5) Global Warming Potential (GWP) values. As the NGA emissions factors already convert constituent gases into CO₂-e, the emission factors are not recalculated using the latest IPCC Sixth Assessment Report (AR6).

Scope 1 and 2 emissions are measured by external data sources, factoring in the uncertainty measurement and data quality.

There have been no changes in the measurement approach, inputs and assumptions during the reporting period.

6.3 Climate-related Targets

In line with the Paris Agreement, the Group has adopted a quantified target to reduce its Scope 1 and Scope 2 GHG emissions consistent with a 1.5 degree pathway. This target is set in the Group's sustainability linked loan and requires a 6% reduction in Scope 1 and 2 GHG emissions through to 31 December 2029, aligned to a 1.5-degree scenario from a FY21 baseline.

The Group does not currently maintain a Scope 3 target, as visibility of value chain emissions remains limited. Capability development and baseline estimation are underway.

Limitations and scope of current metrics and targets disclosure

The Group's current climate-related targets and metrics focus on Scope 1 and Scope 2 GHG emissions. Quantitative information on the percentage of assets or business activities aligned to climate-related opportunities and the amount of capital expenditure, financing or investment deployed towards managing climate-related risks and opportunities is not available.

The Group is considering processes to measure and report these metrics and intends to disclose them once measurement processes are established or when such activities become material.

The Group does not currently apply an internal carbon price in decision making.

The Scope 1 and Scope 2 emission target is an absolute reduction of 6% in kg CO₂-e from a 2021 baseline through to 2029. This applies to all Australian operations within the Group's operational control boundary. No separate intensity based or sector specific decarbonisation targets have been established. Interim milestones are not separately defined, and progress is tracked annually through the emissions reporting cycle.

The Group does not currently maintain or disclose net emissions targets, nor does it plan to use carbon credits to offset residual emissions at this stage. These positions will be reviewed as regulatory expectations and the Group's measurement maturity evolve.

Target setting process and review approach

The Group's climate targets reflects the scale of global emissions reductions identified by the IPCC as necessary to limit warming to 1.5 degree Celsius, having regard to the Group's emissions profile and operational context off a FY21 baseline. The Scope 1 and Scope 2 emissions target was developed using an SBTi-aligned target setting tool and has been subject to limited assurance by an independent external provider. The target has not been submitted for validation under the SBTi.

Progress against the climate target is monitored quarterly by ELT and reported to the ARMC, which provides oversight of performance.

Targets are reviewed annually as part of the Group's ESG Strategy review. There have been no changes to previously set targets in the current period.

Performance Against Climate-Related Targets

In the reporting period, the Group achieved a 14.5% reduction in Scope 1 and Scope 2 GHG emissions (measured in CO₂-e), relative to its FY25 target. Analysis of emissions performance on a broadly comparable, like for like basis excluding exited assets indicates the performance remains ahead of target, suggesting an improvement in underlying performance rather than portfolio contraction.

Planned Use of Carbon Credits to achieve its Targets

There are currently no plans for the Group to use Carbon Credits to achieve its emissions targets.

Independent Auditor's Review Report



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Independent auditor's review report to the members of G8 Education Limited

Conclusion

We have conducted a review of the following information in the Climate Report of G8 Education Limited (the Company) and its subsidiaries (collectively the Group) for the year ended 31 December 2025 (the 'selective sustainability information') as required by Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB):

Selective sustainability information	Criteria: Reporting requirement of AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D)	Location in Climate Report
Governance	Paragraph 6	Section 3 on pages 50 to 52
Strategy (risk and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	Section 4 and 5 on pages 52 to 62
Scope 1 and 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	Section 6 on pages 62 to 63

The requirements of AASB S2 identified in the table above form the criteria relevant to the selective sustainability information and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the selective sustainability information specified in the table above does not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

Basis for conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. Our review includes obtaining limited assurance about whether the selective sustainability information is free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the *Summary of the Work performed* section of our report.

Independent Auditor's Review Report



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Our responsibilities under ASSA 5000 are further described in the *Auditor's responsibilities* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of the Act and the ethical requirements of *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024) (the Code) that are relevant to reviews of the selective sustainability information of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other information

The directors of the Company are responsible for the other information. The other information comprises the Company's Annual Report, including the Financial Report and the Climate Report, but does not include the selective sustainability information and our review report thereon.

Our conclusion on the selective sustainability information does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our review of the selective sustainability information, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the selective sustainability information, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities for the selective sustainability information

The directors of the Company are responsible for:

- The preparation of the selective sustainability information in accordance with the Act; and
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the selective sustainability information, in accordance with the Act that is free from material misstatement, whether due to fraud or error.

Independent Auditor's Review Report



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Inherent limitations

As discussed on page 52 of the Report, climate-related risk management is an emerging area, and often uses data and methodologies that are developing and uncertain. The Report contains forward looking statements, including climate-related scenarios, targets, assumptions, climate projections, forecasts, statements of future intentions and estimates and judgements that have not yet occurred and may never occur. We do not provide assurance on the achievability of this prospective information.

Greenhouse gas emissions quantification is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.

Auditor's responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the selective sustainability information, defined in the *Conclusion* section of our report, is free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the selective sustainability information.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Review Report



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Summary of the work performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the selective sustainability information. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error.

In conducting our review, the procedures we performed included, but were not limited to:

- Considered the completeness of G8 Education Limited's assessment of climate-related risks and opportunities
- Conducted interviews with key personnel to understand the process for collecting, collating and reporting the selective sustainability information during the reporting period
- Read minutes of relevant committees to understand matters discussed and decisions made with respect to climate-related disclosures
- Assessed the appropriateness of the reporting boundaries applied
- Undertook analytical review procedures to support the reasonableness of the selective sustainability information
- Evaluated the appropriateness of emission factors applied in the greenhouse gas emission processes
- Agreed the selective sustainability information disclosures made in the report with the underlying records
- Evaluated the presentation and disclosure of the selective sustainability information against the requirements of AASB S2



Ernst & Young



Kellie McKenzie
Partner
Brisbane
23 February 2026

Auditor's Independence Declaration



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Auditor's independence declaration to the directors of G8 Education Limited

As lead auditor for the audit of the financial report of G8 Education Limited for the financial year ended 31 December 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of G8 Education Limited and the entities it controlled during the financial year.

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that reads 'Kellie McKenzie'.

Kellie McKenzie
Partner
23 February 2026

Financial Report

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Consolidated Income Statement

For the year ended 31 December 2025

	Notes	Consolidated	
		2025 \$'000	2024 \$'000
Continuing operations			
Revenue	3	946,842	1,015,268
Other income	4	1,321	6,509
Total revenue		948,163	1,021,777
Expenses			
Employment costs	5	(578,544)	(621,198)
Properties, utilities and maintenance costs		(52,954)	(53,116)
Direct costs		(29,294)	(34,154)
Software development expenses		(5,313)	(956)
Depreciation and amortisation	5	(106,477)	(104,575)
Net impairment expense	7	(364,551)	(4,041)
Other expenses		(44,563)	(49,579)
Finance costs	5	(50,630)	(56,470)
Total expenses		(1,232,326)	(924,089)
(Loss) / profit before income tax		(284,163)	97,688
Income tax expense	6	(19,142)	(30,000)
(Loss) / profit for the year attributable to members of the parent entity		(303,305)	67,688
		Cents	Cents
Basic earnings per share	8	(39.24)	8.38
Diluted earnings per share	8	(39.24)	8.34

The above Consolidated Income Statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2025

	Notes	Consolidated	
		2025 \$'000	2024 \$'000
(Loss) / profit for the year		(303,305)	67,688
Total comprehensive (expense) / income for the year		(303,305)	67,688

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.



Consolidated Balance Sheet

As at 31 December 2025

	Notes	Consolidated	
		2025 \$'000	2024 \$'000
Assets			
Current assets			
Cash and cash equivalents	19	38,086	47,679
Trade and other receivables	9	11,873	20,726
Government funding receivables	14	6,629	8,954
Other current assets	10	15,953	13,498
Total current assets		72,541	90,857
Non-current assets			
Property, plant and equipment	11	150,636	136,311
Right of use assets	21	513,855	529,174
Deferred tax assets	6	103,576	97,494
Intangible assets	17	699,518	1,048,685
Investment in an associate	25(b)	—	915
Other non-current assets	10	2,663	3,945
Total non-current assets		1,470,248	1,816,524
Total assets		1,542,789	1,907,381
Liabilities			
Current liabilities			
Trade and other payables	12	79,586	83,466
Contract liabilities	3(i)	6,654	6,933
Government funding liabilities	14	14,594	13,944
Current tax liability		2,243	10,163
Borrowings	20	—	612
Lease liabilities	21	70,154	71,886
Provisions	13	77,125	75,454
Total current liabilities		250,356	262,458
Non-current liabilities			
Borrowings	20	155,000	114,000
Lease liabilities	21	593,925	597,496
Provisions	13	17,828	17,114
Total non-current liabilities		766,753	728,610
Total liabilities		1,017,109	991,068
Net assets		525,680	916,313
Equity			
Contributed equity	22	836,816	879,410
Reserves		116,207	140,027
Retained losses		(427,343)	(103,124)
Total equity		525,680	916,313

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

Consolidated	Notes	Contributed Equity \$'000	Share Based Payment Reserve \$'000	Profits Reserve \$'000	Retained Losses \$'000	Total \$'000
Balance 1 January 2024		897,761	793	107,696	(100,747)	905,503
Profit / (loss) for the year		–	–	70,065	(2,377)	67,688
Total comprehensive income / (expense) for the year		–	–	70,065	(2,377)	67,688
Transactions with owners in their capacity as owners						
Buy back of equity, including transaction costs and net of tax	22	(18,351)	–	–	–	(18,351)
Share based payment expense	31	–	1,948	–	–	1,948
Dividends provided for or paid	23(a)	–	–	(40,475)	–	(40,475)
Total		(18,351)	1,948	(40,475)	–	(56,878)
Balance 31 December 2024		879,410	2,741	137,286	(103,124)	916,313
Balance 1 January 2025		879,410	2,741	137,286	(103,124)	916,313
Profit / (loss) for the year		–	–	20,914	(324,219)	(303,305)
Total comprehensive income / (expense) for the year		–	–	20,914	(324,219)	(303,305)
Transactions with owners in their capacity as owners						
Purchase of treasury shares	22	(1,775)	–	–	–	(1,775)
Issue of treasury shares to employees	22	1,780	(1,780)	–	–	–
Buy back of equity, including transaction costs and net of tax	22	(42,599)	–	–	–	(42,599)
Share based payment expense	31	–	74	–	–	74
Dividends provided for or paid	23(a)	–	–	(43,028)	–	(43,028)
Total		(42,594)	(1,706)	(43,028)	–	(87,328)
Balance 31 December 2025		836,816	1,035	115,172	(427,343)	525,680

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.



Consolidated Statement of Cash Flows

As at 31 December 2025

	Notes	Consolidated	
		2025 \$'000	2024 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		957,169	1,021,693
Payments to suppliers and employees (inclusive of GST)		(703,303)	(772,884)
Interest received		1,160	1,376
Interest paid (non-leases)		(8,719)	(9,868)
Interest paid (leases)	21	(45,123)	(44,474)
Income taxes paid		(33,144)	(28,788)
Net cash inflows from operating activities	24	168,040	167,055
Cash flows from investing activities			
Payments for purchase of intangible assets		(705)	(617)
Payments for divestments and surrender fees		(12,682)	(11,729)
Payments for property, plant and equipment		(50,964)	(31,899)
Payment for investment in an associate	25(b)	—	(100)
Net cash outflows from investing activities		(64,351)	(44,345)
Cash flows from financing activities			
Dividends paid	23	(43,028)	(40,475)
Principal elements of lease payments	21	(66,268)	(69,858)
Buy back of equity (including transaction costs)	22	(42,599)	(18,351)
Payments for purchase of treasury shares	22	(1,775)	—
Net repayments of current borrowings		(612)	(699)
Proceeds from non-current borrowings		55,000	164,000
Repayments of non-current borrowings		(14,000)	(149,000)
Borrowing costs paid		—	(901)
Net cash outflows from financing activities		(113,282)	(115,284)
Net (decrease) / increase in cash and cash equivalents		(9,593)	7,426
Cash and cash equivalents at the beginning of the financial year		47,679	40,253
Cash and cash equivalents at the end of the financial year		38,086	47,679

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

1. Financial Overview

Note 1: Going concern

The Group recognised a net loss after tax of \$303.3 million for the year ended 31 December 2025 (2024: net profit after tax \$67.7 million). Current liabilities exceed current assets by \$177.8 million as at 31 December 2025 (2024: \$171.6 million). Cash flows from operating activities were \$168.0 million for the year ended 31 December 2025 (2024: \$167.1 million).

The Directors expect the existing cash reserves and undrawn debt facilities, together with the forecast cash flow generation from operations will allow the Group to fulfil the Group's obligations and meet its debts for the 12 months from the date of this report. Details regarding debt facilities and the covenants which must be complied with are outlined in note 20(a). On this basis, the Directors have concluded that there are reasonable grounds to believe that preparing the accounts on a going concern basis is appropriate.

Note 2: Segment Information

Description of segments

The Executive Team (the Chief Operating Decision Maker) considers the business as one Group of centres and regularly reviews operating results at this level to assist and make decisions about the allocation of resources. The Executive Team has therefore identified one operating segment, being the operation of childcare centres. All revenue in this report relates to the single operating segment in Australia and the segment disclosure has not altered from the last Annual Report.

	Consolidated	
	2025 \$'000	2024 \$'000
Revenue from external customers continuing operations	946,842	1,015,268
(Loss) / profit before tax from continuing operations	(284,163)	97,688
Non-current assets ¹ at 31 December	1,366,672	1,719,030

1. Non-current assets exclude deferred tax assets.

Timing of revenue recognition	Consolidated	
	2025 \$'000	2024 \$'000
Revenue recognised at a point in time	924,136	991,025
Total revenue from contracts with customers	924,136	991,025
Other revenue recognised over time	22,706	24,243
Total revenue	946,842	1,015,268



Notes to the financial statements

1. Financial Overview

Note 3: Revenue

Disaggregation of revenue

	Consolidated	
	2025 \$'000	2024 \$'000
From continuing operations		
Sales revenue		
Revenue from childcare centres	924,136	991,025
Funding relating to childcare operations	22,706	24,243
Total revenue from continuing operations	946,842	1,015,268

Accounting policy

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of discounts and refunds.

Revenue is recognised for the major business activities as follows:

i. Revenue from childcare centres

Fees paid by families and/or the Australian Government (Child Care Subsidy) are recognised as and when a child is booked to attend a childcare service, as under AASB 15 *Revenue from Contracts with Customers* this is when the customer has consumed the benefits of this service (satisfies its performance obligation).

Revenue received in advance from parents and guardians for childcare services is recognised as deferred income and classified as a current liability (i.e. contract liability for performance obligations yet to be satisfied), 31 December 2025: \$6.7 million (2024: \$6.9 million).

ii. Funding related to childcare operations

The Group receives Government funding such as State kindergarten funding. Such funding is recognised in revenue when there is reasonable assurance that the incentive will be received and when the relevant conditions have been met under AASB 120 *Accounting for Government Grants and Disclosure of Government Assistance*.

