Kip McGrath Education Centres Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Kip McGrath Education Centres Limited
ABN:	73 003 415 889
Reporting period:	For the year ended 30 June 2026
Previous period:	For the year ended 30 June 2025

2. Results for announcement to the market

				$'000
Revenues from ordinary activities (including interest revenue and discontinued operations)	down	5.7%	to	30,100
Revenue from continuing operations	down	4.3%	to	30,071
Profit after income tax expense from continuing operations	up	2.1%	to	2,336
Profit for the year attributable to the owners of Kip McGrath Education Centres Limited	up	147.5%	to	2,525

Dividends
A final dividend for the year ended 30 June 2025 of 0.5 cents per ordinary share, fully franked, was paid on 25 September 2025. The total distribution was $285,000.

An interim dividend for the year ended 30 June 2026 of 1.0 cents per ordinary share, fully franked, was paid on 26 March 2026. The total distribution was $551,000.

Comments
The profit for the consolidated entity after providing for income tax amounted to $2,525,000 (2025: loss of $5,316,000).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	4.81	2.59

Right-of-use assets have not been treated as intangible assets for the purposes of the net tangible asset calculation.

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividend reinvestment plans

The following dividend or distribution plans are in operation:

The Board approved a Dividend Reinvestment Plan ('DRP') for eligible shareholders commencing with the dividend declared on 22 August 2023 and, unless the Board determines otherwise, will continue for any subsequent dividends. Under the DRP, shareholders may elect to have dividends on some or all of their ordinary shares automatically reinvested in additional Kip McGrath shares.

The DRP booklet is available on https://www.kipmcgrath.com/global/shareholder-information

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7. Details of associates and joint venture entities

Not applicable.

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8. Foreign entities

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

Not applicable.

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9. Audit qualification or review

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

These preliminary financial statements have not been audited.

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10. Attachments

Details of attachments (if any):

The Preliminary Financial Report of Kip McGrath Education Centres Limited for the year ended 30 June 2026 is attached.

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11. Signed

As authorised by the Board of Directors

Signed ___________________________ Date: 10 August 2026

Damian Banks
Chairman
Sydney

Kip McGrath Education Centres Limited

ABN 73 003 415 889

Preliminary Financial Report - 30 June 2026

Contents

Review of Operations

Kip McGrath Education Centres Limited ("the company", "Kip McGrath") has released its financial results for the year ended 30 June 2026.

For 50 years, Kip McGrath's dedicated franchisees have been delivering individually tailored, teacher led, small group lessons to students, helping them build the skills, confidence and capability they need to succeed at school and beyond.

FY26 has been a year dedicated to building the foundation for improved operating performance and more disciplined growth. As a result of the difficult decisions, hard work and targeted investments made over the past 18 months, Kip McGrath is better positioned for the next phase of execution.

Key Areas of Activity

1. Franchise Centre Consolidation
   The company has focused on removing underperforming, low potential centres which were contributing only marginal economic benefits. This has resulted in a net reduction of 20 centres to a total of 433 at year end. Whilst this has resulted in a small temporary drop in revenue, it has allowed staff and resources to focus on higher value centres, leading to a healthier franchise network with improved growth potential.

2. Investment in Core Franchisees

   The company has accelerated its investment in the franchise network, informed in part by feedback from a franchisee survey undertaken earlier in the year. The company has focused on stronger communication and engagement, improved systems and business intelligence and practical tools that help build stronger businesses.

   Alongside these initiatives, there has been continued investment in marketing capabilities and curriculum development.

   Overall, the franchisee network is focused on driving enrolment growth and increased lessons and most importantly, delivering even better outcomes for students.

3. New Executive Team

   The company has actively recruited new senior management personnel over the last twelve months, strengthening executive capability at Kip McGrath.

   Melinda Smith joined as CEO and Managing Director in November 2025, bringing extensive leadership experience across the retail, government and education sectors. Her previous roles include Chief Operating Officer of Goodstart Early Learning, Deputy Commissioner at the Australian Taxation Office and senior leadership positions during a 25-year career with Woolworths. Melinda brings a highly commercial, customer-centric approach and significant experience leading large, complex organisations and driving business growth.

