



ASX Announcement

ASX Code: NDO

Nido announces on-market share buy-back

27 February 2025

Nido Education Limited (ASX: NDO) (**Nido** or **Company**) has announced the initiation of an on-market share buy-back program valued at up to \$5 million. The program will begin 14 days after this announcement and will last for up to 12 months, depending on prevailing market prices and Nido's capital position. The maximum number of shares proposed for the buy-back program is 22,566,736. Buy-backs of shares will be for cash consideration paid in Australian dollars. The broker handling the buy-back on behalf of Nido is MA Moelis Australia Securities Pty Ltd.

Rationale for the Buy-Back:

The Board considers that Nido's current share price does not accurately reflect the underlying value of the Company's assets, and the significant upside potential value created through Nido's growth prospects.

- **Strong Financial Position:** Nido has a solid balance sheet, is profitable and cash generating.
- **Enhancing Shareholder Value:** By buying-back shares, Nido aims to increase the value for its shareholders, especially as the current share price is considered undervalued.
- **Financial Flexibility:** The buy-back will not restrict the Company's ability to pursue growth opportunities, including acquisitions.

Company Chairman Mark Kerr emphasised, *"Nido remains committed to its strategy of growth through acquisition and organic growth of its existing Services. The buy-back will not inhibit this growth or preclude Nido from continuing to pay dividends."*

Funding the Buy-Back:

The program will be funded using Nido's existing debt facilities and with the cash it generates monthly, while maintaining a strong balance sheet post-buy-back.

Ongoing Assessment:

The Board will continuously assess the buy-back program based on factors such as:

- **Market Conditions:** General market sentiment and trends.
- **Current Share Price:** Monitoring the performance of the share price.
- **Investment Opportunities:** Weighing potential returns from alternative opportunities.
- **Other Considerations:** Evaluating other factors that could affect the program's effectiveness.

Buy-Back Details:

1. **Pricing and Conditions:** Shares will be bought at prices up to 5% above the volume-weighted average price over the five trading days before each purchase.
2. **Buy-Back Limitations:** In line with the Corporations Act, Nido can buy-back without shareholder approval up to 10% of the smallest number, at any time during the last 12 months of its issued shares. As the maximum number of shares that may be bought back is less than this limit, the buy-back does not need shareholder approval.
3. **Notification of Transactions:** The Company will report the number of shares bought back and the average price to the ASX the next business day, with all bought back shares being cancelled.

Flexibility and Rights:

Nido reserves the right to suspend or terminate the buy-back program at any time. The total amount of the buy-back, and the timing of purchases of shares under the buy-back will be subject to the Board's ongoing view on what is the most beneficial to the efficient capital management of Nido. There is no assurance that Nido will acquire any or the maximum number of shares under the buy-back.

In summary

The buy-back initiative aligns with Nido's focus on enhancing shareholder value while not inhibiting the Company's growth. Shareholders are encouraged to monitor the program's progress for potential impacts on valuation.

-Ends-

This ASX announcement was authorised for release by the Board of Nido Education Limited.

Investor & Media enquiries

Mathew Edwards
Managing Director

P: 02 9712 7444

E: ir@nido.edu.au

About Nido

Founded in 2021, Nido Education Limited is a national owner, operator and manager of long day early childhood education and care services, operating under the Nido Early School brand. Visit: www.nidoeducation.edu.au