The Group also receives other funding such as the Early Childhood Education and Care (ECEC) Worker Retention Payment grant which is recognised as a credit to employment costs (refer note 5) to offset costs as they are incurred. Traineeship subsidies (includes Boosting Apprenticeship Commencement, Priority Wages, and Hiring Incentives for registrations) to support businesses to take on new apprentices and trainees are also recognised as a credit to employment costs (refer note 5) to offset costs as they are incurred.

The Group recognises funding as a credit to employment costs when the Group is incurring additional employment related costs which would not have been incurred by the Group if the grant/subsidy had not been available.

Refer to note 14 for additional information relating to Government funding.

Note 4: Other Income

	Consolidated	
	2025 \$'000	2024 \$'000
Interest	1,160	1,376
Gain on lease modifications	92	70
Gain on surrender / termination of leases	—	2,637
Insurance proceeds	69	1,488
Other	—	938
Total other income	1,321	6,509

Notes to the financial statements

1. Financial Overview

Note 4: Other Income *continued*

Accounting policies

i. Interest income

Interest income is recognised using the effective interest method.

ii. Gain on sale of centres

Gains and losses on disposal are determined by comparing proceeds with the carrying amount.

2025 Loss on sale of centres and disposal of assets / centres totalling \$2.0 million (2024: \$4.4 million) was included in 'other expenses' in the consolidated income statement (refer note 7).

iii. Gains on lease modifications, surrenders and termination

Gains / (losses) from lease modifications are recognised as a result of the remeasurement of the right of use asset and lease liability following the modification of lease agreements including changes in the lease term.

Gains / (losses) from the surrender / termination of leases are determined by comparing payments with the carrying amount of the right of use asset, lease liability and make good provision (refer note 7). 2025 Loss on surrender / termination of leases totalling \$1.0 million was included in 'other expenses' in the consolidated income statement (2024: \$2.6 million included in 'other income') (refer note 7).

Note 5: Expenses

	Consolidated	
	2025 \$'000	2024 \$'000
Profit before income tax includes the following specific expenses:		
Employment costs		
Wages and salaries	573,146	569,464
Early Childhood Education and Care (ECEC) Worker Retention Payment ¹	(55,343)	(6,282)
Traineeship subsidies ²	(4,137)	(4,434)
Training and professional development	4,413	4,403
Superannuation	60,391	56,099
Share-based payment expense	74	1,948
	578,544	621,198
Depreciation and amortisation		
Depreciation expense of property, plant and equipment (note 11)	31,669	31,112
Amortisation of intangibles (note 17)	737	1,274
Depreciation expense of right-of-use assets (note 21)	74,071	72,189
	106,477	104,575
Finance costs		
Interest expense	8,340	9,907
Borrowing costs expense	253	1,451
Interest expense on lease liabilities and make good provision (notes 21(c) and 13(a))	42,037	45,112
	50,630	56,470

1. This grant relates to Federal Government funding to support a wage increase for all eligible ECEC workers from 2 December 2024 until 30 November 2026. Refer to note 14 for more information on the grant.

2. Traineeship subsidies relate to limited time support to encourage businesses to take on new apprentices and trainees. The support includes Boosting Apprenticeship Commencement, Priority Wages, and Hiring Incentives for registrations.



Notes to the financial statements

1. Financial Overview

Note 6: Income Tax and Deferred Tax Assets

	Consolidated	
	2025 \$'000	2024 \$'000
a. Income tax expense		
Current tax	25,059	24,514
Deferred tax	(5,982)	5,486
Under provision prior year current tax	165	1,414
Over provision prior year deferred tax	(100)	(1,414)
Income tax expense	19,142	30,000
Deferred income tax expense included in income tax expense comprises:		
(Increase) / decrease in net deferred tax asset	(6,082)	4,072
b. Numerical reconciliation of income tax expense to prima facie tax payable		
(Loss) / profit from continuing operations before income tax expense	(284,163)	97,688
Tax on operations at the Australian tax rate of 30% (2024: 30%)	(85,249)	29,306
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Adjustments relating to prior year	—	(5)
Entertainment	70	115
Goodwill impairment	104,741	—
Other non-allowable items	(420)	584
Income tax expense	19,142	30,000
c. Amounts recognised directly in equity		
Aggregate current and deferred tax arising in the reporting year and not recognised in the consolidated income statement but directly debited or credited to equity		
Net deferred tax - (credited) / debited directly to equity	—	—

Notes to the financial statements

1. Financial Overview

Note 6: Income Tax and Deferred Tax Assets *continued*

	Consolidated	
	2025 \$'000	2024 \$'000
Deferred tax asset		
Employee benefits provisions	24,488	24,772
Share issue transaction costs	51	8
Business-related costs	7,429	4,559
Provision for expected credit loss	665	582
Accrued expenses	3,793	2,519
Property, plant and equipment	12,579	13,269
Intangibles	1,245	989
Lease liabilities	199,224	200,816
Provisions	10,279	10,903
Total deferred tax asset	259,753	258,417
Deferred tax liability		
Buildings	(225)	(519)
Right of use / make good assets	(154,157)	(158,752)
Prepayments	(1,795)	(1,652)
Total deferred tax liability	(156,177)	(160,923)
Net deferred tax asset	103,576	97,494

Tax consolidation**i. Members of the tax consolidated group and the tax sharing agreement**

G8 Education Limited and its 100% owned Australian resident subsidiaries formed a tax consolidated group with effect from 3 December 2007. G8 Education Limited is the head entity of the tax consolidated group. Members of the tax consolidated group have entered into a tax sharing agreement that provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement on the basis that the possibility of default is remote.

ii. Tax effect accounting by members of the tax consolidated group**Measurement method adopted under AASB Interpretation 1052 Tax Consolidation Accounting**

The head entity and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. The Group has applied the group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group. The current and deferred tax amounts are measured in a systematic manner that is consistent with the broad principles in AASB 112 *Income Taxes*. The nature of the tax funding agreement is discussed further below.

In addition to its own current and deferred tax amounts, the head entity also recognises current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Nature of the tax funding agreement

Members of the tax consolidated group have entered into a tax funding agreement. Under the funding agreement, the funding of tax within the Group is based on an acceptable method of allocation under AASB *Interpretation 1052*. The tax funding agreement requires payments to/from the head entity to be recognised via an inter-entity receivable (payable) which is at call. To the extent that there is a difference between the amount charged under the tax funding agreement and the allocation under AASB Interpretation 1052, the head entity accounts for these as equity transactions with the subsidiaries.

The amounts receivable or payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments.



Notes to the financial statements

1. Financial Overview

Note 6: Income Tax and Deferred Tax Assets *continued*

Accounting policy

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the notional income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

G8 Education Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

Current and deferred tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

AASB Interpretation 23 Uncertainty over Income Tax Treatments

The Group applies judgement in identifying uncertainties over income tax treatments and considers whether it has any uncertain tax positions. The Group determines, based on its tax compliance and reviews, whether it is probable that its tax treatments (including those for the subsidiaries) would be accepted by the taxation authorities.

Tax related contingencies

At 31 December 2025 there are no tax related contingencies (2024: nil).

Notes to the financial statements

1. Financial Overview

Note 7: (Loss) / Profit for the Year

Non-trading items

(Loss) / profit for the year includes the following non-operational items that are material because of their nature, size or incidence:

	Consolidated	
	2025 \$'000	2024 \$'000
Non-trading income		
Gain on lease modifications	92	70
Gain on surrender / termination of leases	—	2,637
Net restructuring, regulatory and legal costs recovery ^{1,2}	3,266	—
Total non-trading income	3,358	2,707
Non-trading expenses		
Net impairment expense (refer to note (i) below)	(364,551)	(4,041)
Loss on surrender / termination of leases ¹	(965)	—
Loss on sale of centres and disposal of assets / centres ¹	(1,984)	(4,380)
Net restructuring, regulatory and legal costs ¹	—	(66)
Software development expenses	(5,313)	(956)
Total non-trading expenses	(372,813)	(9,443)
Non-trading items	(369,455)	(6,736)
Income tax benefit	7,103	2,021
Net non-trading items	(362,352)	(4,715)

1. Included in 'other expenses' in the consolidated income statement.

2. Primarily insurance proceeds relating to the recovery of costs.

i. Net impairment expense

2025 Net impairment expense of \$364.6 million included \$349.1 million of Goodwill impairment (note 17(c)), \$11.9 million of net impairment expense for Right of use assets (note 21(c)) and \$3.5 million impairment expense relating to Property, Plant and Equipment (note 11).

2024 Net impairment expense of \$4.0 million included \$3.3 million of net impairment expense for Right of use assets (note 21(c)) and \$0.7 million impairment expense relating to Property, Plant and Equipment (note 11).



Notes to the financial statements

1. Financial Overview

Note 8: Earnings per Share

	Consolidated	
	2025 Cents	2024 Cents
a. Basic earnings per share		
Total basic earnings per share attributable to the ordinary equity holders of the Company	(39.24)	8.38
b. Diluted earnings per share		
Total diluted earnings per share attributable to the ordinary equity holders of the Company	(39.24)	8.34
	\$'000	\$'000
c. Reconciliation of earnings used in calculating earnings per share		
Basic earnings per share		
(Loss) / profit attributable to the ordinary equity holders of the Company used in calculating basic earnings per share	(303,305)	67,688
Diluted earnings per share		
(Loss) / profit attributable to the ordinary equity holders of the Company used in calculating diluted earnings per share	(303,305)	67,688
	Number	Number
d. Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	772,942,191	807,431,606
Adjustments for calculation of diluted earnings per share:		
Performance rights ¹	—	3,829,308
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	772,942,191	811,260,914

1. In line with the requirements of AASB 133, the assessment of the requirement to dilute earnings per share is based on whether there is profit for the year attributable to members of the parent entity. As the Group has reported a loss in the 2025 year, there is no dilutionary effect.

Accounting policy

i. Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit or loss attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

ii. Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Notes to the financial statements

1. Financial Overview

Note 9: Current Assets – Trade and Other Receivables

	Consolidated	
	2025 \$'000	2024 \$'000
Trade receivables		
Trade receivables	10,936	20,375
Allowance for expected credit losses (refer to note (a) below)	(2,217)	(1,942)
Total	8,719	18,433
Other receivables		
GST receivable	2,018	1,125
Other debtors	1,136	1,168
Total trade and other receivables	11,873	20,726

a. Allowance for expected credit losses

The Group applies the AASB 9 *Financial Instruments* simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of revenue, level of gross trade receivables and the corresponding historical credit losses experienced over the three year period to 31 December 2025. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of families to settle the receivables. The Group has identified the current cost of living and the unemployment rate to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the allowance for expected credit losses of receivables as at 31 December 2025 was determined as follows:

	Current and up to 30 days past due \$'000	More than 30 days past due \$'000	More than 60 days past due \$'000	Total \$'000
31 December 2025				
Expected loss rate	3%	57%	94%	20%
Gross carrying amount – trade receivables	8,719	273	1,944	10,936
Allowance for expected credit losses	223	157	1,837	2,217

Movements in the allowance for expected credit losses of receivables are as follows:

	Consolidated	
	2025 \$'000	2024 \$'000
Opening balance	1,942	2,200
Allowance for impairment recognised during the year net of collections	1,654	736
Receivables written off during the year as uncollectable	(1,379)	(994)
Closing balance	2,217	1,942

The creation and release of the provision for expected credit losses has been included in 'other expenses' in the consolidated income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovery.



Notes to the financial statements

1. Financial Overview

Note 9: Current Assets – Trade and Other Receivables *continued*

b. Fair value and credit risk

Due to the short-term nature of these receivables, their carrying amount is considered to approximate their fair value.

For information concerning the credit risk of receivables, refer to note 18.

Accounting policy

A trade receivable is recognised if an amount of consideration that is unconditional is due from the customer (i.e. only the passage of time is required before payment of the consideration is due).

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price.

Trade receivables represent childcare fees receivable from families (parent fees) and/or the Australian Government.

Under the Child Care Subsidy (CCS), subsidies are generally paid weekly in arrears by the Australian Government based on the actual attendance and entitlement of each child attending the childcare centre.

Parent fees are required to be paid one week in advance. Any parent fees receivables relate to childcare fees not paid in advance and are therefore all considered to be past due.

The Group applied the expected credit loss (ECL) model. For trade receivables the Group has applied the standard's simplified approach whereby the loss allowance is measured at an amount equal to lifetime expected credit losses. The Group assesses expected credit losses in a way that reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

The Group has established a calculation that is based on the Group's historic credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Note 10: Current and Non-Current Assets – Other

	Consolidated	
	2025 \$'000	2024 \$'000
Current		
Prepayments	13,692	11,504
Prepaid borrowing costs	235	253
Inventory	1,574	1,289
Deposits	452	452
Total other current assets	15,953	13,498
Non-current		
Prepayments	1,473	2,590
Prepaid borrowing costs	395	629
Deposits	795	726
Total other non-current assets	2,663	3,945
Total other current and non-current assets	18,616	17,443

Accounting policy

Inventories relate to childcare centre consumables. These are measured at the lower of cost or net realisable value. Any write down in the value of the inventory due to obsolescence is recognised as an expense when the inventory becomes obsolete.

Non-current prepayments relate to payments made, more than one year in advance.

Notes to the financial statements

1. Financial Overview

Note 11: Non-Current Assets – Property, Plant and Equipment

	Consolidated 2025			
	Land and buildings \$'000	Leasehold improvements \$'000	Furniture, fittings and equipment \$'000	Total \$'000
Opening net book amount	3,612	103,666	29,033	136,311
Additions	5,938	28,717	16,216	50,871
Disposals ¹	—	(1,169)	(241)	(1,410)
Impairment expense	—	(2,890)	(577)	(3,467)
Depreciation charge	(160)	(19,751)	(11,758)	(31,669)
Closing net book amount	9,390	108,573	32,673	150,636
At 31 December 2025				
Cost	10,962	209,217	106,829	327,008
Accumulated depreciation and impairment	(1,572)	(100,644)	(74,156)	(176,372)
Net book amount	9,390	108,573	32,673	150,636

1. During the year, the Group disposed of property, plant and equipment of \$1.4 million which had a cost of \$13.4 million and accumulated depreciation and impairment of \$12.0 million.

	Consolidated 2024			
	Land and buildings \$'000	Leasehold improvements \$'000	Furniture, fittings and equipment \$'000	Total \$'000
Opening net book amount	3,750	103,441	31,590	138,781
Additions	—	23,414	11,416	34,830
Disposals	—	(4,523)	(930)	(5,453)
Impairment expense	—	(595)	(140)	(735)
Depreciation charge	(138)	(18,071)	(12,903)	(31,112)
Closing net book amount	3,612	103,666	29,033	136,311
At 31 December 2024				
Cost	5,024	185,203	99,276	289,503
Accumulated depreciation and impairment	(1,412)	(81,537)	(70,243)	(153,192)
Net book amount	3,612	103,666	29,033	136,311

a. Non-current assets pledged as security

Refer to note 20 for information on the non-current assets pledged as security by the Company and its controlled entities.

b. Impairment of property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and impairment.