   Adrian Sturrock joined as Chief Financial Officer in December 2025, bringing more than 20 years of finance experience across ASX-listed companies. After commencing his career in the audit division of PwC, he held senior finance roles at Qantas and Blackmores and, most recently, spent four years as CFO of ASX-listed Bod Science.

   Michael Baxter joined as ANZ Country Director in April 2026, bringing substantial experience leading multi-channel consumer businesses across corporate and franchise environments. Previously Vice President, Retail at Optus and Country Manager of Lebara, Michael has a strong track record of driving growth, improving profitability and leading high-performing teams.

   Georgie Hannon joined as Country Director in December 2025, leading operations across the UK, South Africa and MENA. She brings considerable international leadership experience, including senior roles at FTSE 250 organisations Inchcape and Serco Group, with expertise spanning operations, transformation, P&L management, M&A and business integration.

   Jillian Ryan is Head of Strategic Communication and Transformation. Prior to joining Kip McGrath, she led major transformation programs and strategic initiatives across NSW Government agencies, including the Department of Education, Transport for NSW and TAFE NSW. She brings significant experience navigating complex environments and engaging diverse stakeholders to translate strategy into meaningful change.

4. Continued Investment in KipLearn and IT Infrastructure

   KipLearn is the company's proprietary learning management system, developed in-house in response to the COVID-19 pandemic. Its user-friendly platform gives students access to Kip McGrath's proprietary curriculum online, complementing the in-person learning experience. A $0.7m investment in FY26 further enhanced the KipLearn platform, strengthening its position as an important part of the company's student and franchisee offering for the company.

5. Exit from US Operations

   The closure of the US operations, announced in FY25, was completed during FY26. The exit allows the new management team to focus capital and resources on markets where the company has an established operating base and clearer execution priorities.

Clearly Defined Growth Paths

1. Driving Growth in Core Markets

   Through a rigorous strategy-setting process, the company has identified four primary initiatives:
   - Build a scalable new franchisee identification and establishment engine;
   - Strengthen lead conversion and local centre operations;
   - Increase lesson numbers and customer lifetime value; and
   - Improve corporate centre economics.

   Expansion of the centre network across existing core markets is the key strategic priority. The Board considers this an attractive opportunity because it builds on the company's existing brand, curriculum, systems and franchise support capability. The company is investing in a sustainable capability to identify and support new franchisees in new territories, as well as acquiring existing territories from current franchisees who wish to exit.

   This represents a significant long-term growth opportunity immediately available to the company. Continued investment in expanding the network where demand is strongest remains a priority, with capital and management time to be allocated by reference to demand, franchisee capability, capital requirements and expected returns.

   Importantly, the pipeline of existing franchisees seeking additional centres continues to grow. This is a significant source of future performance with a lower risk profile than new to business franchisees. Highly competent franchisees holding multiple territories is an additional development which will further strengthen the business.

2. Driving Growth Beyond Core Markets and Services

   Through the strategy setting process, the company has reviewed a range of growth extension opportunities and will pilot a selected range of initiatives to assess their performance, cost, capital requirements and risk profiles.

   Included in these are:
   - Enhancement of exam preparation programs;
   - Addition of a third subject offering (beyond Maths and English); and
   - Add-on programs - focusing on study and learning skills, and confidence building.

   The company looks forward to updating shareholders on the progress of these growth initiatives.

Financial Year 2026

The company delivered a resilient performance broadly in line with the revised guidance provided to the market on 22 June 2026. Revenue declined modestly and NPAT increased slightly, as fewer lessons and unfavourable exchange rate movements in the UK and NZ businesses were partly offset by price increases.

Full year revenue was $30.1 million, down 4.3% on the prior year (3.1% on a constant currency basis).

Pleasingly, average lesson prices increased by 2.9% despite unfavourable foreign exchange movements and franchise fee income remained stable year on year. Total lesson numbers were 6.2% lower than the previous year and average lessons per centre were down 0.6%. The pace of closures among smaller, retiring and Silver Contract centres slowed considerably during the year, with a net reduction of just four centres in the second half, compared with 16 in the first half.

