ASX Announcement

G8 Education Limited
(ASX:GEM)

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25 August 2026

The Manager
Market Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir / Madam

In accordance with ASX Listing Rule 4.2A, I enclose the 2026 Interim Financial Report (including the Appendix 4D) for the half year ended 30 June 2026 for G8 Education Limited.

A briefing will be held at 9.00am on Tuesday, 25 August 2026. Participants can register for this briefing as follows:

Registration for the briefing:

Navigate to https://s1.c-conf.com/diamondpass/10055656-k6re6e.html

Please note that registered participants will receive their dial in number upon registration.

Access to the webcast

The webcast can be viewed on the day by navigating to:

https://ccmediaframe.com/?id=3wECPEXZ

Yours sincerely

Josie King
Company Secretary

Authorised for release by G8 Education Limited's Board of Directors.

For further information, contact:

Investors	Media
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G8 Education[ltd]

Appendix 4D

Name of Entity:	G8 Education Ltd
ABN:	95 123 828 553
Current Financial Period Ended:	Half-Year ended 30 June 2026
Previous Corresponding Reporting Period	Half-Year ended 30 June 2025

Results for Announcement to the Market

	Percentage change Up or Down	%		$'000
Revenue from ordinary activities	Down	11.1%	to	413,605
(Loss)/Profit from ordinary activities after tax attributable to members	Down	272.2%	to	(38,750)
(Loss)/Profit for the period attributable to members	Down	272.2%	to	(38,750)

	June 2026	June 2025
Net Tangible Assets (Liabilities) per Security	**(43) Cents**	(35) Cents

Dividends	**Amount per Security**	**Franked amount per security**
Final 2025 Dividend	Nil	n/a
Interim 2026 Dividend	Nil	n/a
Details of any dividend reinvestment plan in operation	G8 Education Limited's dividend reinvestment plan has been suspended	

Brief explanation of any figures reported above necessary to enable the figures to be understood

Refer to attached interim financial report

Compliance Statement

This report is based on the interim financial report that has been reviewed by our external auditors.

Pejman Okhovat
Managing Director
25 August 2026

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G8 Education ltd

G8 Education Limited ABN: 95 123 828 553

2026 INTERIM FINANCIAL REPORT

About G8 Education

OPERATING CENTRES AND CENTRE TEAM MEMBERS

350 OPERATING CENTRES[1]

With more than 29,000 children enrolled

Total centres by brand

Bambinos	7
Buggles	7
Casa Bambini	4
Community Kids	67
Creative Garden	15
Early Learning Services	26
First Grammar	22
Great Beginnings	44
Greenwood	11
Headstart	13
Jellybeans	7
Kinder Haven	8
Kindy Patch Kids	26
Kool Kids	5
NurtureOne	18
Pelican Childcare	8
Pelicans	3
Penguin Childcare	3
Sandcastles	2
The Learning Sanctuary	13
World of Learning	41

1. Excludes centres which have had their operations suspended.

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Contents

Directors' Report

The Directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of G8 Education Limited (G8 Education, the Group, or G8) and the entities it controlled at the end of, or during, the half-year ended 30 June 2026.

Directors

The following persons were Directors of G8 Education during the whole of the period and up to the date of this report unless otherwise stated:

- Debra Singh (Chair)
- Pejman Okhovat (Managing Director)
- Professor Julie Cogin
- Stephen Heath
- Toni Thornton[1]
- Peter Trimble
- Margaret Zabel

Principal activities

The principal continuing activity of the Group during the half-year was the operation of early childhood education and care centres owned by the Group.

Review of operations

The Group reported a Net Loss After Tax of $38.8 million for the half-year ended 30 June 2026, representing a 272.2% decrease compared to the prior comparative period (pcp), primarily due to the recognition of $47.1 million of net impairment expense (impairment expense for the half-year ended 30 June 2026 was impacted by the suspension of operations of 40 centres). Excluding impairment expense and other post-tax net non-trading items (totalling $45.5 million), the Group had an Operating Profit After Tax[2] of $6.7 million which was a 73.7% decrease on the pcp (2025: $25.5 million).

Total revenue for the half-year ended 30 June 2026 was 11.1% lower vs the pcp as a result of lower occupancy and childcare centre suspensions. Occupancy for the half-year ended 30 June 2026 was 57.0%, a decline of 7.5% compared to the pcp, with occupancy continuing to be impacted by sustained cost of living pressures, reduced demand and also due to the aforementioned suspension of 40 centres. When excluding centres which were suspended during the half-year ended 30 June 2026, occupancy was 59.7% a decline of 7.7% compared to the pcp on a like-for-like basis.

[1]Full name Antonia Thornton

[2]Operating Net Profit After Tax (NPAT) is considered a non-IFRS measure. Operating NPAT for the half-year ended 30 June 2026 is calculated as the reported Net Loss After Tax ($38.8 million) and adding back post-tax non-trading net expense items totalling $45.5 million.

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Directors' Report *(continued)*

In response to these conditions, on 29 April 2026 the Group announced the following initiatives to be delivered in the year ending 31 December 2026:

- Network optimisation – suspension of operation of approximately 40 centres;
- Procurement and cost saving initiatives, which do not impact safety, compliance or the capacity of our centre-based team to deliver high quality education and care; and
- The re-organisation / realignment of G8 Education's Support Office structure and reduction in its cost base.