Property, plant and equipment (including leasehold improvements) are tested for impairment as part of the cash generating units (CGU) to which they relate, usually a childcare centre.

The Group reviews annually whether the triggers indicating a risk of impairment exist. As a result of this review, the Group identified indicators of potential impairment for CGUs to which property, plant and equipment relate and tested the carrying values of these CGUs. In addition, management tested the carrying values of CGUs that had been impaired in prior periods for indicators that the impairment may be reversed.

A property, plant and equipment impairment expense of \$3.5 million was recognised in 2025 (2024: \$0.7 million).



Notes to the financial statements

1. Financial Overview

Note 11: Non-Current Assets – Property, Plant and Equipment *continued*

Accounting policy

Property, plant and equipment are stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable the future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is disposed. All other repairs and maintenance are charged to the consolidated income statement during the reporting year in which they are incurred.

Depreciation is calculated using the straight-line method (except in the case of assets allocated to a low-value pool) to allocate the cost, net of their residual values, over their estimated lives as follows:

- Buildings: 40 years
- Furniture, fittings and equipment: 2 - 15 years
- Leasehold Improvements: 4 - 15 years

Land is considered to have an indefinite useful life and is not depreciated.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the consolidated income statement.

Refer to note 13(d) for accounting policy on make good.

Note 12: Current and Non-Current Liabilities – Trade and Other Payables

	Consolidated	
	2025 \$'000	2024 \$'000
Trade payables ¹	13,549	9,509
Other payables and accruals ¹	66,037	73,957
Total current	79,586	83,466
Total non-current	–	–

1. Trade and other payables are non-interest bearing and are normally settled on 30-day terms.

Accounting policy

These amounts represent liabilities for goods and services provided to the Group prior to the end of the year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

Notes to the financial statements

1. Financial Overview

Note 13: Current and Non-Current Liabilities – Provisions

	Consolidated	
	2025 \$'000	2024 \$'000
Current provisions		
Employee benefits (note (b))	55,514	50,941
Make good (note (d))	111	5,513
Regulatory, legal and other provisions (note (c))	21,500	19,000
Total current provisions	77,125	75,454
Non-current provisions		
Employee benefits ¹	5,174	5,285
Make good (note (d))	12,654	11,829
Total non-current provisions	17,828	17,114

1. Relates to long service leave.

a. Movements in provisions

Movements in each class of current provision during the financial year are set out below:

Current	Employee benefits \$'000	Make good \$'000	Regulatory, legal and other \$'000	Total \$'000
Opening balance at 1 January 2025	50,941	5,513	19,000	75,454
Net additional provisions recognised	46,613	46	2,500	49,159
Amounts used during the year	(43,335)	(5,597)	–	(48,932)
Disposals (note 16)	(221)	(37)	–	(258)
Reclassification between non-current to current	1,516	186	–	1,702
Closing balance at 31 December 2025	55,514	111	21,500	77,125

Movements in each class of non-current provision during the financial year are set out below:

Non-current	Employee benefits \$'000	Make good \$'000	Total \$'000
Opening balance at 1 January 2025	5,285	11,829	17,114
Additional provisions recognised	1,320	654	1,974
Interest expense: unwind of discount	189	565	754
Amounts used during the year	–	(75)	(75)
Disposals (note 16)	(104)	(133)	(237)
Reclassification between non-current to current	(1,516)	(186)	(1,702)
Closing balance at 31 December 2025	5,174	12,654	17,828



Notes to the financial statements

1. Financial Overview

Note 13: Current and Non-Current Liabilities – Provisions *continued*

b. Current provision amounts not expected to be settled within the next 12 months

The current provision for employee benefits includes all accrued annual leave and long service leave amounts to which employees are unconditionally entitled. For long service leave, it covers all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount of the annual leave provision is presented as current since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect annual leave, that is recorded as a current employee benefits provision, that is not expected to be taken or paid within the next 12 months:

	Consolidated	
	2025 \$'000	2024 \$'000
Leave obligations not expected to be settled within the next 12 months	4,178	4,326

c. Regulatory, legal and other provisions

There are outstanding regulatory issues and legal actions between the Company and other parties relating to a number of historical issues.

Employee Payments Remediation Program

Regulatory, legal and other provisions includes the Employee Payments Remediation Program. During 2020, as part of implementing a new Human Resources Information System (HRIS) and rostering system, the Group conducted a review of award and legislative requirements. This review identified inadvertent non-compliance with some requirements of the Children's Services Award and the Educational Services (Teachers) Award for a number of the Group's team members in Australia.

Payments have been made to current and former team members amounting to \$42.2 million to date. Payments have also been made in regards to payroll tax and legal fees. There remained at reporting date approximately \$1.5 million of wages, super and interest payable to former G8 employees who have been unable to be located. The Company continues to engage with the Fair Work Ombudsman on the Employee Payments Remediation Program and the final outcome remains uncertain.

Legal matters

Regulatory, legal and other provisions also include legal claims. Provisions for legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Former employee – Creative Garden Early Learning Point Cook

The Company is aware that a former G8 Education employee has been charged with offences involving children. These allegations are shocking and extremely distressing. G8 Education has no tolerance for any behaviour that compromises the safety or wellbeing of children.

The individual involved in this matter was employed by G8 Education between 28 October 2021 to 2 February 2024. During this time, he primarily worked at the Creative Garden Early Learning Point Cook centre. The charges against him relate to alleged offences committed at this centre.

Aligned with G8 Education's commitment to child safety and protection, during the former employee's employment, all required employment and background checks, including Working with Children Checks, were current in accordance with legal and regulatory requirements.

The individual is currently in police custody. Whilst G8 Education is cooperating fully with Victoria Police, the Victorian Government and other relevant authorities as part of the ongoing investigation, the outcomes are uncertain at this time.

d. Make good provision

Costs required to return certain leased premises to their original condition as set out in the lease agreements are recognised as a provision in the financial statements. The provision has been calculated as an estimate of future costs and discounted to present value.

Notes to the financial statements

1. Financial Overview

Note 13: Current and Non-Current Liabilities – Provisions *continued*

Accounting policy

i. Short term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave, are recognised in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the current provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

ii. Other long-term employee benefit obligations

The liability for non-current long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and years of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Note 14: Government Funding Receivables and Liabilities

	Consolidated	
	2025 \$'000	2024 \$'000
Government funding receivables	6,629	8,954
Government funding liabilities	(14,594)	(13,944)
Net Government funding liabilities	(7,965)	(4,990)

a. ECEC worker retention payment grant

On 8 August 2024 the Federal Government announced a proposal to fund from December 2024 a 15% award rate pay increase for Early Childhood Education and Care (ECEC) workers over a two-year period (10% on top of the current national award rate in the first year and an additional 5% above the current national award rate in the second year). The payment is conditional on providers limiting fee growth by no more than 4.4% between 8 August 2024 and 7 August 2025 and 4.2% between 8 August 2025 and 7 August 2026. The Group successfully applied for the ECEC worker retention payment grant and implemented the 10% wage increase for all eligible ECEC workers from 2 December 2024 and the additional 5% wage increase for all eligible ECEC workers from 1 December 2025. The grant is currently applicable until 30 November 2026.

The ECEC worker retention payment grant is recognised as a credit to employment costs (refer note 5) to offset costs as they are incurred.

As at 31 December 2025 there was a receivable from the Federal Government of \$5.9 million (2024: \$8.3 million) relating to the ECEC worker retention payment grant.

As at 31 December 2025 there was a liability of \$3.9 million (2024: \$4.4 million) relating to Government deferred income associated with the ECEC Worker Retention Payment grant.

b. Other Government funding

The Group receives other Government funding including training incentives and additional funding receipts such as State kindergarten funding. Such funding is recognised in revenue when there is reasonable assurance that the incentive will be received and when the relevant conditions have been met under AASB 120 *Accounting for Government Grants and Disclosure of Government Assistance*.

Traineeship subsidies (includes Boosting Apprenticeship Commencement, Priority Wages, and Hiring Incentives for registrations) to support businesses to take on new apprentices and trainees are recognised as a credit to employment costs (refer note 5) to offset costs as they are incurred.

Revenue received in advance from the Federal or State Governments are recognised as deferred income and reflected within Government funding liabilities. As at 31 December 2025 there was \$10.7 million of deferred income relating to other government funding (2024: \$9.5 million). There were also Government funding receivables of \$0.7 million as at 31 December 2025 relating to other government funding (2024: \$0.7 million).



Notes to the financial statements

1. Financial Overview

Note 15: Critical Accounting Estimates and Judgements

Significant Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i. Estimated impairment of goodwill

The Group tests annually whether goodwill is impaired, in accordance with the accounting policy stated in note 17. The recoverable amounts of goodwill have been determined based on value-in-use calculations. These calculations require the use of assumptions. Refer to note 17 for details of these assumptions and the potential impact of changes to these assumptions.

ii. Estimated impairment of right of use assets

The Group reviews at each reporting date whether the triggers indicating a risk of impairment exist, in accordance with the accounting policy stated in note 21. The recoverable amounts of right of use assets have been determined based on the higher of value-in-use or fair value less costs of disposal calculations. These calculations require the use of assumptions. Refer to note 21 further information.

iii. Leases – Determining the lease term of contracts with renewal and termination options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for additional terms. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew.

iv. Leases – Estimating the incremental borrowing rate

If the Group cannot readily determine the interest rate implicit in the lease it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to purchase an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

v. Provisions

Employee Payments Remediation Program

During a prior reporting period, as part of implementing a new Human Resources Information System (HRIS) and rostering system, the Group conducted a review of award and legislative requirements. This review identified inadvertent non-compliance with some requirements of the Children's Services Award and the Educational Services (Teachers) Award for a number of the Group's team members in Australia, refer note 13(c).

Critical accounting estimates and judgements have been made in the calculations as to the number of additional agreed hours of work, overtime hours, allowance payments, appropriate award rates and notice and regulatory actions which may arise.

Legal matters

Critical accounting estimates and judgements have been made in recognising provisions for legal claims. There is judgement in determining whether a present obligation as a result of past events existed at balance date and whether it is probable a future outflow will be required to settle those obligations. In calculating the estimate the provision is based on, accounting estimates and judgements have been made as to the nature of the offences committed, the number of impacted individuals, and amounts that will ultimately be payable as a result of these factors.

Notes to the financial statements

2. Divestments, Goodwill & Impairment

Note 16: Divestments

During the year ended 31 December 2025, the Group completed the sale of 5 centres. Details of the divestments are as follows:

	Consolidated
	2025
	\$'000
Payments for divestments ¹	(3,427)
Carrying amount of net liabilities sold	2,625
Net loss on sale before income tax ²	(802)
Income tax benefit on loss	241
Net loss on sale after income tax	(561)

1. Included in 'Payments for divestments and surrender fees' in the consolidated statement of cash flows along with surrender fees on childcare centre closures.

2. The net loss on sale before income tax is included in 'other expenses' in the consolidated income statement and reflected within 'Loss on sale of centres and disposal of assets/centres' in note 7.

The carrying amounts of assets and liabilities as at the dates of sale were:

	Consolidated
	2025
	\$'000
Right of use assets	7,893
Property, plant and equipment	539
Other assets	57
Total assets	8,489
Lease liabilities	10,577
Provisions	495
Contract and government funding liabilities	42
Total liabilities	11,114
Net liabilities	(2,625)

In addition to the aforementioned divestments, there were 6 leases surrendered or expired during the year ended 31 December 2025.

None of the 2025 childcare divestments met the definition of discontinued operation under AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*.



Notes to the financial statements

2. Divestments, Goodwill & Impairment

Note 17: Non-Current Assets – Intangible assets

	Consolidated 2025		
	Goodwill \$'000	Software \$'000	Total \$'000
Opening net book amount	1,046,189	2,496	1,048,685
Additions	–	705	705
Impairment expense ¹	(349,135)	–	(349,135)
Amortisation	–	(737)	(737)
Closing net book amount	697,054	2,464	699,518
At 31 December 2025			
Cost	1,196,686	5,816	1,202,502
Accumulated amortisation and impairment	(499,632)	(3,352)	(502,984)
Net book amount	697,054	2,464	699,518

1. Refer below (c).

	Consolidated 2024		
	Goodwill \$'000	Software \$'000	Total \$'000
Opening net book amount	1,046,189	3,153	1,049,342
Additions	–	617	617
Amortisation	–	(1,274)	(1,274)
Closing net book amount	1,046,189	2,496	1,048,685
At 31 December 2024			
Cost	1,196,686	5,111	1,201,797
Accumulated amortisation and impairment	(150,497)	(2,615)	(153,112)
Net book amount	1,046,189	2,496	1,048,685

Accounting policy

i. Software-as-a-Service (SaaS) arrangements

SaaS arrangements are arrangements in which the Group does not currently control the underlying software used in the arrangement.

Where costs incurred to configure or customise SaaS arrangements result in the creation of a resource which is identifiable, and where the company has the power to obtain the future economic benefits flowing from the underlying resource and to restrict the access of others to those benefits, such costs are recognised as a separate intangible software asset and amortised over the useful life of the software on a straight-line basis. The amortisation is reviewed at least at the end of each reporting period and any changes are treated as changes in accounting estimates.

ii. Goodwill

Goodwill arises from business combinations, is initially measured at cost, being the excess of the consideration over the net identifiable assets acquired.

Subsequently, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment at least annually and whenever there is an indication of impairment.

Notes to the financial statements

2. Divestments, Goodwill & Impairment

Note 17: Non-Current Assets – Intangible assets *continued*

a. Impairment tests

Goodwill and software are monitored and tested for impairment on an operating segment level. The recoverable amount of the assets is determined based on value-in-use calculations in the first instance. These calculations used cash flow projections for 2026 which were then extrapolated over the forecast period using estimated growth rates. The growth rate does not exceed the long-term average growth rate for the business. For the purposes of intangible assets impairment testing, the recoverable amount is compared to the carrying amount of the assets of the Group, which aside from goodwill, also includes the fixed and right of use assets of the childcare centres and working capital.

b. Key assumptions used for value-in-use calculation

The Group's value-in-use calculation is based on cash flow projections which are a function of each of the following key assumptions: occupancy, childcare fees, centre expenses and capital expenditure. The Group has made assumptions about broader economic conditions (e.g. the current cost of living, inflation and the unemployment rate).

Future occupancy levels reflected in the cash flow projections take into account:

- Lower occupancy levels in the 2025 year when compared to occupancy levels in 2021–2024;
- Ongoing strain on affordability for our families;
- Continued declining birth rates over the past 5 years;
- Confidence and trust in sector has been impacted by recent events and media coverage; and
- Supply increasing and female workforce participation decreasing impacting demand.

Occupancy levels over the longer term assume a return to 2025 occupancy levels by 2030. These projections are below Management's strategic targets, but given sector conditions remain challenging and the Group currently has limited certainty around long-term occupancy levels, these levels were considered appropriate for the purposes of the cash flow projections used for goodwill impairment testing purposes.