The company also attracted new investment in the second half, with six new centres opening and seven centre resales and transfers completed. This reflects confidence in the Kip McGrath brand and strengthens the network by bringing new operators into the business.

Disciplined cost management remained a key focus throughout the year, with operating expenses down 5.3% on the prior year, helping offset lower revenue and unfavourable foreign exchange movements. NPAT from continuing operations increased by 2.1% (increased by 7.7% on a constant currency basis).

Net cash flow from operating activities of $6,993,000 increased 2.4% on the prior period, excluding repayment of a loan by a former director, and 12.0% including that repayment. The company retains a strong balance sheet, with a cash balance of $5.6m, no debt and an undrawn facility available.

At 30 June, cash was at $5,562,000, up from $4,871,000 in the prior corresponding period, after fully franked dividends of $836,000, a share buy-back of $2,480,000 (at an average of 56.2c) and continued net investment of $1,193,000 in software, plant and equipment and centres.

The company's franking balance at 30 June was $1,051,690, supporting the continued franking of dividends.

Kip McGrath Education Centres Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	Consolidated 2026 $'000	2025 $'000
Revenue	3	30,071	31,414
Expenses			
Royalties, commissions and other direct expenses		(110)	(225)
Employee benefits expense		(13,292)	(13,818)
Marketing expenses		(2,808)	(2,714)
Administration expenses		(4,520)	(4,859)
Franchise support costs		(1,334)	(1,662)
Depreciation and amortisation expense		(4,183)	(4,657)
Impairment of receivables		(220)	(154)
Loss on sale of assets		(133)	(53)
Net foreign exchange loss		(144)	(108)
Operating profit		3,327	3,164
Interest income		29	116
Interest expense		(199)	(269)
		(170)	(153)
Profit before income tax expense from continuing operations		3,157	3,011
Income tax expense		(821)	(724)
Profit after income tax expense from continuing operations		2,336	2,287
Profit/(loss) after income tax expense from discontinued operations		189	(7,603)
Profit/(loss) after income tax expense for the year attributable to the owners of Kip McGrath Education Centres Limited		2,525	(5,316)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(278)	452
Other comprehensive income for the year, net of tax		(278)	452
Total comprehensive income for the year attributable to the owners of Kip McGrath Education Centres Limited		2,247	(4,864)
Total comprehensive income for the year is attributable to:			
Continuing operations		2,058	2,739
Discontinued operations		189	(7,603)
		2,247	(4,864)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

		Cents	Cents
Earnings per share for profit from continuing operations attributable to the owners of Kip McGrath Education Centres Limited			
Basic earnings per share	10	4.216	4.022
Diluted earnings per share	10	4.181	4.022
Earnings per share for profit/(loss) from discontinued operations attributable to the owners of Kip McGrath Education Centres Limited			
Basic earnings per share	10	0.341	(13.372)
Diluted earnings per share	10	0.338	(13.372)
Earnings per share for profit/(loss) attributable to the owners of Kip McGrath Education Centres Limited			
Basic earnings per share	10	4.557	(9.349)
Diluted earnings per share	10	4.519	(9.349)

Kip McGrath Education Centres Limited
Statement of financial position
As at 30 June 2026

	Note	Consolidated 2026 $'000	Consolidated 2025 $'000
Assets			
Current assets			
Cash and cash equivalents	4	5,562	4,871
Restricted cash		1,337	2,062
Trade and other receivables		955	2,259
Prepayments		772	381
Total current assets		8,626	9,573
Non-current assets			
Trade and other receivables		141	195
Plant and equipment		276	289
Right-of-use assets		1,992	2,680
Intangibles	5	15,133	17,161
Deferred tax asset		573	823
Total non-current assets		18,115	21,148
Total assets		26,741	30,721
Liabilities			
Current liabilities			
Trade and other payables	6	2,566	3,399
Amounts held on behalf of franchisees		1,337	2,062
Contract liabilities		321	255
Lease liabilities		948	1,509
Income tax		527	702
Employee benefits		849	853
Total current liabilities		6,548	8,780
Non-current liabilities			
Contract liabilities		32	85
Lease liabilities		1,224	1,602
Deferred tax liability		1,099	1,489
Employee benefits		178	130
Total non-current liabilities		2,533	3,306
Total liabilities		9,081	12,086
Net assets		17,660	18,635
Equity			
Issued capital	7	15,447	17,927
Reserves	8	101	1,337
Retained profits/(accumulated losses)		2,112	(629)
Total equity		17,660	18,635

The company has deemed that restricted cash balances that are held on behalf of franchisees do not qualify as cash and cash equivalents. These amounts are now separately shown in the above statement of financial position and comparatives have been restated accordingly.

