

ASX Announcement

G8 Education Limited
(ASX:GEM)



21 August 2015

Lodgement of second supplementary Bidder's Statement – Cash Offer

In accordance with section 647(1) of the *Corporations Act 2001* (Cth), G8 Education Limited ACN 123 828 553 (**G8 Education**) encloses a copy of its second supplementary bidder's statement dated 21 August 2015 (**Second Supplementary Bidder's Statement**) in relation to G8 Education's on-market bid for all of the ordinary shares in Affinity Education Group Limited ACN 163 864 195 (**Affinity Education**) which it does not already own (**Cash Offer**).

The Second Supplementary Bidder's Statement supplements G8 Education's original bidder's statement in relation to the Cash Offer which was lodged with the Australian Securities and Investments Commission (**ASIC**) on 3 August 2015 as supplemented by the first supplementary bidder's statement lodged and dated 14 August 2015.

The Second Supplementary Bidder's Statement has been lodged with ASIC and has been served on Affinity Education today.

ENDS

Chris Scott

Managing Director



G8 Education^{ltd}

Second Supplementary Bidder's Statement – Cash Offer

Introduction

This document is the second supplementary bidder's statement (**Second Supplementary Bidder's Statement**) to the bidder's statement dated 3 August 2015 as supplemented by the first supplementary bidder's statement dated 14 August 2015 (**Bidder's Statement**) issued by G8 Education Limited ACN 123 828 553 (**G8 Education**) in relation to G8 Education's market bid for all of the ordinary shares in Affinity Education Limited ACN 163 864 195 (**Affinity Education**) (**Cash Offer**).

This Second Supplementary Bidder's Statement is given pursuant to Division 4 of Part 6.5 of the *Corporations Act 2001* (Cth) (**Corporations Act**) in compliance with the requirements of section 643 Corporations Act.

The Second Supplementary Bidder's Statement supplements and is to be read together with the Bidder's Statement. This document prevails in the event of any inconsistency with the Bidder's Statement.

Important notices

A copy of the Second Supplementary Bidder's Statement was lodged with the Australian Securities and Investments Commission (ASIC) on 21 August 2015. Neither ASIC nor any of its officers take any responsibility for the contents of the Second Supplementary Bidder's Statement.

Defined terms

Unless the context otherwise requires, capitalised terms in this Second Supplementary Bidder's Statement have the same meaning given to them in section 11 of the Bidder's Statement. The rules of interpretation set out in section 11.2 of the Bidder's Statement also apply to the Second Supplementary Bidder's Statement, unless the context otherwise requires.

ASIC relief granted to G8 Education

ASIC has granted relief to G8 Education in relation to the Cash Offer and Scrip Offer by way of a declaration set out in ASIC instrument 15-0784 pursuant to section 655A(1)(b) Corporations Act.

In summary, subsection 623(1) Corporations Act prohibits a bidder (or an associate) from providing benefits to persons during a takeover bid that are likely to induce that person to accept an offer under the bid. On the basis that the Scrip Offer is not identical to the Cash Offer, the Cash Offer may amount to the provision of a benefit that is not provided to all persons under the Scrip Offer, and vice-versa in breach of subsection 623(2) Corporations Act. ASIC has granted G8 Education relief from subsection 623(1) Corporations Act to the extent that undertaking the Scrip Offer and the Cash Offer simultaneously involves the provision of a collateral benefit in contravention of subsection 623(1) Corporations Act.

G8 Education has also sought relief from ASIC in relation to Chapter 6A to make it clear that the G8 Education can compulsorily acquire Affinity Education Shares if it meets the relevant thresholds under Chapter 6A under the Scrip Offer or the Cash Offer (or both collectively). ASIC is currently considering G8 Education's relief application.



G8 Education^{ltd}

Approval of the Second Supplementary Bidder's Statement

The Second Supplementary Bidder's Statement has been approved by a unanimous resolution of the directors of G8 Education.

This Second Supplementary Bidder's Statement is dated 21 August 2015, which is the date it was lodged with ASIC.

Jenny Hutson
Chairperson
G8 Education Limited