Childcare fees are based on the current market conditions plus anticipated annual increases which are below the limits set by the Federal Government as part of the funded ECEC Worker Retention Payment grant. The Group has also made assumptions around centre wages and childcare fees for the period beyond the Federal Government funded ECEC Worker Retention Payment grant – current grant period expires on 30 November 2026 (refer to note 14 for more information on the grant). In particular, in modelling cash flows it is assumed the ECEC Worker Retention Payment grant continues to fund wages at 15% above the national award rate over the forecast period (which is recognised as a credit to employment costs to offset costs as they are incurred), such that there is no net cash flow impact to the Group. To the extent that the ECEC Worker Retention Payment grant does not continue beyond 30 November 2026 – the value-in-use calculation would be updated to assume increases in childcare fees or decreases in centre wages or a combination of both to achieve the same net outcome in the forecast period.

Centre expenses include the following key items:

- Centre wages – based on historical wages as a percentage of fee revenue and taking into account future expected wage rises and occupancy levels;
- Centre property expenses – based on current payments and increased by a forecast annual growth percentage; and
- Other childcare expenses – driven by historical expenditure and future occupancy levels. The Group has considered the impact of inflation and cost of living pressures.

The impairment model has the following key attributes:

- Pre-tax discount rate of 11% (2024: 11%);
- Full support office costs allocation; and
- Forecast period of 5 years plus a terminal growth calculation with a growth rate of 2% (2024: 2%).

The discount rate is based on the Group's WACC. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings of the Group and the lease portfolio of the Group.

c. Impairment charge

The Group completed an assessment of asset carrying values at year end. Management have determined that a goodwill impairment expense of \$349.1 million (2024: Nil) was required relating to 2025 as the calculated value-in-use (recoverable amount) exceeded the carrying value.

Sensitivity

Given the Group's has recognised goodwill impairment of expense of \$349.1 million in 2025 there is no headroom above the recoverable amount as at 31 December 2025. As a result, any adverse changes to the key assumptions applied in the determination of the recoverable amount, such as occupancy levels and others, would result in a further impairment expense.



Notes to the financial statements

3. Capital Structure & Financial Risk Management

Note 18: Financial Risk Management

The Group's activities expose it to a variety of financial risks: interest rate risk, credit risk and liquidity risk.

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, and other risks, and ageing analysis for credit risk under the expected credit loss model.

The risk management of the Group is conducted in a manner consistent with policies approved by the Board. The Board provides principles for overall risk management, as well the Treasury Policy which covers specific areas, such as, interest rate risk and counterparty credit risk.

The Group holds the following financial instruments:

	Financial assets at amortised cost	
	2025 \$'000	2024 \$'000
Financial assets		
Cash and cash equivalents (note 19)	38,086	47,679
Trade receivables and other debtors (note 9) and deposits (note 10)	11,102	20,779
Government funding receivables (note 14)	6,629	8,954
	55,817	77,412
	Financial liabilities at amortised cost	
	2025 \$'000	2024 \$'000
Financial liabilities		
Trade and other payables ¹	55,780	60,901
Borrowings (note 20)	155,000	114,612
	210,780	175,513

1. This figure excludes employee related payables whereas note 12 includes employee related payables.

a. Interest rate risk

Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long term borrowings. Borrowings drawn at variable rates expose the Group to cash flow interest rate risk. G8 Education Limited's fixed and floating borrowing mix is monitored by management and reported to the Board on a regular basis (at least quarterly). The Group had no fixed rate non-current borrowings as at 31 December 2025 (2024: Nil).

Derivative products may be used to manage G8 Education Limited's interest rate risk profile but any hedging undertaken is subject to Board approval and will not exceed the level of floating rate exposure. The Group's borrowings at variable rates are denominated in Australian dollars only. The Group held no derivatives at 31 December 2025 (2024: Nil).

The Group's receivables are carried at amortised cost. They are therefore not subject to interest rate risk as defined in AASB 9 *Financial Instruments*, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Notes to the financial statements

3. Capital Structure & Financial Risk Management

Note 18: Financial Risk Management *continued*

As at the reporting date, the Group had the following variable rate borrowings outstanding:

	31 December 2025		31 December 2024	
	Balance \$'000	Total Loans %	Balance \$'000	Total Loans ¹ %
Debt facilities	155,000	100%	114,000 ¹	100%
Net exposure to cash flow interest rate risk	155,000	100%	114,000	100%

1. In 2024, excludes 'Other unsecured borrowings' which relates to annual insurance premium funding.

An analysis by maturities is provided. Refer to note 18(c).

Sensitivity

At 31 December 2025, if interest rates had changed by -1.0%/+1.0% absolute from the year end rates with all other variables held constant, post-tax result for the year would have been \$1.1 million higher or \$1.1 million lower respectively (post-tax profit for the year for 2024: if interest rates had changed by -1.0%/+1.0% absolute from the year end rates with all other variables held constant \$0.8 million higher or \$0.8 million lower respectively).

The Group, as part of the club debt facility, has a sustainability linked loan agreement with the Group's lending partners which has a modest interest rate discount if the Group meets certain sustainability related targets.

b. Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to trade receivables. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

Trade debtor credit risk is managed by requiring childcare fees to be paid in advance. Outstanding debtor balances are reviewed weekly and followed up in accordance with the Group's debt collection policy. Credit risk is also minimised by federal government funding in the form of the Child Care Subsidy. The Federal Government is considered to be a high quality debtor.

Analysis of the ageing of the impaired trade receivables is performed. Refer to note 9.



Notes to the financial statements

3. Capital Structure & Financial Risk Management

Note 18: Financial Risk Management *continued*

c. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

i. Financing arrangements

Details of financing arrangements are disclosed. Refer to note 20.

ii. Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining term at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Consolidated 2025 \$'000					Total contractual cash flows	Carrying amount
	0 to 6 months	6 to 12 months	1 to 2 years	2 to 5 years	>5 years		
Non derivative							
Debt facilities	4,494	4,132	107,825	60,774	—	177,225	155,000
Trade and other payables ¹	55,780	—	—	—	—	55,780	55,780
Lease liabilities	55,195	55,520	108,882	302,345	339,728	861,670	664,079

Contractual maturities of financial liabilities	Consolidated 2024 \$'000					Total contractual cash flows	Carrying amount
	0 to 6 months	6 to 12 months	1 to 2 years	2 to 5 years	>5 years		
Non derivative							
Debt facilities	3,879	3,448	6,841	122,085	—	136,253	114,000
Other unsecured borrowings	615	—	—	—	—	615	612
Trade and other payables ¹	60,901	—	—	—	—	60,901	60,901
Lease liabilities	55,569	55,012	109,103	297,721	362,664	880,069	669,382

1. This figure excludes employee related payables whereas note 12 includes employee related payables.

d. Fair value measurements

The fair value of financial assets and financial liabilities (excluding lease liabilities) must be estimated for recognition and measurement or for disclosure purposes.

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

There were no liabilities measured and recognised at fair value on a recurring basis as at 31 December 2025 (2024: Nil).

Notes to the financial statements

3. Capital Structure & Financial Risk Management

Note 19: Current Assets – Cash and Cash Equivalents

	Consolidated	
	2025 \$'000	2024 \$'000
Cash at bank and in hand	38,086	47,679
Total cash and cash equivalents	38,086	47,679

Accounting policy

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 20: Current and Non-Current Liabilities – Borrowings

	Consolidated	
	2025 \$'000	2024 \$'000
Current borrowings		
Other unsecured borrowings ¹	—	612
Total current borrowings	—	612
Non-current borrowings		
Debt facilities	155,000	114,000
Total non-current borrowings	155,000	114,000
Total borrowings	155,000	114,612

1. Current 'Other unsecured borrowings' relates to annual insurance premium funding.

a. Debt facilities

The Group currently has a club debt facility with total facility limits (including the Group's bank guarantee facility) of \$245.0 million.

The club debt facility has \$200.0 million in revolving facilities (\$100.0 million with an expiry in December 2027 and \$100.0 million with an expiry in December 2029) as at 31 December 2025. The Group had \$155.0 million drawn from the \$200.0 million revolving facilities as at 31 December 2025 (31 December 2024: \$114.0 million). The facility incurs interest at a rate of BBSY plus a margin based on the Group's leverage ratio.

The club debt facility also has a \$45.0 million (2024: \$40.0 million) bank guarantee facility of which \$36.1 million was in use as at 31 December 2025 (31 December 2024: \$31.8 million). There was also a short term standby letter of credit in place of \$15.0 million as at 31 December 2025 (2024: \$23.6 million) as the Group transitions the bank guarantees to the club debt facility.

Under the terms of the club debt facility the Group is required to comply with three financial ratios at the end of each annual and interim reporting period: net leverage ratio, fixed charge cover ratio and gearing ratio. The Group has complied with these financial covenants during the reporting period. The Group's forecasts indicate it will continue to satisfy the financial covenants for a period of at least 12 months from the date of issuing the financial statements.

b. Fair value

Carrying value is approximate to the fair value for all borrowings.



Notes to the financial statements

3. Capital Structure & Financial Risk Management

Note 20: Current and Non-Current Liabilities – Borrowings *continued*

c. Assets pledged as security

The carrying amounts of assets pledged as security for the Debt facilities are:

	Notes	Consolidated	
		2025 \$'000	2024 \$'000
Current			
Floating charge			
Cash and cash equivalents	19	38,086	47,679
Trade and other receivables	9	11,873	20,726
Government funding receivables	14	6,629	8,954
Other current assets	10	15,953	13,498
Total current assets pledged as security		72,541	90,857
Non-current			
First mortgage			
Land and buildings	11	9,390	3,612
Leased property ¹		49,571	217,763
Floating charge			
Other non-current assets	10	2,663	3,945
Furniture, fittings and equipment	11	141,246	132,699
Total non-current assets pledged as security		202,870	358,019
Total assets pledged as security		275,411	448,876

1. The Group has certain centres which are secured by a mortgage over lease and right of entry deed. The mortgage over lease and right of entry deed is signed by the landlord and gives the Group's lenders, amongst other things, a step in right to use the asset in the event of the Group's default.

Notes to the financial statements

3. Capital Structure & Financial Risk Management

Note 20: Current and Non-Current Liabilities – Borrowings *continued*

d. Financing arrangements

As at 31 December 2025 the following lines of credit were in place:

	Consolidated	
	2025 \$'000	2024 \$'000
Credit standby arrangements¹		
Total facilities	6,000	4,500
Used at balance date	(540)	(674)
Unused at balance date	5,460	3,826
Debt facilities		
Total facilities	200,000	200,000
Used at balance date	(155,000)	(114,000)
Unused at balance date	45,000	86,000
Other unsecured borrowing facilities²		
Total facilities	–	612
Used at balance date	–	(612)
Unused at balance date	–	–
Bank guarantee facilities³		
Total facilities	60,000	63,562
Used at balance date	(51,146)	(55,318)
Unused at balance date	8,854	8,244

1. Corporate and virtual credit card facilities.

2. Annual insurance premium funding – During 2025 the Group did not utilise insurance premium funding therefore as at 31 December 2025 there is nil outstanding (31 December 2024: \$0.6 million).

3. Short term standby letter of credit – As at 31 December 2025 included in bank guarantee facilities there was a short term standby letter of credit in place totaling \$15.0 million (2024: \$23.6 million) as the Group transitions the bank guarantees to the club debt facility.

The Group maintains a secured facility for the provision of bank guarantees to landlords of premises leased by the Group and Debt facilities.

Accounting policy

Measurement

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the consolidated income statement over the year of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facilities, are capitalised as a prepayment and expensed on a straight line basis over the life of the facility.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid is recognised in the consolidated income statement as other income or finance costs.

Borrowings are classified as current liabilities unless, at the end of the reporting period, the Group has a right to defer settlement of the liability for at least 12 months after the balance date.

Covenants that the Group is required to comply with, on or before the end of the balance date, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Group is required to comply with after the balance date do not affect the classification.



Notes to the financial statements

3. Capital Structure & Financial Risk Management

Note 21: Right of Use Assets and Lease Liabilities

a. Right of use assets

Set out below are the carrying amounts of right of use assets and movements during the year:

	Consolidated 2025		
	Leased property \$'000	Leased vehicle \$'000	Total \$'000
Opening net book amount	528,546	628	529,174
Additions	—	333	333
Disposals ¹	(7,897)	(2)	(7,899)
Depreciation charge	(73,688)	(383)	(74,071)
Remeasurements	78,252	15	78,267
Net impairment expense	(11,931)	(18)	(11,949)
Closing net book amount	513,282	573	513,855
At 31 December 2025			
Cost	984,989	1,132	986,121
Accumulated depreciation and impairment	(471,707)	(559)	(472,266)
Net book amount	513,282	573	513,855

1. During the year, the Group disposed of right of use assets of \$7.9 million which had a cost of \$40.9 million and accumulated depreciation and impairment of \$33.0 million.

	Consolidated 2024		
	Leased property \$'000	Leased vehicle \$'000	Total \$'000
Opening net book amount	527,698	267	527,965
Additions	15,350	740	16,090
Disposals	(20,413)	(78)	(20,491)
Depreciation charge	(71,822)	(367)	(72,189)
Remeasurements	81,039	66	81,105
Net impairment expense	(3,306)	—	(3,306)
Closing net book amount	528,546	628	529,174
At 31 December 2024			
Cost	947,034	1,401	948,435
Accumulated depreciation and impairment	(418,488)	(773)	(419,261)
Net book amount	528,546	628	529,174

Notes to the financial statements

3. Capital Structure & Financial Risk Management

Note 21: Right of Use Assets and Lease Liabilities *continued*

b. Lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Consolidated	
	2025 \$'000	2024 \$'000
Current lease liabilities	70,154	71,886
Non-current lease liabilities	593,925	597,496
Total lease liabilities	664,079	669,382

	Consolidated	
	2025 \$'000	2024 \$'000
Opening balance at 1 January	669,382	677,824
Additions	333	14,415
Disposals	(13,213)	(33,611)
Interest expense: accretion of interest	41,472	44,473
Payments	(111,391)	(114,332)
Remeasurements	77,496	80,613
Closing balance at 31 December	664,079	669,382

The maturity analysis of lease liabilities are disclosed. Refer to note 18(c)(ii).

c. Amounts recognised in profit and loss relating to leases

The following are the amounts recognised in profit and loss relating to leases:

	Consolidated	
	2025 \$'000	2024 \$'000
Depreciation expense of right-of-use assets	74,071	72,189
Interest expense on lease liabilities	41,472	44,473
Expense relating to short-term leases (included in properties, utilities and maintenance costs)	291	233
Expense relating to leases of low-value assets (included in direct costs)	1,495	1,936
Variable lease payments (included in properties, utilities and maintenance costs and other expenses)	96	144
Other property outgoing expenses (included in properties, utilities and maintenance costs)	12,306	13,378
Net impairment expense on right of use assets	11,949	3,306
Loss / (Gain) on surrender / termination of leases	965	(2,637)
Gain on lease modifications	(92)	(70)
Loss on sale of centres	802	3,484
Total amounts recognised in profit and loss	143,355	136,436

The Group had cash outflows for the principal portion of lease payments totalling \$66.3 million (2024: \$69.9 million) and interest payments totalling \$45.1 million (2024: \$44.5 million). Payments relating to short-term leases, low-value assets and net variable lease payments totalled approximately \$1.9 million (2024: \$2.3 million) (included in payments to suppliers and employees).



