

ASX Announcement



G8 Education Limited
(ASX:GEM)

3 August 2015

Company Announcements Platform
ASX Limited
20 Bridge Street
Sydney NSW 2000

For immediate release to the market

Unconditional on-market takeover offer by G8 Education Limited for all of the ordinary shares in Affinity Education Limited at \$0.80 cash per share

Canaccord Genuity (Australia) Limited (**Canaccord Genuity**) will on behalf of, G8 Education Limited ACN 123 828 553 (**G8 Education**) (ASX:GEM) pursuant to section 635 *Corporations Act 2001* (Cth) (**Corporations Act**), offer to acquire on-market all fully paid ordinary shares in Affinity Education Group Limited ACN 163 864 195 (**Affinity Education**) (ASX:AFJ) which are listed for quotation on the official list of the Australian Securities Exchange (**ASX**) that exist or will exist at any time during the Offer Period (as defined below) and are not already owned by G8 Education (**Affinity Education Shares**) for \$0.80 cash per Affinity Education Share (**Offer Price**) (**Offer**).

Canaccord Genuity (on behalf of G8 Education) will buy Affinity Education Shares on-market from the date and time of this announcement (before the Offer is open) until close of trading on ASX on 28 September 2015 (unless the Offer is withdrawn or extended in accordance with the Corporations Act), at the Offer Price. Up to a maximum of 185,399,849 Affinity Education Shares (being all of the Affinity Education Shares not already owned by G8 Education) plus any additional Affinity Education Shares which are issued during the relevant period may be purchased.

Terms of the Offer

The Offer is an on-market bid and therefore, unconditional with payment of cash in consideration. The key features of the Offer are:

- it is on-market, unconditional offer of \$0.80 cash per Affinity Education Share;
- Canaccord Genuity will purchase Affinity Education Shares offered to it on market from today, at the Offer Price until the conclusion of the Offer Period; and
- the Offer Period may be extended and the Offer Price may be increased in accordance with the Corporations Act.

Broker

G8 Education has appointed Canaccord Genuity as its agent for the purchase of the Affinity Education Shares on-market.

Offer period

Canaccord Genuity will stand in the market on behalf of G8 Education and accept Affinity Education Shares offered to it at the Offer Price. The Offer will officially be made during the period commencing on 18 August 2015 (being the first trading day after the end of the 14 days after the date of this announcement) and ending on 28 September 2015 (**Offer Period**), unless extended by G8 Education under the Corporations Act, however, Canaccord Genuity will buy Affinity Education Shares from the date and time of this announcement (before the Offer opens).

ASX Announcement

G8 Education Limited (ASX:GEM)

G8 Education reserves the right to withdraw unaccepted Offers in the limited circumstances permitted by, and in accordance with Part 6.7 of the Corporations Act, at any time before the end of the period in which the Offer remains open for acceptance.

Acceptance

As the Offer will be on an on-market offer, accepting shareholders may only accept the Offer on-market through brokers which are members of the ASX.

Variation of the Offer

G8 Education may extend the Offer Period in accordance with the Corporations Act. The Offer Price has been declared final and will not be increased during the Offer Period.

Payment of consideration for Affinity Education Shares

The usual rules for settlement of transactions which occur on-market with ASX will apply in respect of acceptance of the Offer and purchase of Affinity Education Shares. This means that if a holder of Affinity Education Shares accepts the Offer, they will receive the \$0.80 cash consideration for each Affinity Education Share on a T+3 basis (being the third trading day after the date of the transaction) in accordance with ASX Settlement Operating Rules.

Any brokerage charged by the brokers acting for Affinity Education shareholders selling their Affinity Education Shares will be the sole responsibility of those Affinity Education shareholders.

Bidder's statement

In accordance with section 635 Corporations Act, a bidder's statement will be served on Affinity Education and lodged with each of the ASX and the Australian Securities and Investments Commission today. A copy of the bidder's statement will also be sent to Affinity Education Shareholders before commencement of the Offer Period.

Affinity Education Shares

The Affinity Education Shares subject of the Offer are fully paid ordinary shares in the capital of Affinity Education, which are issued on the date of the bidder's Statement and any other Affinity Education Shares that are issued before the end of the Offer Period.

Immediately before making this announcement:

- G8 Education is aware that there are currently 231,451,639 Affinity Education Shares on issue, all of which are quoted on ASX; and
- G8 Education has a relevant interest in 46,051,790 Affinity Education Shares, which represent approximately 19.89% of the current issued capital of Affinity Education.

ENDS