The above statement of financial position should be read in conjunction with the accompanying notes

Kip McGrath Education Centres Limited
Statement of changes in equity
For the year ended 30 June 2026

Consolidated	Issued capital $'000	Reserves $'000	Retained profits $'000	Total equity $'000
Balance at 1 July 2024	17,898	931	4,870	23,699
Loss after income tax expense for the year	-	-	(5,316)	(5,316)
Other comprehensive income for the year, net of tax	-	452	-	452
Total comprehensive income for the year	-	452	(5,316)	(4,864)
Transactions with owners in their capacity as owners:				
Share-based payments	-	55	-	55
Cancellation of options expired	-	(101)	101	-
Dividend reinvestment plan (note 7)	29	-	-	29
Dividends paid	-	-	(284)	(284)
Balance at 30 June 2025	17,927	1,337	(629)	18,635

Consolidated	Issued capital $'000	Reserves $'000	Retained profits $'000	Total equity $'000
Balance at 1 July 2025	17,927	1,337	(629)	18,635
Profit after income tax expense for the year	-	-	2,525	2,525
Other comprehensive income for the year, net of tax	-	(278)	-	(278)
Total comprehensive income for the year	-	(278)	2,525	2,247
Transactions with owners in their capacity as owners:				
Share-based payments	-	94	-	94
Share buy-back (note 7)	(2,480)	-	-	(2,480)
Release of other reserves	-	(754)	754	-
Dividends paid	-	-	(836)	(836)
Cancellation of forfeited performance rights	-	(82)	82	-
Transfer of options reserve	-	(216)	216	-
Balance at 30 June 2026	15,447	101	2,112	17,660

The above statement of changes in equity should be read in conjunction with the accompanying notes

Kip McGrath Education Centres Limited
Statement of cash flows
For the year ended 30 June 2026

	Note	Consolidated 2026 $'000	Consolidated 2025 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		32,875	33,809
Payments to suppliers and employees (inclusive of GST)		(25,334)	(26,718)
		7,541	7,091
Repayment of loan by former director		600	-
Interest received		29	116
Interest and other finance costs paid		(199)	(289)
Income taxes paid		(978)	(674)
Net cash from operating activities		6,993	6,244
Cash flows from investing activities			
Payments for property, plant and equipment		(175)	(333)
Payments for intangibles	5	(1,097)	(1,628)
Net cash used in investing activities		(1,272)	(1,961)
Cash flows from financing activities			
Repayment of leases		(1,520)	(1,131)
Payments for share buy-backs		(2,480)	-
Dividends paid		(836)	(255)
Repayment of borrowings		-	(1,381)
Net cash used in financing activities		(4,836)	(2,767)
Net increase in cash and cash equivalents		885	1,516
Cash and cash equivalents at the beginning of the financial year		4,871	3,239
Effects of exchange rate changes on cash and cash equivalents		(194)	116
Cash and cash equivalents at the end of the financial year	4	5,562	4,871

The company has deemed that restricted cash balances that are held on behalf of franchisees do not qualify as cash and cash equivalents. The above statement of cash flows has been prepared on this basis and comparatives have been restated accordingly.

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Kip McGrath Education Centres Limited as a consolidated entity consisting of Kip McGrath Education Centres Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Kip McGrath Education Centres Limited's functional and presentation currency.

Kip McGrath Education Centres Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 2.02, Level 2
31 Market Street
Sydney, NSW 2000

Note 2. Operating segments

Identification of reportable operating segments
The consolidated entity has only one operating segment based on the internal reports that are reviewed and used by the Chief Executive Officer and the Board of Directors (collectively referred to as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. The operating segment information is disclosed throughout these financial statements.