Notes to the financial statements

3. Capital Structure & Financial Risk Management

Note 21: Right of Use Assets and Lease Liabilities *continued*

d. Impairment of right of use assets

Right of use assets are tested for impairment as part of the CGU to which they relate, usually a childcare centre. Net impairment expense for right of use assets totalled \$11.9 million during the year ended 31 December 2025 (2024: \$3.3 million net impairment expense).

Right of use assets impairment losses

The Group reviews at each reporting date whether the triggers indicating a risk of impairment exist. During the period the Group reviewed the CGUs to which the right of use assets relate and tested the carrying values for impairment based upon forecast cash flows, to measure recoverable value-in-use. The value-in-use calculations are based on cash flow projections which are a function of each of the following key assumptions: occupancy, wages and other centre expenses. If a value-in-use calculation for a particular CGU results in a suggested impairment, a fair value less costs of disposal calculation is also performed to assess which approach has the higher recoverable amount. Right of use assets impairment losses of \$14.8 million were recognised in 2025 (2024: \$5.2 million impairment loss).

Reversal of right of use assets impairment losses

In addition, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount (higher of value-in-use or fair value less costs of disposal).

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. During the year ended 31 December 2025, the Group had the following change in assumptions for certain CGUs: known sale price of a divested centre and indications that the performance of certain CGUs is, or will be, better than expected.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

The assessment resulted in the reversal of right of use assets impairment losses in 2025 totalling \$2.9 million (2024: \$1.9 million impairment reversal).

Accounting policy

Right of use assets

The Group recognises right of use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The recognised right of use assets are depreciated on a straight-line basis over the shorter of useful life and the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable and variable lease payments that depend on an index or a rate. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the assumptions made on lease options, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition practical expedient to its short-term leases of property (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Group applies the low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Notes to the financial statements

3. Capital Structure & Financial Risk Management

Note 22: Contributed Equity

a. Share capital

	Consolidated		Consolidated	
	2025 No. of Shares	2024 No. of Shares	2025 \$'000	2024 \$'000
Ordinary shares fully paid	757,526,162	795,947,151	836,816	879,410

b. Movement in ordinary share capital

Details	Number of Shares '000	\$'000
1 January 2024 balance	809,506	897,761
Share buy-back, including transaction costs net of tax ¹	(13,559)	(18,351)
31 December 2024 balance	795,947	879,410
Share buy-back, including transaction costs net of tax ^{1,2}	(38,421)	(42,599)
Purchase of treasury shares (note (c))	(1,382)	(1,775)
Issue of treasury shares to employees (note (c))	1,382	1,780
31 December 2025 balance	757,526	836,816

1. On 22 August 2024 the Board announced an on-market share buy-back program of up to 5% of issued capital as part of the Group's capital management strategy. Over the period of this share buy-back program between September 2024 and June 2025 there were a total of 37.9 million shares repurchased for \$50.0 million (including transaction costs).

2. On 26 August 2025 the Board announced a further on-market buyback of up to 5% of issued capital as part of the Group's ongoing capital management strategy. This share buy-back program began in September 2025 and on 10 February 2026 it was announced that the share buy-back program will be paused until there is greater clarity around occupancy and sector conditions. In the period between September 2025 and 31 December 2025 there were a total of 14.0 million shares repurchased for \$10.9 million (including transaction costs).

In total between both share buy-back programs in the year ended 31 December 2025, the Group repurchased 38.4 million shares (2024: 13.6 million shares) for a total consideration of \$42.6 million (including transaction costs) (2024: \$18.4 million).

c. Treasury shares

Treasury shares are shares in G8 Education Limited that G8 Education Limited has acquired on-market by the G8 Education Employee Share Scheme Trust prior to issuing shares under the G8 Education Executive Incentive Plan (see note 31 for further information). There are no shares held by the G8 Education Employee Share Scheme Trust as at 31 December 2025 (31 December 2024: Nil).

d. Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

e. Dividend reinvestment plan

The Company has established a dividend reinvestment plan under which, when the plan is not suspended, holders of ordinary shares may elect to have all or part of their dividend entitlements satisfied by the issue of new ordinary shares. Shares are issued under the plan. The Company advises the market at the time of announcing the dividend if there will be a discount applied to the market price. The Company also advises the market of any changes to dividend reinvestment plan. The dividend reinvestment plan has been suspended with effect from 22 February 2022.



Notes to the financial statements

3. Capital Structure & Financial Risk Management

Note 22: Contributed Equity *continued*

f. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, buy-back shares off market or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt (excluding lease liabilities) divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as equity plus net debt.

The gearing ratios at 31 December were as follows:

	Notes	Consolidated	
		2025 \$'000	2024 \$'000
Borrowings	20	155,000	114,612
Less: cash and cash equivalents	19	(38,086)	(47,679)
Net debt		116,914	66,933
Total equity		525,680	916,313
Total capital		642,594	983,246
Gearing ratio		18%	7%

Accounting policy

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Costs directly attributable to the buy-back of shares are shown in equity as a deduction, net of tax, along with the payments for the shares.

Notes to the financial statements

3. Capital Structure & Financial Risk Management

Note 23: Dividends

a. Ordinary shares

On 25 February 2025 the Board declared a 3.5 cent fully franked dividend in relation to the 2024 financial year which was paid on 3 April 2025.

On 26 August 2025 the Board declared a 2.0 cent fully franked dividend in relation to the half-year ended 30 June 2025 which was paid on 3 October 2025.

On 10 February 2026 it was announced that the Board has determined that no final dividend will be paid in respect of the year ended 31 December 2025. Refer to note 29.

Dividends paid during the reporting period were as follows:

Dividends	CPS	Total dividend \$'000
Financial year 2025		
2024 final franked dividend (paid in cash on 3 April 2025)	3.5	27,597
2025 interim franked dividend (paid in cash on 3 October 2025)	2.0	15,431
Franked dividends paid during the year ended 31 December 2025		43,028

Dividends paid during the prior year were as follows:

Dividends	CPS	Total dividend \$'000
Financial year 2024		
2023 final franked dividend (paid in cash on 4 April 2024)	3.0	24,285
2024 interim franked dividend (paid in cash on 30 September 2024)	2.0	16,190
Franked dividends paid during the year ended 31 December 2024		40,475

b. Franking credits

	Consolidated		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Franking credits available for subsequent financial years based on a tax rate of 30% (2024: 30%)	57,194	50,092	57,194	50,092

The above amounts represent the balance of the franking account as at the end of the reporting period, adjusted for:

- Franking credits that will arise from the payment of the amount of the provision for income tax;
- Franking debits that will arise from the payment of dividends recognised as a liability at the reporting date; and
- Franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

The consolidated amounts include franking credits that would be available to the parent entity if the distributable profits of subsidiaries were paid as dividends.

Accounting policy

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at reporting date.



Notes to the financial statements

3. Capital Structure & Financial Risk Management

Note 24: Reconciliation of Cash Flows

Reconciliation of (loss) / profit after tax to net cash flows from operating activities

	Consolidated	
	2025 \$'000	2024 \$'000
(Loss) / profit for the year	(303,305)	67,688
Depreciation and amortisation	106,477	104,575
Net impairment expense	364,551	4,041
Non-cash loss / (gain) on surrender / termination of leases	965	(2,637)
Non-cash net loss on sale of centres / assets	1,984	4,380
Non-cash lease interest (benefit) / expense and borrowing costs expense	(3,209)	2,130
Non-cash employee benefits expense - share based payments	74	1,948
(Increase)/decrease in deferred tax asset	(6,082)	4,072
(Increase)/decrease in trade and other debtors	10,311	(1,631)
(Increase)/decrease in government funding receivables	2,325	(7,613)
(Increase)/decrease in other current assets	(2,511)	652
(Increase)/decrease in non-current assets	1,029	1,975
Increase/(decrease) in trade and other creditors	(2,122)	7,151
Increase/(decrease) in contract liabilities	(562)	(1,907)
Increase/(decrease) in government funding liabilities	664	11,517
Increase/(decrease) in provisions	5,983	(25,728)
Increase/(decrease) in insurance borrowings	(612)	(699)
Increase/(decrease) in current tax liability	(7,920)	(2,859)
Net cash inflows from operating activities	168,040	167,055

Changes in liabilities arising from financing activities

	Opening balance 1 Jan 2025 \$'000	Cash flows \$'000	Movement to current liability \$'000	Considered interest in operating cash flows \$'000	New leases \$'000	Other \$'000	Closing balance 31 Dec 2025 \$'000
Current lease liabilities	71,886	(111,391)	70,141	45,123	13	(5,618)	70,154
Non-current lease liabilities	597,496	—	(70,141)	—	320	66,250 ¹	593,925
Current and non-current interest bearing loans and borrowings	114,612	40,388	—	—	—	—	155,000

1. More than 50 centre leases had their lease terms extended during the year ended 31 December 2025.

	Opening balance 1 Jan 2024 \$'000	Cash flows \$'000	Movement to current liability \$'000	Considered interest in operating cash flows \$'000	New leases \$'000	Other \$'000	Closing balance 31 Dec 2024 \$'000
Current lease liabilities	81,278	(114,332)	71,562	44,473	324	(11,419)	71,886
Non-current lease liabilities	596,546	—	(71,562)	—	14,091	58,421 ²	597,496
Current and non-current interest bearing loans and borrowings	100,311	14,301	—	—	—	—	114,612

2. More than 90 centre leases had their lease terms extended during the year ended 31 December 2024.

Notes to the financial statements

4. Group Structure

Note 25: Interests in other entities

a. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy set out. Refer to note 34(b).

Name of Entity	Country of incorporation	Class of Shares/Units	2025 %	2024 %
Subsidiaries of Company				
Grasshoppers Early Learning Centres Pty Ltd ¹	Australia	Ordinary	100	100
Togalog Pty Ltd ¹	Australia	Ordinary	100	100
RBWOL Holding Pty Ltd ¹	Australia	Ordinary	100	100
Ramsay Bourne Holdings Pty Ltd ¹	Australia	Ordinary	100	100
Bourne Learning Pty Ltd ¹	Australia	Ordinary	100	100
Ramsay Bourne Acquisitions (No.1) Pty Ltd ¹	Australia	Ordinary	100	100
Ramsay Bourne Acquisitions (No.2) Pty Ltd ¹	Australia	Ordinary	100	100
RBL No. 1 Pty Ltd ¹	Australia	Ordinary	100	100
Ramsay Bourne Licences Pty Ltd ¹	Australia	Ordinary	100	100
Sydney Cove Children's Centre Pty Ltd ¹	Australia	Ordinary	100	100
Sydney Cove Children's Centre B Pty Ltd ¹	Australia	Ordinary	100	100
Sydney Cove Children's Centre C Pty Ltd ¹	Australia	Ordinary	100	100
Sydney Cove Property Holdings Pty Ltd ¹	Australia	Ordinary	100	100
World Of Learning Pty Ltd ¹	Australia	Ordinary	100	100
Yellow Door Group Pty Ltd ¹	Australia	Ordinary	100	100
World Of Learning Acquisitions Pty Ltd ¹	Australia	Ordinary	100	100
Yellow Door Education Pty Ltd ¹	Australia	Ordinary	100	100
G8 KP Pty Ltd ¹	Australia	Ordinary	100	100
Sterling Early Education Finance Pty Ltd ¹	Australia	Ordinary	100	100
Sterling Early Education Holdings Pty Ltd ¹	Australia	Ordinary	100	100
Woodland Education Operations Pty Ltd ¹	Australia	Ordinary	100	100
Kindy Kids Operations Pty Ltd ¹	Australia	Ordinary	100	100
CG Operations Pty Ltd ¹	Australia	Ordinary	100	100
Kool Kids Operations Pty Ltd ¹	Australia	Ordinary	100	100
North Shore Childcare Pty Ltd ¹	Australia	Ordinary	100	100
Ooorama Operations Pty Ltd ¹	Australia	Ordinary	100	100
Jacaranda Operations Pty Ltd ¹	Australia	Ordinary	100	100
Huggy Bear Operations Pty Ltd ¹	Australia	Ordinary	100	100
Jellybeans Operations Pty Ltd ¹	Australia	Ordinary	100	100
Jellybeans Attadale Pty Ltd ¹	Australia	Ordinary	100	100
Jane's Place Operations Pty Ltd ¹	Australia	Ordinary	100	100
Jolimont Private Education Pty Ltd ¹	Australia	Ordinary	100	100
WTTS Operations Pty Ltd ¹	Australia	Ordinary	100	100
BUI Investments Pty Ltd ¹	Australia	Ordinary	100	100
Derafi Pty Ltd ¹	Australia	Ordinary	100	100
Alfoom Investments Pty Ltd ¹	Australia	Ordinary	100	100
Shemlex Pty Ltd ¹	Australia	Ordinary	100	100
Kindy Kids Village Pty Ltd ¹	Australia	Ordinary	100	100
Kindy Kids Long DayCare and Preschool Pty Ltd ¹	Australia	Ordinary	100	100
Three Little Pigs Pty Ltd ¹	Australia	Ordinary	100	100
A.C.N. 078 042 378 Pty Ltd ¹	Australia	Ordinary	100	100
ES5 Pty Ltd ¹	Australia	Ordinary	100	100
Kindy Patch Unit Trust	Australia	Ordinary	100	100
Sydney Cove Children's Centre Unit Trust	Australia	Ordinary	100	100



Notes to the financial statements

4. Group Structure

Note 25: Interests in other entities *continued*

Name of Entity	Country of incorporation	Class of Shares/Units	2025 %	2024 %
Subsidiaries of Company <i>continued</i>				
Sydney Cove Children's Centre Unit Trust B	Australia	Ordinary	100	100
Shemlex Investment Unit Trust	Australia	Ordinary	100	100
Shemlex Investments Freehold Unit Trust No 1	Australia	Ordinary	100	100
Morley Perth Unit Trust	Australia	Ordinary	100	100
Kindy Kids Village Trust	Australia	Ordinary	100	100
Kindy Kids Long Day Care and Preschool Trust	Australia	Ordinary	100	100
Adelaide Montessori Pty Ltd ¹	Australia	Ordinary	100	100
GW Concord Pty Ltd ¹	Australia	Ordinary	100	100
GW Chatswood Pty Ltd ¹	Australia	Ordinary	100	100
GW Macquarie Park Pty Ltd ¹	Australia	Ordinary	100	100
GW Brookvale Pty Ltd ¹	Australia	Ordinary	100	100
GW Bronte Pty Ltd ¹	Australia	Ordinary	100	100
GW Katoomba Pty Ltd ¹	Australia	Ordinary	100	100
GW Gladesville Pty Ltd ¹	Australia	Ordinary	100	100
GW Frenchs Forest Pty Ltd ¹	Australia	Ordinary	100	100
GW Prep Holdings Pty Ltd ¹	Australia	Ordinary	100	100
Lane Cove CCC Unit Trust	Australia	Ordinary	100	100
Lane Cove CCC Pty Ltd ¹	Australia	Ordinary	100	100
Waterloo CCC Unit Trust	Australia	Ordinary	100	100
Waterloo CCC Pty Ltd ¹	Australia	Ordinary	100	100
GW Chatswood Unit Trust	Australia	Ordinary	100	100
Homebush CCC Pty Ltd ¹	Australia	Ordinary	100	100
Homebush CCC Unit Trust	Australia	Ordinary	100	100
Dendy Street Childcare Pty Ltd ¹	Australia	Ordinary	100	100
Childcare Saver Pty Ltd ¹	Australia	Ordinary	100	100
Murmuration Holdings Pty Ltd ¹	Australia	Ordinary	100	100
Leor Pty Ltd ¹	Australia	Ordinary	100	100
ECEC Property Pty Ltd ¹	Australia	Ordinary	100	100
ECEC Property Holdings Pty Ltd ¹	Australia	Ordinary	100	100
ECEC Property Real Estate Investment Trust 1	Australia	Ordinary	100	100

1. These subsidiaries have been granted relief from the necessity to prepare financial reports in accordance with ASIC Legislative Instrument 2016/785 issued by the Australian Securities and Investment Commission, or by virtue of their status as small proprietary companies. Refer to note 27.

