

APPENDIX 4E

Preliminary final report

1. Company details

Name of entity	Think Childcare Limited
ABN	81 600 793 388
Reporting period	For the year ended 31 December 2018
Previous period	For the year ended 31 December 2017

2. Results for announcement to the market

Key information

	Up/ down	Movement %	2018 \$'000
Revenues from ordinary activities	up	30.2%	85,289
Earnings Before Interest, Tax Depreciation and Amortisation ('EBITDA')	up	4.7%	10,678
Profit from ordinary activities after tax attributable to the owners of Think Childcare Limited	down	14.3%	4,950
Profit for the year attributable to the owners of Think Childcare Limited	down	14.3%	4,950

Dividend information

	Amount per security Cents	Franked amount per security Cents	Tax rate for franking credit
Final dividend for the year ended 31 December 2017 paid on 6 March 2018	6	6	30%
Interim dividend for the year ended 31 December 2018	-	-	-

Final Dividend Information

Amount per ordinary share	6.5 cents
Record date	19 March 2019
Payment date	28 March 2019
Franked amount per share	6.5 cents

Comments

Profit after providing for income tax amounted to \$4,950,000 (31 December 2017:\$5,773,000)

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Underlying earnings before interest, taxation, depreciation and amortisation (underlying EBITDA) was \$10,662,000 (2017: \$9,400,000). This is calculated as follows:

	2018 \$'000	2017 \$'000
Revenue	85,289	65,504
Profit after income tax	4,950	5,773
Add: Income tax expense	2,051	2,648
Add: Depreciation and amortisation	1,642	1,017
Add: Finance cost	2,035	764
Less: Interest income	-	-
EBITDA	10,678	10,202
Non-operating items		
Less: Earn-out consideration liability reversal	(519)	(1,382)
Add: Acquisition and integration expenses	503	580
Underlying EBITDA	10,662	9,400

EBITDA and underlying EBITDA are financial measures which are not prescribed by Australian Accounting Standards ('AAS') and represents the profit/(loss) under AAS adjusted for non-cash and other items. The Directors consider underlying EBITDA to reflect the core earnings of Think Childcare Limited, consistent with internal reporting.

For further details on the results refer to commentary in the attached Chairman's letter and ASX announcement accompanying this report.

3. Net tangible assets

	2018 ¢	2017 ¢
Net tangible assets per ordinary share	(38.65)	(43.16)

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4. Control gained over entities

Refer to notes 30 and 31 to the financial statements in the annual report for details of entities over which control has been gained during the year.

5. Loss of control over entities

Not applicable.

6. Dividend reinvestment plans

The following dividend or distribution plans are in operation:

The company has a Dividend Reinvestment Plan ('DRP'), pursuant to which shareholder participation is optional. Under the DRP, the Board has determined that new shares may be issued at a discount of 5% of the volume weighted average market price for the 10 business days from (and including) 28 February 2019 to 13 March 2019.

7. Details of associates and joint venture entities

Not applicable.

8. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

9. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unqualified opinion has been issued.

Additional information supporting the Appendix 4E disclosure requirements can be found in the Annual Report which contains the Directors' Report and the 31 December 2018 Financial Statements and accompanying notes.

This report is based on the consolidated financial statements for the year ended 31 December 2018 which have been audited by Bentleys NSW Audit Pty Ltd.