

ASX Announcement

G8 Education Limited
(ASX:GEM)



24 February 2020

The Manager
Market Announcements Office
Australian Securities Exchange

Dear Manager,

APPENDIX 4E PRELIMINARY FINAL REPORT

G8 Education Limited (ASX: GEM) encloses its Appendix 4E Preliminary Final Report.

Yours faithfully

Tracey Wood
Group Company Secretary
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Ends.

This document has been authorised for release by G8 Education Limited's Board of Directors.

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Appendix 4E Preliminary Final Report

Name of Entity	G8 Education Limited
ABN	95 123 828 553
Reporting period – year ended	31 December 2019
Previous Corresponding period – year ended	31 December 2018

Results for Announcement to the Market

	Percentage change Up or Down	%		\$'000
Revenue from ordinary activities	Up	7%	to	921,708
Profit from ordinary activities after tax attributable to members*	Down	13%	to	62,589
Profit for the period attributable to members*	Down	13%	to	62,589
*The current period has been impacted by the first-time adoption of the new accounting standard AASB 16 <i>Leases</i> but the comparative has not been adjusted.				

Dividends	Amount per Security	Franked amount per security
April 2019 Final 2018 Dividend - paid	8.0 cents	100%
October 2019 Interim 2019 Dividend - paid	4.75 cents	100%
Final Dividend – Current reporting period	6.0	100%
Record date for determining entitlements to dividends (if any)	3 March 2020	
Date Dividend is payable	6 April 2020	
Details of any dividend reinvestment plan in operation	Dividend reinvestment plan is in operation	
The last date for receipt of an election notice for participation in any dividend reinvestment plan	4 March 2020	

Net Tangible Assets (NTA)	December 2019	December 2018
Net Tangible Assets per security*	(209) cents	(53) cents
*The current period has been impacted by the first-time adoption of the new accounting standard AASB 16 <i>Leases</i> but the comparative has not been adjusted. December 2019 Net Tangible Assets adjusted to exclude the impact of the new standard equals (60) cents.		

Brief explanation of any figures reported above necessary to enable the figures to be understood

The current period has been impacted by the first-time adoption of the new accounting standard AASB 16 *Leases* but the comparative has not been adjusted. 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.

Financial Highlights (Non-IFRS, unaudited)

	2019 \$'000	2018 \$'000	Variance
Consolidated Year end 31 December			
Revenue ¹	921,708	857,758	7%
Expenses	(762,288)	(725,574)	5%
Net Financing Cost	(73,420)	(28,558)	157%
Net Profit Before Tax	86,000	103,626	(17%)
Net Profit After Tax	62,589	71,831	(13%)
Add/(Less) AASB 16 <i>Leases</i> adjustments ²	9,860	-	
Add/(Less) non-operating transactions:			
Contingent consideration not paid	(681)	(2,199)	
Acquisition related expenses ³	5,088	5,451	
Borrowing costs expense ^{4,5}	2,476	3,078	
(Gain)/loss on disposal of assets/centres	2,446	825	
Foreign currency translation (gain)/loss ^{4,5}	(1,967)	431	
Recognition of tax losses from acquired entities	(3,435)	-	
Underlying Net Profit After Tax	76,376	79,417	(4%)
Underlying EPS (cents per share)	16.67	17.54	(5%)
Earnings before interest and tax	159,420	132,184	
Add/(Less) AASB 16 <i>Leases</i> adjustments ²	(30,998)	-	
Add/(Less) non-operating transactions:			
Contingent consideration not paid	(681)	(2,199)	
Acquisition related expenses ³	5,088	5,451	
(Gain)/loss on disposal of assets/centres	2,446	825	
Foreign currency translation (gain)/loss ⁴	(2,810)	-	
Underlying earnings before interest and tax	132,465	136,261	(3%)

¹ Excludes interest income of \$0.5 million from revenue and included in financing costs (2018: \$0.4 million)

² Excludes gain on divestment of leases income of \$1.6 million from AASB 16 *Leases* adjustments and included in Loss on disposal of assets/closure of centres (2018: nil)

³ Includes stamp duty, legal fees, establishment costs and abandoned acquisition costs

⁴ These items will cease to be removed from underlying from CY20 onwards following the repayment of the SGD bonds

⁵ These items have been adjusted for tax

Balance Sheet with notes

Refer 2019 Consolidated Financial Report attached:

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

Statement of Comprehensive Income with notes

Refer 2019 Consolidated Financial Report attached:

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

Income Statement with notes

Refer 2019 Consolidated Financial Report attached:

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

Statement of Cash Flows with notes

Refer 2019 Consolidated Financial Report attached:

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

Dividends

Refer 2019 Consolidated Financial Report attached:

- Note 22 to the financial statements as shown.

Statement of Changes in Equity

Refer 2019 Consolidated Financial Report attached:

- Statements of Changes in Equity

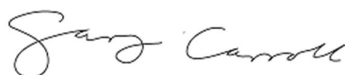
Entities which control has been gained or lost

Refer 2019 Consolidated Financial Report attached:

- Note 24 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.



Gary Carroll

Managing Director

23 February 2020