The proportion of ownership interest is equal to the proportion of voting power held.

b. Interests in associates

In November 2021, the Group acquired a 20% interest in Kiddo Group Holdings Pty Ltd (Kiddo) through a share subscription agreement for a total consideration of \$1.0 million. During the year ended 31 December 2024, the Group acquired an additional 2% interest for a total consideration of \$0.1 million. During the year ended 31 December 2025, the Group sold its 22% interest in Kiddo for \$1.

The Group recognised a \$2,325 share of loss of an associate in relation to the period of ownership during the year ended 31 December 2025 (2024: \$2,641 share of profit) and a loss on sale of \$0.9 million. These amounts have been included in 'other expenses' in the consolidated income statement (the loss on sale has also been reflected within 'Loss on sale of centres and disposal of assets/centres' in note 7).

The Group has nil 'Investment in an associate' as at 31 December 2025 (2024: \$0.9 million).

Accounting policy

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The Group's interests in associates is accounted for using the equity method in the consolidated financial statements.

Notes to the financial statements

4. Group Structure

Note 26: Parent Entity Disclosures

As at, and throughout the financial year ended 31 December 2025, the parent entity of the Group was G8 Education Limited.

	2025 \$'000	2024 \$'000
Result of parent entity		
(Loss) / profit for the year after tax	(300,548)	70,065
Other comprehensive (expense) / income	—	—
Total comprehensive (expense) / income for the year	(300,548)	70,065
Financial position of parent entity at year end		
Current assets	59,794	83,760
Non-current assets	1,390,880	1,716,732
Total assets	1,450,674	1,800,492
Current liabilities	243,137	253,533
Non-current liabilities	649,466	601,012
Total liabilities	892,603	854,545
Total equity of parent entity comprising of:		
Contributed equity	836,816	879,410
Reserves	116,207	140,027
Retained losses	(394,952)	(73,490)
Total equity	558,071	945,947

Parent entity contingencies**a. Former employee**

The Company is aware that a former G8 Education employee has been charged with offences involving children at the Creative Garden Early Learning Point Cook centre (refer note 13(c)). These allegations are shocking and extremely distressing. G8 Education has no tolerance for any behaviour that compromises the safety or wellbeing of children.

The individual involved in this matter was employed by G8 Education between 28 October 2021 to 2 February 2024. Whilst he primarily worked at the Creative Garden Early Learning Point Cook centre, he also worked for brief periods at four additional G8 Education centres during his employment with G8 Education. The Group is not aware of any charges relating to alleged offending at those centres but the police investigation remains ongoing.

Aligned with G8 Education's commitment to child safety and protection, during the former employee's employment, all required employment and background checks, including Working with Children Checks, were current in accordance with legal and regulatory requirements.

The individual is currently in police custody. Whilst G8 Education is cooperating fully with Victoria Police, the Victorian Government and other relevant authorities as part of the ongoing investigation, the outcomes are uncertain at this time.

Parent entity guarantees in respect of the debts of its subsidiaries

The parent entity has entered into a Deed of Cross Guarantee with the effect that the Company guarantees debts in respect of all of its subsidiaries.

Further details of the Deed of Cross Guarantee and the subsidiaries subject to the deed are disclosed. Refer to note 27.

Accounting policy

The financial information for the parent entity, G8 Education Limited, has been prepared on the same basis as the consolidated financial statements, except as set out below.

i. Investments in subsidiaries

Investments in subsidiaries are accounted for at cost in the financial statements of G8 Education Limited.

ii. Tax consolidation legislation

Refer to note 6.



Notes to the financial statements

4. Group Structure

Note 27: Deed of Cross Guarantee

All subsidiaries identified, refer to note 25 as having been granted relief from the requirement to prepare a Financial Report and Directors' Report Under ASIC Legislative Instrument 2016/785 (As Amended) issued by the Australian Securities and Investments Commission are considered to be in the closed group.

Below is a consolidated statement of comprehensive income for the years ended 31 December 2025 and 31 December 2024 of the closed group:

a. Consolidated statement of comprehensive income

	2025 \$'000	2024 \$'000
Continuing operations		
Revenue	946,842	1,015,268
Other income	1,321	6,509
Total revenue	948,163	1,021,777
Expenses		
Employment costs	(578,544)	(621,198)
Properties, utilities and maintenance costs	(52,954)	(53,116)
Direct costs	(29,294)	(34,154)
Software development expenses	(5,313)	(956)
Depreciation and amortisation	(106,477)	(104,575)
Net impairment expense	(364,551)	(4,041)
Other expenses	(44,563)	(49,579)
Finance costs	(50,630)	(56,470)
Total expenses	(1,232,326)	(924,089)
(Loss) / profit before income tax	(284,163)	97,688
Income tax expense	(19,142)	(30,000)
(Loss) / profit for the year	(303,305)	67,688
Total comprehensive (expense) / income for the year	(303,305)	67,688

Notes to the financial statements

4. Group Structure

Note 27: Deed of Cross Guarantee *continued*

b. Consolidated balance sheet

Set out below is a consolidated balance sheet as at 31 December 2025 of the closed group.

	2025 \$'000	2024 \$'000
Current assets		
Cash and cash equivalents	38,086	47,679
Trade and other receivables	11,873	20,726
Government funding receivables	6,629	8,954
Other current assets	15,953	13,498
Total current assets	72,541	90,857
Non-current assets		
Property, plant and equipment	150,636	136,311
Right of use assets	513,855	529,174
Deferred tax assets	103,576	97,494
Intangible assets	699,518	1,048,685
Investment in an associate	—	915
Other non-current assets	2,663	3,945
Total non-current assets	1,470,248	1,816,524
Total assets	1,542,789	1,907,381
Current liabilities		
Trade and other payables	79,586	83,466
Contract liabilities	6,654	6,933
Government funding liabilities	14,594	13,944
Current tax liability	2,243	10,163
Borrowings	—	612
Lease liabilities	70,154	71,886
Provisions	77,125	75,454
Total current liabilities	250,356	262,458
Non-current liabilities		
Borrowings	155,000	114,000
Lease liabilities	593,925	597,496
Provisions	17,828	17,114
Total non-current liabilities	766,753	728,610
Total liabilities	1,017,109	991,068
Net assets	525,680	916,313
Equity		
Contributed equity	836,816	879,410
Reserves	116,207	140,027
Retained losses	(427,343)	(103,124)
Total equity	525,680	916,313



Notes to the financial statements

5. Unrecognised Items

Note 28: Commitments and Other Matters

Capital commitments

There is no capital expenditure unconditionally contracted for at the reporting date but not recognised as a liability.

Other Matters

Refer to note 26 for parent entity contingencies in relation to a former employee.

Note 29: Events Occurring After the Balance Sheet Date

The following matters have taken place subsequent to year end:

- On 10 February 2026 it was announced that the Board has determined that no final dividend will be paid in respect of the year ended 31 December 2025.
- On 10 February 2026 it was announced that the share buy-back program will be paused until there is greater clarity around occupancy and sector conditions.

Notes to the financial statements

6. Other

Note 30: Key Management Personnel Disclosures

a. Directors

The following persons were directors of G8 Education Limited during the financial year:

i. Chair –Independent Non-Executive

- D Singh

ii. CEO and Managing Director

- P Okhovat

iii. Independent Non-Executive Directors

- J Cogin
- S Heath
- A Thornton
- P Trimble
- M Zabel

b. Other Key Management Personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, during the financial year:

Name	Position
S Becker	Chief Financial Officer (from 20 January 2025)
S Dann	Chief Operating Officer
S Williams	Chief Financial Officer (until 17 January 2025)

c. Key Management Personnel compensation

	Consolidated	
	2025 \$'000	2024 \$'000
Short term employee benefits ¹	2,856	3,604
Post employment benefits	205	192
Other long-term benefits	(185)	289
Share-based payment expense	204	1,801
	3,080	5,886

1. Includes Non-Executive Directors' fees.

The relevant information on detailed remuneration disclosures can be found in the Remuneration Report on pages 28 to 46.

d. Equity instrument disclosures relating to Key Management Personnel

Refer to note 31 for details of rights issued to Key Management Personnel.

Note 31: Share-Based Payments

Expenses arising from share-based transactions

Expenses arising from share-based payment transactions recognised during the year as part of employee benefit expenses were as follows:

	Consolidated	
	2025 \$'000	2024 \$'000
Share-based payment expense	74	1,948



Notes to the financial statements

6. Other

Note 31: Share-Based Payments *continued*

G8 Education Executive Incentive Plan (GEIP)

Long Term Incentive Plan (LTIP)

Shareholders approved the GEIP at the Annual General Meeting (AGM) in April 2023. The Company has established the GEIP to assist in retaining and motivating executives of G8 Education Limited (Participants). It is intended that the Performance Rights issued under the GEIP will enable the Company to retain and attract skilled and experienced executives and provide them with the motivation to enhance the success of the Company.

Under the GEIP, performance rights may be offered to Participants selected by the Board. Unless otherwise determined by the Board, no payment is required for the grant of performance rights under the GEIP. Subject to any adjustment in the event of a bonus issue, each right is a right to be issued a Share for nil Exercise Price upon the satisfaction of Vesting Conditions specified in the Offer. Upon the exercise of a right by a Participant, each Share allocated will rank equally with other Shares of the Company.

The employee share scheme is also administered by the G8 Education Employee Share Scheme Trust (Trust). This Trust is consolidated in accordance with note 34(b). Shares allocated by the Trust to the employees are either acquired on-market or new shares are issued by the Company.

Performance Rights issued in 2025 (the 2025 Grant), 2024 (the 2024 Grant) and 2023 (the 2023 grant) vest on achievement of the following performance (with two equally weighted performance hurdles for the Performance Rights) and service conditions by the vesting date:

Performance Conditions (50% of performance hurdle) – Earnings per Share (EPS) Compound Annual Growth Rate (CAGR)¹	The percentage of Performance Rights that vest for each % EPS CAGR (over three financial years ³) is based on the vesting schedule below:	
	EPS CAGR	Percentage of Performance Rights that vest
	Less than 10%	0%
	10% to 15%	25% - 50% (pro-rata)
	> 15%	50%
Performance Conditions (50% of performance hurdle) – Absolute Total Shareholder Return (TSR) Compound Annual Growth Rate (CAGR)^{1,2}	The percentage of Performance Rights that vest for each % Absolute TSR CAGR (over three financial years ³) is based on the vesting schedule below:	
	Absolute TSR	Percentage of Performance Rights that vest
	Less than 12%	0%
	12% to 15%	25% - 50% (pro-rata)
	> 15%	50%
Service Condition	Holders of Performance Rights must be continuously employed by the Company from the Grant Date to the Vesting Date, subject to Board discretion for termination without cause and pro-rata vesting in the event of redundancy	
Retesting	Awards are not retested	
Dividend Policy	Holders of Performance Rights are not entitled to receive dividends prior to vesting	
1. Subject to adjustment for significant items as determined by the Board in its discretion.		
2. TSR is calculated as:		
$\frac{(\text{share price at end of period} - \text{share price at beginning of period}) + \text{dividends during the period}}{\text{share price at beginning of period}} \times 100$ <p style="text-align: right;"><i>(adjusted to reflect compounding over three year period)</i></p>		
3. Performance Conditions relate to the following Performance Period by Grant:		
Grant	Performance Period by Grant	
2023 Grant	Over the three financial years ended 31 December 2025 (1 January 2023 – 31 December 2025)	
2024 Grant	Over the three financial years ended 31 December 2026 (1 January 2024 – 31 December 2026)	
2025 Grant	Over the three financial years ended 31 December 2027 (1 January 2025 – 31 December 2027)	

Notes to the financial statements

6. Other

Note 31: Share-Based Payments *continued*

In relation to Performance Rights issued in 2022 (the 2022 Grant), these vested and were converted to shares during 2025 on the 100% achievement of the following performance and service conditions:

Performance Conditions – Earnings per Share (EPS) Compound Annual Growth Rate (CAGR)¹	The percentage of Performance Rights that vest for each % EPS CAGR (over the three financial years ended 31 December 2024) was based on the vesting schedule below:								
	<table border="1"> <thead> <tr> <th>EPS CAGR</th> <th>Percentage of Performance Rights that vest</th> </tr> </thead> <tbody> <tr> <td>Less than 10%</td> <td>0%</td> </tr> <tr> <td>10% to 15%</td> <td>50% - 100% (pro-rata)</td> </tr> <tr> <td>> 15%</td> <td>100%</td> </tr> </tbody> </table>	EPS CAGR	Percentage of Performance Rights that vest	Less than 10%	0%	10% to 15%	50% - 100% (pro-rata)	> 15%	100%
EPS CAGR	Percentage of Performance Rights that vest								
Less than 10%	0%								
10% to 15%	50% - 100% (pro-rata)								
> 15%	100%								
Service Condition	Holders of Performance Rights must be continuously employed by the Company from the Grant Date to the Vesting Date, subject to Board discretion for termination without cause and pro-rata vesting in the event of redundancy								
Retesting	Awards are not retested								
Dividend Policy	Holders of Performance Rights were not entitled to receive dividends prior to vesting								

1. Subject to adjustment for significant items as determined by the Board in its discretion.

In relation to the Special Equity Award issued to Mr P Okhovat in February 2023, 75% of the balance of performance rights as at 31 December 2024 vested and were converted to shares during 2025 and the remaining 25% of the rights lapsed during 2025. This award had the following performance conditions (with two equally weighted performance hurdles for the Performance Rights) and service conditions:

Performance Conditions (50% of performance hurdle) – Earnings per Share (EPS) Compound Annual Growth Rate (CAGR)¹	The percentage of Performance Rights that vest for each % EPS CAGR (over the two financial years ended 31 December 2024) was based on the vesting schedule below:								
	<table border="1"> <thead> <tr> <th>EPS CAGR</th> <th>Percentage of Performance Rights that vest</th> </tr> </thead> <tbody> <tr> <td>Less than 10%</td> <td>0%</td> </tr> <tr> <td>10% to 15%</td> <td>25% - 50% (pro-rata)</td> </tr> <tr> <td>> 15%</td> <td>50%</td> </tr> </tbody> </table>	EPS CAGR	Percentage of Performance Rights that vest	Less than 10%	0%	10% to 15%	25% - 50% (pro-rata)	> 15%	50%
EPS CAGR	Percentage of Performance Rights that vest								
Less than 10%	0%								
10% to 15%	25% - 50% (pro-rata)								
> 15%	50%								
Performance Conditions (50% of performance hurdle) – Absolute Total Shareholder Return (TSR) Compound Annual Growth Rate (CAGR)^{1,2}	The percentage of Performance Rights that vest for each % Absolute TSR CAGR (over the two financial years ended 31 December 2024) was based on the vesting schedule below:								
	<table border="1"> <thead> <tr> <th>Absolute TSR</th> <th>Percentage of Performance Rights that vest</th> </tr> </thead> <tbody> <tr> <td>Less than 12%</td> <td>0%</td> </tr> <tr> <td>12% to 15%</td> <td>25% - 50% (pro-rata)</td> </tr> <tr> <td>> 15%</td> <td>50%</td> </tr> </tbody> </table>	Absolute TSR	Percentage of Performance Rights that vest	Less than 12%	0%	12% to 15%	25% - 50% (pro-rata)	> 15%	50%
Absolute TSR	Percentage of Performance Rights that vest								
Less than 12%	0%								
12% to 15%	25% - 50% (pro-rata)								
> 15%	50%								
Service Condition	Holders of Performance Rights were required to be continuously employed by the Company from the Grant Date to the Vesting Date, subject to Board discretion for termination without cause and pro-rata vesting in the event of redundancy								
Retesting	Awards were not retested								
Dividend Policy	Holders of Performance Rights were not entitled to receive dividends prior to vesting								

1. Subject to adjustment for significant items as determined by the Board in its discretion.

2. TSR is calculated as:

$$\frac{(\text{share price at end of period} - \text{share price at beginning of period}) + \text{dividends during the period}}{\text{share price at beginning of period}} \times 100$$

(adjusted to reflect compounding over three year period)



Notes to the financial statements

6. Other

Note 31: Share-Based Payments *continued*

Performance Rights issued under the plan may not be transferred unless approved by the Board. The table below summarises rights granted under the LTIP (including a Special Equity Award issued to Mr P Okhovat in February 2023):

Grant date	Balance at the start of the year (Number)	Granted during the year (Number)	Exercised during the year (Number)	Forfeited or lapsed during the year ¹ (Number)	Balance at the end of the year (Number)	Unvested at the end of the year (Number)
19 May 2022	431,108	—	(431,108)	—	—	—
20 February 2023	1,267,740	—	(950,805)	(316,935)	—	—
13 June 2023 ²	1,141,797	—	—	(244,458)	897,339	897,339
13 November 2023 ²	92,905	—	—	—	92,905	92,905
7 May 2024	755,347	—	—	—	755,347	755,347
29 May 2024	681,384	—	—	(238,530)	442,854	442,854
29 April 2025	—	716,534	—	—	716,534	716,534
23 May 2025	—	679,193	—	—	679,193	679,193
Total	4,370,281	1,395,727	(1,381,913)	(799,923)	3,584,172	3,584,172

1. Certain other performance rights lapsed due to cessation of employment.

2. Under the 2023 Grant, vesting is scheduled for 1 March 2026. In regards to the performance conditions of the 2023 Grant, the Absolute TSR CAGR condition was not met and the EPS CAGR condition was partially met. On this basis, 26.5% of rights would ordinarily have vested on 1 March 2026. However, the Board has determined that it would not be appropriate to vest the 2023 Grant on 1 March 2026. Vesting will be reassessed by the Board at a date to be determined. This approach reflects the Board's commitment to responsible stewardship, prudent governance and fairness to all stakeholders. The remaining 73.5% of the 2023 Grant rights will lapse during 2026.

Valuation of instruments issued

Value of the financial benefit

In terms of Performance Rights issued, the table below lists the inputs used in the model for the LTIP:

Grant	Grant date	Share price on grant date	Share price volatility ¹	Risk free rate	Time to maturity	Annual dividend yield	Model used
2023 Grant	13 June 2023	\$1.03	31%	3.87%	2.72 years	4.27%	Monte Carlo ²
2023 Grant	13 November 2023	\$1.01	28%	4.33%	2.30 years	3.62%	Monte Carlo ²
2024 Grant	7 May 2024	\$1.24	29%	3.93%	2.80 years	3.34%	Monte Carlo ²
2024 Grant	29 May 2024	\$1.19	29%	4.08%	2.80 years	3.47%	Monte Carlo ²
2025 Grant	29 April 2025	\$1.27	29%	3.30%	2.80 years	4.25%	Monte Carlo ²
2025 Grant	23 May 2025	\$1.27	29%	3.44%	2.80 years	4.28%	Monte Carlo ²

1. The expected volatility of the Company was determined after considering, the historic share price volatility of the Company and the tendency of volatility to revert to its mean.

2. A Monte Carlo simulation approach is used to value the awards subject to the Absolute TSR performance condition. The fair value of the awards subject to CAGR of EPS performance condition is calculated using a risk-neutral assumption.

The fair value of the 2025 Grants was calculated to be:

	Grant date	Performance conditions	Value of Right at grant date (\$)
2025 Grant	29 April 2025	CAGR of Absolute TSR	\$0.41
		CAGR of EPS	\$1.13
2025 Grant	23 May 2025	CAGR of Absolute TSR	\$0.41
		CAGR of EPS	\$1.13

Notes to the financial statements

6. Other

Note 31: Share-Based Payments *continued***Accounting policy**

Share-based compensation benefits are provided to certain employees via the GEIP.

The fair value of Performance Rights that are granted under the GEIP are recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the rights.

The fair value at grant date takes into account the exercise price, the term of the right, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the right, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the right.

Non-market vesting conditions

The fair value of performance rights with non-market performance conditions (Earnings Per Share) excludes the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of rights that are expected to vest. At each balance sheet date, the Group revises its estimate of the number of Performance Rights that are expected to vest. The employee benefit expense recognised each period takes into account the most recent estimate.

Market vesting conditions

The fair value of performance rights with market-based performance conditions (Total Shareholder Return) is calculated at the date of grant using the Monte-Carlo simulation model. The probability of achieving market-based performance conditions is incorporated into the determination of the fair value per award. The expense is recognised in full if the awards do not vest due to a market condition not being met.

Upon exercise of the Performance Rights, the balance of the share-based payments reserve relating to those rights is reclassified to contributed equity.

Note 32: Remuneration of Auditors

During the year, the following fees were paid or payable for services provided by the auditor of the Group:

	Consolidated	
	2025	2024
Fees to Ernst & Young (Australia)	\$'000	\$'000
Fees for auditing the statutory financial report of the parent covering the group and auditing the statutory financial reports of any controlled entities	585	650
Fees for other services	—	—
Total Auditor's remuneration	585	650

Note 33: Related Party Transactions

a. Parent entity

The parent entity within the Group is G8 Education Limited.

b. Subsidiaries

Interests in subsidiaries are set out in note 25.

c. Key Management Personnel

There were no transactions except otherwise disclosed with related parties during the financial year. There was nil outstanding at the reporting date in relation to other transactions with related parties.



Notes to the financial statements

6. Other

Note 34: Other Material Accounting Policies

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements are for the consolidated entity consisting of G8 Education Limited and its subsidiaries.

a. Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards (AASB), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The Company is a listed for profit public Company, incorporated in Australia and operating in Australia. The Company's principal activities are operating childcare centres.

The financial statements were authorised for issue on 23 February 2026. The Company has the power to amend and reissue the financial report.

Compliance with IFRS

Compliance with AASB ensures that the financial report of G8 Education Limited and the Group complies with International Financial Reporting Standards (IFRS).

Historical cost convention

These financial statements have been prepared under the historical cost convention as modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

Comparatives

In certain instances in the notes to the financial statements, the comparative information has been reclassified to allow for ease of comparison to the current year.

b. Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of G8 Education Limited ("Company" or "parent entity") as at 31 December 2025 and the results of all subsidiaries for the year then ended.

G8 Education Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

c. Goods and Services Tax (GST)

Revenues, expenses and assets and liabilities are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

d. Rounding amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' reports) Instrument 2016/191, relating to the "rounding off" of amounts in the financial reports. Amounts in the financial statements have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, the nearest tenth of a million dollars.

Notes to the financial statements

6. Other

Note 34: Other Material Accounting Policies *continued*

e. Going concern

Refer to note 1.

f. Reserves

i. Share-based payments

The share-based payments reserve is used to recognise the expensing of the grant date fair value of rights issued to employees but not exercised. Upon exercise of the Performance Rights, the balance of the share-based payments reserve relating to those rights is reclassified to contributed equity.

ii. Profits

The profits reserve comprises the transfer of net profit for the current and previous years and characterises profits available for distribution as dividends in future years. Dividends amounting to \$43.0 million (2024: \$40.5 million) were distributed from the profits reserve during the year.

The amount transferred to profits reserve comprises the transfer from net profit for the current year for profit making entities within the Group and characterises profits available for distribution as dividends in the future years.

g. New and amended accounting standards adopted by the Group

The accounting policies adopted in the preparation of the consolidated financial report are consistent with those followed in the preparation of the Group's annual report for the year ended 31 December 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

h. Impact of accounting standards issued but not yet applied by the entity

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and amendments is set out below:

AASB 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027).

AASB 18 will replace AASB 101 *Presentation of Financial Statements*, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though AASB 18 will not impact the recognition or measurement of items in the financial statements, there will be impacts on presentation and disclosure.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of AASB 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the income statement into the new categories may impact how operating profit is calculated and reported.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the balance sheet, the Group will disaggregate goodwill and other intangible assets and present them separately in the balance sheet.
- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the year ending 31 December 2026 will be restated in accordance with AASB 18.

No other amendments are expected to have a material impact on the entity's operations or financial statements.



Consolidated Entity Disclosure Statement

as at 31 December 2025

Name of Entity	Type of Entity	% of Share Capital	Place of Incorporation	Australian resident or foreign resident
G8 Education Limited	Body Corporate	100	Australia	Australian
Grasshoppers Early Learning Centres Pty Ltd	Body Corporate	100	Australia	Australian
Togalog Pty Ltd	Body Corporate	100	Australia	Australian
RBWOL Holding Pty Ltd	Body Corporate	100	Australia	Australian
Ramsay Bourne Holdings Pty Ltd	Body Corporate	100	Australia	Australian
Bourne Learning Pty Ltd	Body Corporate	100	Australia	Australian
Ramsay Bourne Acquisitions (No.1) Pty Ltd	Body Corporate	100	Australia	Australian
Ramsay Bourne Acquisitions (No.2) Pty Ltd	Body Corporate	100	Australia	Australian
RBL No. 1 Pty Ltd	Body Corporate	100	Australia	Australian
Ramsay Bourne Licences Pty Ltd	Body Corporate	100	Australia	Australian
Sydney Cove Children's Centre Pty Ltd	Body Corporate	100	Australia	Australian
Sydney Cove Children's Centre B Pty Ltd	Body Corporate	100	Australia	Australian
Sydney Cove Children's Centre C Pty Ltd	Body Corporate	100	Australia	Australian
Sydney Cove Property Holdings Pty Ltd	Body Corporate	100	Australia	Australian
World Of Learning Pty Ltd	Body Corporate	100	Australia	Australian
Yellow Door Group Pty Ltd	Body Corporate	100	Australia	Australian
World Of Learning Acquisitions Pty Ltd	Body Corporate	100	Australia	Australian
Yellow Door Education Pty Ltd	Body Corporate	100	Australia	Australian
G8 KP Pty Ltd	Body Corporate	100	Australia	Australian
Sterling Early Education Finance Pty Ltd	Body Corporate	100	Australia	Australian
Sterling Early Education Holdings Pty Ltd	Body Corporate	100	Australia	Australian
Woodland Education Operations Pty Ltd	Body Corporate	100	Australia	Australian
Kindy Kids Operations Pty Ltd	Body Corporate	100	Australia	Australian
CG Operations Pty Ltd	Body Corporate	100	Australia	Australian
Kool Kids Operations Pty Ltd	Body Corporate	100	Australia	Australian
North Shore Childcare Pty Ltd	Body Corporate	100	Australia	Australian
Oorama Operations Pty Ltd	Body Corporate	100	Australia	Australian
Jacaranda Operations Pty Ltd	Body Corporate	100	Australia	Australian
Huggy Bear Operations Pty Ltd	Body Corporate	100	Australia	Australian
Jellybeans Operations Pty Ltd	Body Corporate	100	Australia	Australian
Jellybeans Attadale Pty Ltd	Body Corporate	100	Australia	Australian
Jane's Place Operations Pty Ltd	Body Corporate	100	Australia	Australian
Jolimont Private Education Pty Ltd	Body Corporate	100	Australia	Australian
WTTS Operations Pty Ltd	Body Corporate	100	Australia	Australian
BUI Investments Pty Ltd	Body Corporate	100	Australia	Australian
Derafi Pty Ltd	Body Corporate	100	Australia	Australian
Alfoom Investments Pty Ltd	Body Corporate	100	Australia	Australian
Shemlex Pty Ltd	Body Corporate	100	Australia	Australian
Kindy Kids Village Pty Ltd	Body Corporate	100	Australia	Australian
Kindy Kids Long DayCare and Preschool Pty Ltd	Body Corporate	100	Australia	Australian
Three Little Pigs Pty Ltd	Body Corporate	100	Australia	Australian
A.C.N. 078 042 378 Pty Ltd	Body Corporate	100	Australia	Australian
ES5 Pty Ltd	Body Corporate	100	Australia	Australian
Kindy Patch Unit Trust	Trust	100	Australia	Australian
Sydney Cove Children's Centre Unit Trust	Trust	100	Australia	Australian
Sydney Cove Children's Centre Unit Trust B	Trust	100	Australia	Australian
Shemlex Investment Unit Trust	Trust	100	Australia	Australian
Shemlex Investments Freehold Unit Trust No 1	Trust	100	Australia	Australian
Morley Perth Unit Trust	Trust	100	Australia	Australian
Kindy Kids Village Trust	Trust	100	Australia	Australian

Consolidated Entity Disclosure Statement

as at 31 December 2025 *continued*

Name of Entity	Type of Entity	% of Share Capital	Place of Incorporation	Australian resident or foreign resident
Kindy Kids Long Day Care and Preschool Trust	Trust	100	Australia	Australian
Adelaide Montessori Pty Ltd	Body Corporate	100	Australia	Australian
GW Concord Pty Ltd	Body Corporate	100	Australia	Australian
GW Chatswood Pty Ltd	Body Corporate	100	Australia	Australian
GW Macquarie Park Pty Ltd	Body Corporate	100	Australia	Australian
GW Brookvale Pty Ltd	Body Corporate	100	Australia	Australian
GW Bronte Pty Ltd	Body Corporate	100	Australia	Australian
GW Katoomba Pty Ltd	Body Corporate	100	Australia	Australian
GW Gladesville Pty Ltd	Body Corporate	100	Australia	Australian
GW Frenchs Forest Pty Ltd	Body Corporate	100	Australia	Australian
GW Prep Holdings Pty Ltd	Body Corporate	100	Australia	Australian
Lane Cove CCC Unit Trust	Trust	100	Australia	Australian
Lane Cove CCC Pty Ltd	Body Corporate	100	Australia	Australian
Waterloo CCC Unit Trust	Trust	100	Australia	Australian
Waterloo CCC Pty Ltd	Body Corporate	100	Australia	Australian
GW Chatswood Unit Trust	Trust	100	Australia	Australian
Homebush CCC Pty Ltd	Body Corporate	100	Australia	Australian
Homebush CCC Unit Trust	Trust	100	Australia	Australian
Dendy Street Childcare Pty Ltd	Body Corporate	100	Australia	Australian
Childcare Saver Pty Ltd	Body Corporate	100	Australia	Australian
Murmuration Holdings Pty Ltd	Body Corporate	100	Australia	Australian
Leor Pty Ltd	Body Corporate	100	Australia	Australian
ECEC Property Pty Ltd	Body Corporate	100	Australia	Australian
ECEC Property Holdings Pty Ltd	Body Corporate	100	Australia	Australian
ECEC Property Real Estate Investment Trust 1	Trust	100	Australia	Australian
G8 Education Employee Share Scheme Trust	Trust	100	Australia	Australian

Basis for preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Determination of tax residency

Section 295 (3A)(vi) of the *Corporation Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. In determining tax residency, the consolidated entity has applied the following interpretation for Australian tax residency: The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5. Australian tax law does not contain corresponding residency tests for the trusts disclosed above, and these entities are taxed on a flow-through basis. A trust is disclosed as an Australian resident on the basis that it is a member of an Australian tax consolidated group.