The information reported to the CODM is on at least a monthly basis.

Major customers
The consolidated entity does not have any major customers that contribute more than 10% of revenue (2025: none).

Geographical information

	Sales to external customers		Geographical non-current assets	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Continuing operations:				
Australasia	15,024	15,413	15,305	17,823
United Kingdom and Europe	14,325	15,158	2,237	2,502
Overseas other	647	740	-	-
	29,996	31,311	17,542	20,325
Discontinued operations:				
United States and North America	-	374	-	-

The geographical non-current assets above are exclusive of deferred tax assets.

Note 3. Revenue

	Consolidated 2026 $'000	2025 $'000
Revenue from contracts with customers		
Franchise fees	18,069	18,396
Sale of franchisee centres	147	337
National advertising contributions ('NAC')	1,903	2,029
Direct sales	155	282
Student lessons	9,722	10,267
	29,996	31,311
Other revenue		
Other revenue	75	103
Revenue	30,071	31,414

Note 4. Cash and cash equivalents

	Consolidated 2026 $'000	2025 $'000
Current assets		
Cash at bank	5,562	4,871

Note 5. Intangibles

	Consolidated 2026 $'000	2025 $'000
Non-current assets		
Goodwill - at cost	4,241	4,241
Less: Impairment	(4,241)	(4,241)
	-	-
Intellectual property - at cost	4,012	4,012
Product and overseas development costs	24,495	23,527
Less: Accumulated amortisation	(20,080)	(17,492)
	4,415	6,035
Franchise and development territories	7,157	7,472
Less: Accumulated amortisation	(451)	(358)
	6,706	7,114
	15,133	17,161

Note 5. Intangibles (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Goodwill $'000	Intellectual property $'000	Product and overseas development costs $'000	Franchise and development territories $'000	Total $'000
Balance at 1 July 2024	4,241	4,012	8,126	6,933	23,312
Additions	-	-	1,324	304	1,628
Disposals	-	-	-	(194)	(194)
Exchange differences	-	-	-	164	164
Impairment of assets	(4,241)	-	(398)	-	(4,639)
Amortisation expense	-	-	(3,017)	(93)	(3,110)
Balance at 30 June 2025	-	4,012	6,035	7,114	17,161
Additions	-	-	1,070	27	1,097
Disposals	-	-	-	(121)	(121)
Exchange differences	-	-	1	(221)	(220)
Amortisation expense	-	-	(2,691)	(93)	(2,784)
Balance at 30 June 2026	-	4,012	4,415	6,706	15,133

Note 6. Trade and other payables

	Consolidated 2026 $'000	Consolidated 2025 $'000
Current liabilities		
Trade payables	1,213	1,125
GST and other similar payables	345	344
Other payables and accruals	1,008	1,930
	2,566	3,399

Note 7. Issued capital

	Consolidated 2026 Shares	Consolidated 2025 Shares	Consolidated 2026 $'000	Consolidated 2025 $'000
Ordinary shares - fully paid	52,490,809	56,907,188	15,447	17,927

Note 7. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance	1 July 2024	56,842,517		17,898
Dividend reinvestment plan	27 March 2025	64,671	$0.450	29
Balance	30 June 2025	56,907,188		17,927
Cessation of securities on share buy-back *	28 October 2025	(861,973)	$0.589	(508)
Cessation of securities on share buy-back *	18 December 2025	(293,271)	$0.562	(165)
Cessation of securities on share buy-back *	31 December 2025	(315,826)	$0.597	(188)
Cessation of securities on share buy-back *	10 March 2026	(270,673)	$0.569	(154)
Cessation of securities on share buy-back *	25 May 2026	(2,400,349)	$0.558	(1,340)
Cessation of securities on share buy-back *	29 June 2026	(274,287)	$0.457	(125)
Balance	30 June 2026	52,490,809		15,447

* The share buy-back occurred over multiple days. The amounts shown above are as per announcements made to the ASX.