Directors' Declaration

In the Directors' opinion:

- a. the financial statements and notes set out on pages 70 to 118 are in accordance with the *Corporations Act 2001* (Cth), including:
 - i. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - ii. giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial year ended on that date;
- b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- c. the consolidated entity disclosure statement required by section 295(3A) of the *Corporations Act 2001* (Cth) is true and correct; and
- d. at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed Group identified in note 25 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 27.

Note 34(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Managing Director and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.

Pejman Okhovat

Director

23 February 2026

Independent Auditor's Report



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111 Eagle Street
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Independent auditor's report to the members of G8 Education Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of G8 Education Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated balance sheet as at 31 December 2025, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Independent Auditor's Report



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Impairment of Goodwill

Why significant	How our audit addressed the key audit matter
<p>As at the reporting date, the Group's goodwill balance represents a material portion of total assets. In accordance with AASB 136 <i>Impairment of Assets</i>, goodwill allocated to cash-generating units (CGUs) must be tested for impairment annually, or more frequently when indicators of impairment arise.</p> <p>At 31 December 2025 management performed goodwill impairment testing and recorded an impairment expense of \$349.1 million. A value in use cash flow model was used to calculate the recoverable amount of the goodwill.</p> <p>The calculation of recoverable amount is complex and involves judgements and estimation relating to occupancy, future childcare rate increases and revenues, anticipated costs, growth rates, forecast capital expenditure, and the discount rate applied. As such, impairment testing of goodwill was considered to be a key audit matter.</p> <p>The Group's disclosures are included in note 17 to the financial statements, which includes the key assumptions applied by the Group.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ▪ Evaluated the Group's identification of cash generating units ("CGU") for goodwill, including quantification of the carrying amount of the CGU. ▪ Agreed the cash flow forecasts to Board-approved budgets and forecasts. ▪ Assessed future cash flow assumptions through comparison with current trading performance, externally derived data (where applicable) and inquiry of management in respect of its basis for rate increases, key growth and trading assumptions. ▪ Assessed discount rate and long-term growth rate assumptions with involvement from EY valuation specialists. ▪ Tested the mathematical accuracy of the impairment model, including recalculating the recoverable amount. ▪ Considered the market capitalisation of the Group relative to the recorded net asset amount at 31 December 2025 and other market information including broker analyst reports . ▪ Performed independent sensitivity analysis of key impairment model assumptions including occupancy, fees, and discount rates. ▪ Assessed the adequacy of disclosure in notes to the financial statements regarding the impairment testing approach and key assumptions.

Independent Auditor’s Report



Impairment and impairment reversal of non-current assets - Centres

Why significant	How our audit addressed the key audit matter
<p>The Group operates a large network of childcare centres, each of which represents a separate cash-generating unit (CGU) as they generate cash inflows that are largely independent of other centres. Impairment indicators are assessed at the individual centre level, and where such indicators are identified—such as operating losses, persistent declines in occupancy, or adverse changes in local market conditions—management is required to estimate the recoverable amount of centre-specific assets, including Right-of-Use Assets, and property, plant and equipment. Management also assesses for indicators that previously recorded impairments should be reversed.</p> <p>Impairment and impairment reversal assessments are complex and involve judgements and estimation relating to occupancy, future childcare rate increases and revenues, anticipated costs, growth rates, forecast capital expenditure, centres to be exited, and the discount rate applied. In some instances management calculate the recoverable amount of a CUG using fair value less cost of disposal, requiring reference to similar market transactions.</p> <p>These factors, combined with the number of CGUs and the complexity of the lease-related assets, make this area inherently judgemental. As such, impairment testing of other non-current assets was considered to be a key audit matter.</p> <p>The Group’s disclosures for the \$15.4 million impairment recorded are included in notes 11 and 21 to the financial statements, which includes the key assumptions applied by the Group.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ▪ Evaluated the Group’s identification of cash generating units (“CGU”) for non-current assets, including quantification of the carrying amount of the CGUs. ▪ Assessed management’s identification of centres with indicators of impairment, including centres that were loss-making, or demonstrating cumulative losses over the relevant assessment periods. ▪ Assessed management identification of centres where impairment reversals were appropriate, considering operating results and relevant factors. ▪ Assessed the recoverable amount models, including evaluating whether value-in-use calculations complied with AASB 136 <i>Impairment of Assets</i> and testing the integrity and arithmetic accuracy of model calculations. ▪ Comparing cash flow assumptions to historical performance, approved budgets, and centre-level operating insights obtained through discussions with management and operational teams. ▪ Evaluated key assumptions, such as occupancy recovery trajectories, wage inflation, expected remediation initiatives, lease terms, and discount rates. ▪ Assessed the reasonability of assumptions used in fair value less cost of disposal estimates with reference to external information and other market factors. ▪ Recalculated impairments and impairment reversals recorded for mechanical accuracy. ▪ Assessed the adequacy of disclosure in notes to the financial statements regarding the impairment testing approach and key assumptions.



Independent Auditor's Report



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Provisions for regulatory, legal and other

Why significant	How our audit addressed the key audit matter
<p>As detailed in Note 13, the Group recorded provisions at 31 December 2025 of \$21.5 million for regulatory, legal and other matters.</p> <p>There is complexity in relation to the assessment of these matters and uncertainty as to the outcome and quantification of any future economic outflows.</p> <p>AASB 137 <i>Provision, Contingent Liabilities and Contingent Assets</i> ("Accounting Standards") provide criteria for the recognition of provisions, consideration of impact of insurance (if any) and disclosure of contingent liabilities.</p> <p>The application of Accounting Standards requires significant judgement as to:</p> <ul style="list-style-type: none"> ▪ Whether present obligations as a result of past events existed at balance date; ▪ Whether it is probable a future outflow will be required to settle those obligations; and ▪ Whether a reliable estimate can be made of the obligation. <p>In determining its estimate of its obligations for employee remediation, legal and other matters, the Group used internal and external legal counsel and accounting experts.</p> <p>Accordingly, we consider this to be a key audit matter.</p>	<p>In assessing the respective provisions, our procedures included the following:</p> <ul style="list-style-type: none"> ▪ Evaluated the Group's assessment as to whether a present obligation exists arising from past events based on the available facts and circumstances. To understand and assess the relevant facts and circumstances, we read documentation prepared by the Group's internal and external specialists and other relevant documents. ▪ Held discussions with management and their advisors, reviewed Board of Directors and Board Committee minutes, reviewed correspondence with regulators and legal counsel (where applicable) and attended Audit Committee meetings to understand the status of key matters, the likelihood of payments being required and changes in these matters over the year. ▪ Inspected legal correspondence and legal opinions and considered their content together with the information we obtained from our other procedures. ▪ Where the Group determined a present obligation existed, we assessed the Group's basis for measurement of the provision in accordance with the Accounting Standards, including matters such as probability of economic outflows in differing scenarios, amounts payable in differing scenarios and the impact (if any) of insurance recoveries. We considered the reasonableness of the Group's provision estimates based on our understanding and information obtained from our audit procedures. ▪ Assessed the adequacy of the disclosures made in the financial statements including the significant judgements and estimates adopted by management.

Independent Auditor’s Report



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Revenue Recognition

Why significant	How our audit addressed the key audit matter
<p>Revenue from child care centres is recognised by the Group when the underlying childcare service has been provided. Revenue from childcare services for the Group for the financial year was \$924.1 million. Customers are generally invoiced in advance, alongside processing of Child Care Subsidy by Services Australia. Accordingly, there is a risk that revenue is recognised in the incorrect period.</p> <p>The Group focuses on revenue as a key performance measure for executives and it is also a key parameter by which the performance of the Group is measured. As a result, we consider revenue to be a key audit matter.</p> <p>Refer to note 3 to the financial statements for disclosure relating to revenue.</p>	<p>Our audit evaluated revenue recognised in accordance with AASB 15 <i>Revenue from Contracts with Customers</i>. To do this, we:</p> <ul style="list-style-type: none"> ▪ Assessed the Group’s identification of the performance obligations and timing of revenue recognition based on satisfying those performance obligations. ▪ Assessed the design effectiveness of Group’s key controls over the recognition of revenue. ▪ Correlated 100% of revenue to accounts receivable and cash, testing outliers. ▪ Tested a sample of daily revenue to source documentation. ▪ Assessed whether revenue is recognised in the appropriate financial period by assessing the completeness of the deferred revenue balance through testing a sample of parent fees in advance bookings. ▪ Assessed the Group’s identification of the performance obligations and timing of revenue recognition based on satisfying those performance obligations. ▪ Assessed the adequacy of the Group’s disclosures in relation to revenue and related accounting policies.

Independent Auditor's Report



Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2025 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

Independent Auditor's Report



As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report



Report on the audit of the Remuneration Report

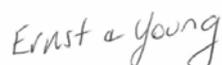
Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 28 to 46 of the directors' report for the year ended 31 December 2025.

In our opinion, the Remuneration Report of G8 Education Limited for the year ended 31 December 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



Ernst & Young



Kellie McKenzie
Partner
Brisbane
23 February 2026

Shareholder Information

The total issued capital of the Company as at 31 December 2025 is 757,526,162.

The Shareholder information set out below was applicable as at 16 February 2026.

a. Distribution of equity securities

Analysis of number of equity security holders by size of holding is listed below.

	Class of equity security		
	Shares	Holders	% Issued Capital
100001 and Over	337	628,750,042	83.10
10001 to 100000	3,290	95,257,185	12.59
5001 to 10000	2,171	16,669,360	2.20
1001 to 5000	5,151	13,869,898	1.83
1 to 1000	4,286	2,071,708	0.27
Total	15,235	756,618,193	100.00

There were 4,367 holders of less than a marketable parcel of ordinary shares.

b. Quoted equity security holders

Twenty largest quoted equity security holders.

Name	Quoted ordinary shares held	Percentage of issued shares
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	141,434,769	18.69%
CITICORP NOMINEES PTY LIMITED	136,039,601	17.98%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	129,401,592	17.10%
WHSP HOLDINGS PTY LIMITED	74,532,158	9.85%
BNP PARIBAS NOMINEES PTY LTD (AGENCY LENDING A/C)	26,105,421	3.45%
BNP PARIBAS NOMS PTY LTD	15,041,355	1.99%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,226,364	0.96%
BNP PARIBAS NOMINEES PTY LTD (HUB24 CUSTODIAL SERV LTD)	3,919,831	0.52%
BNP PARIBAS NOMINEES PTY LTD (IB AU NOMS RETAILCLIENT)	2,803,526	0.37%
RAP INVESTMENTS PTY LIMITED	2,600,000	0.34%
ANANDI INVESTMENTS PTY LTD (PATEL FAMILY A/C)	2,350,000	0.31%
MRS SWEE HUAR NG	1,947,000	0.26%
MR PEJMAN OKHOVAT	1,688,012	0.22%
BUTTONWOOD NOMINEES PTY LTD	1,477,865	0.20%
NETWEALTH INVESTMENTS LIMITED (WRAP SERVICES A/C)	1,464,972	0.19%
MR JOHANNES CORNELIS MORCUS + MS MONIQUE SHARON MORCUS (MORCUS FAMILY SF A/C)	1,447,500	0.19%
EST MR RICCARDO PISATURO	1,400,000	0.19%
SEAN FARMER GROUP PTY LTD	1,300,000	0.17%
MR XIAOCHEN BI	1,130,564	0.15%
WESTOR ASSET MANAGEMENT PTY LTD (VALUE PARTNERSHIP A/C)	1,124,755	0.15%
	554,435,285	73.28%



c. Substantial holders

Substantial holders as at 16 February 2026 in the Company are set out below:

Ordinary Shares	Number held	Percentage
Allan Gray Australia Pty Ltd	132,513,918	17.17%
Washington H Soul Pattinson	74,532,156	9.66%
Macquarie Group Limited	68,106,357	8.83%
Host-Plus Pty Limited	58,798,597	7.62%
Australian Retirement Trust	53,996,851	6.99%
Dimensional Entities	39,288,041	5.09%
The Vanguard Group, Inc	41,258,074	5.10%
Vinva Investment Management	38,935,333	5.05%
State Street Corporation	38,768,096	5.02%

d. Voting rights

The voting rights attached to each class of equity securities are set out below.

i. Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share will have one vote.

ii. Options

There are no voting rights attached to the options.

iii. Unquoted securities

There are no unquoted securities on issue.

Corporate Directory

Directors

D Singh, Chair
P Okhovat, CEO and Managing Director
M Zabel, Non-Executive Director
Prof J Cogin, Non-Executive Director
P Trimble, Non-Executive Director
A Thornton, Non-Executive Director
S Heath, Non-Executive Director

Company Secretary

J King

Principal registered business office in Australia

G8 Education Limited is a Company limited by shares, incorporated and domiciled in Australia.

G8 Education's registered office and principal place of business is:

159 Varsity Parade, Varsity Lakes, QLD 4227

Telephone: 07 5581 5300

Facsimile: 07 5581 5311

www.g8education.edu.au

Share registry

MUFG Corporate Markets, a division of MUFG Pension & Market Services

10 Eagle Street
Brisbane QLD 4000

Auditor

Ernst & Young

111 Eagle Street
Brisbane QLD 4000

Lawyers

Allens

480 Queen Street
Brisbane QLD 4000

Securities exchange listing

G8 Education Limited shares are listed on the Australian Securities Exchange under the ticker code GEM





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G8 Education^{ltd}

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