Ordinary shares
Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the company be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back
The company has announced an intention to undertake an on-market share buy-back of up to a maximum of 5,690,718 shares representing 10% of its ordinary shares on issue. As at 30 June 2026, the company purchased 4,416,379 shares (7.76% of ordinary shares on issue) for a total amount of $2,480,000.

Note 8. Reserves

	Consolidated	
	2026 $'000	2025 $'000
Foreign currency reserve	25	303
Share-based payments reserve	76	280
Other reserves	-	754
	101	1,337

Foreign currency reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise profits and losses on hedges of the net investments in foreign operations.

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Note 8. Reserves (continued)

Other reserves
This reserve is used to recognise the increments and decrements on changes in equity of the parent on acquisition of non-controlling interests.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency $'000	Share-based payments $'000	Other $'000	Total $'000
Balance at 1 July 2024	(149)	326	754	931
Foreign currency translation	452	-	-	452
Share-based payments	-	55	-	55
Cancellation of options expired	-	(101)	-	(101)
Balance at 30 June 2025	303	280	754	1,337
Transfer of options reserve	-	(216)	-	(216)
Foreign currency translation	(278)	-	-	(278)
Share-based payments	-	94	-	94
Release of other reserves	-	-	(754)	(754)
Cancellation of forfeited performance rights	-	(82)	-	(82)
Balance at 30 June 2026	25	76	-	101

Note 9. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in :

Name	Principal place of business / Country of incorporation	Ownership interest 2026 %	Ownership interest 2025 %
Kip McGrath Education Australia Pty Ltd	Australia	100%	100%
Kip McGrath Global Pty Limited	United Kingdom/Australia	100%	100%
Kip McGrath Direct Pty Ltd	Australia	100%	100%
Kip McGrath Education United Kingdom Ltd	United Kingdom	100%	100%
Kip McGrath Education New Zealand Limited	New Zealand	100%	100%
Tutorfly Holdings, Inc.	United States of America	100%	100%
Kip McGrath Education, Inc.	United States of America	100%	100%

Note 10. Earnings per share

	Consolidated 2026 $'000	Consolidated 2025 $'000
Earnings per share for profit from continuing operations		
Profit after income tax attributable to the owners of Kip McGrath Education Centres Limited	2,336	2,287

Note 10. Earnings per share (continued)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	55,412,351	56,859,526
Adjustments for calculation of diluted earnings per share:		
Performance rights	458,895	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	55,871,246	56,859,526

	Cents	Cents
Basic earnings per share	4.216	4.022
Diluted earnings per share	4.181	4.022

	Consolidated 2026 $'000	Consolidated 2025 $'000
Earnings per share for profit/(loss) from discontinued operations		
Profit/(loss) after income tax attributable to the owners of Kip McGrath Education Centres Limited	189	(7,603)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	55,412,351	56,859,526
Adjustments for calculation of diluted earnings per share:		
Performance rights	458,895	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	55,871,246	56,859,526

	Cents	Cents
Basic earnings per share	0.341	(13.372)
Diluted earnings per share	0.338	(13.372)

	Consolidated 2026 $'000	Consolidated 2025 $'000
Earnings per share for profit/(loss)		
Profit/(loss) after income tax attributable to the owners of Kip McGrath Education Centres Limited	2,525	(5,316)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	55,412,351	56,859,526
Adjustments for calculation of diluted earnings per share:		
Performance rights	458,895	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	55,871,246	56,859,526

	Cents	Cents
Basic earnings per share	4.557	(9.349)
Diluted earnings per share	4.519	(9.349)

In the previous financial year ended 30 June 2025, 240,000 performance rights over ordinary shares were not included in the calculation of diluted earnings per share because they were antidilutive for the year.

Note 11. Events after the reporting period

On 30 July 2026, the company received a bidder’s statement from Crimson Consulting Australia Pty Ltd, a wholly-owned subsidiary of Crimson Consulting Limited, in relation to an unsolicited off-market takeover bid for all ordinary shares in the company at $0.73 cash per share. The Board is considering the offer and will provide its recommendation to shareholders in the target’s statement. Shareholders should take no action in relation to the offer until they receive the target’s statement.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.