The Group maintained a conservative balance sheet and during the half-year ended 30 June 2026 the Group extended the maturity of the first $100.0 million tranche of its revolving debt facilities from December 2027 to January 2029. The extension further strengthens the Group's funding profile by extending the weighted average maturity of its debt facilities while maintaining flexibility under existing arrangements.

The Investor Presentation for the half-year ended 30 June 2026, released 25 August 2026, outlines further detail on the Group's performance.

Matters subsequent to the end of the half-year

Refer note 17 of the Financial Statements.

Significant changes in the state of affairs

On 29 April 2026 the Group announced an initiative to suspend the operation of approximately 40 challenged and underperforming centres during the year ending 31 December 2026. Forty centres were suspended in the half-year ended 30 June 2026 in relation to this initiative. There have been no other significant changes in the state of affairs of the Group during the half-year ended 30 June 2026.

Rounding amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' reports) Instrument 2016/191, relating to the "rounding off" of amounts in the financial reports. In certain instances, amounts in the financial statements have been rounded off in accordance with that Instrument to the nearest thousand dollars, or in certain cases, the nearest tenth of a million dollars.

Audit

Ernst & Young were appointed as auditor on 25 May 2016 and continue in office in accordance with section 237 of the *Corporations Act 2001*.

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

This report is made in accordance with a resolution of Directors.

Pejman Okhovat
Managing Director
25 August 2026

Ernst & Young
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Auditor's independence declaration to the directors of G8 Education Limited

As lead auditor for the review of the half-year financial report of G8 Education Limited for the half-year ended 30 June 2026, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;

b. No contraventions of any applicable code of professional conduct in relation to the review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of G8 Education Limited and the entities it controlled during the financial period.

Ernst + Young

Ernst & Young

Sally-Anne Jamieson
Partner
25 August 2026

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Consolidated Income Statement

For the half-year ended 30 June 2026

		Consolidated	
		Half-year 2026 $'000	Half-year 2025 $'000
Continuing operations			
Revenue	2	409,038	464,613
Other income	3(a)	4,567	806
Total revenue		**413,605**	**465,419**
Expenses			
Employment costs		(266,768)	(285,311)
Property, utilities and maintenance costs		(26,770)	(24,873)
Direct costs		(11,768)	(13,830)
Software development expenses		(3,250)	(2,220)
Depreciation and amortisation	5,6,7	(48,704)	(53,339)
Net Impairment expense	5,6	(47,083)	(5,744)
Other expenses	3(b)	(37,806)	(20,796)
Finance costs	3(c)	(26,399)	(26,984)
Total expenses		**(468,548)**	**(433,097)**
(Loss) / profit before income tax		**(54,943)**	**32,322**
Income tax benefit / (expense)		16,193	(9,814)
(Loss) / profit for the half-year attributable to members of the parent entity		**(38,750)**	**22,508**
		Cents	Cents
Basic earnings per share		(5.12)	2.87
Diluted earnings per share		(5.12)	2.86

The above Consolidated Income Statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

For the half-year ended 30 June 2026

	Consolidated	
	Half-year 2026 $'000	Half-year 2025 $'000
(Loss) / profit for the half-year	**(38,750)**	**22,508**
Total comprehensive (expense) / income for the half-year	**(38,750)**	**22,508**

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

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Consolidated Balance Sheet

As at 30 June 2026

	Notes	Consolidated 30 June 2026 $'000	Consolidated 31 December 2025 $'000
Assets			
Current assets			
Cash and cash equivalents		36,389	38,086
Trade and other receivables		18,482	11,873
Government funding receivables		6,980	6,629
Other current assets		12,912	15,953
Current tax asset		7,242	-
Total current assets		**82,005**	**72,541**
Non-current assets			
Property, plant and equipment	5	142,748	150,636
Right of use assets	6(a)	435,344	513,855
Deferred tax assets		108,905	103,576
Intangible assets	7	699,142	699,518
Other non-current assets		2,141	2,663
Total non-current assets		**1,388,280**	**1,470,248**
Total assets		**1,470,285**	**1,542,789**
Liabilities			
Current liabilities			
Trade and other payables		81,702	79,586
Contract liabilities		7,701	6,654
Government funding liabilities		14,692	14,594
Current tax liability		-	2,243
Borrowings	9	4,604	-
Lease liabilities	6(b)	73,035	70,154
Provisions	10	75,544	77,125
Total current liabilities		**257,278**	**250,356**
Non-current liabilities			
Borrowings	9	160,000	155,000
Lease liabilities	6(b)	540,235	593,925
Provisions	10	26,349	17,828
Total non-current liabilities		**726,584**	**766,753**
Total liabilities		**983,862**	**1,017,109**
Net assets		**486,423**	**525,680**
Equity			
Contributed equity	11	836,190	836,816
Reserves		119,692	116,207
Retained losses		(469,459)	(427,343)
Total equity		**486,423**	**525,680**

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the half-year ended 30 June 2026

Consolidated	Notes	Contributed Equity $'000	Share Based Payment Reserve $'000	Profits Reserve $'000	Retained Earnings $'000	Total $'000
Balance 1 January 2025		879,410	2,741	137,286	(103,124)	916,313
Profit / (loss) for the half-year		-	-	22,942	(434)	22,508
Total comprehensive income / (loss) for the half-year		**-**	**-**	**22,942**	**(434)**	**22,508**
Transactions with owners in their capacity as owners						
Buy back of equity, including transaction costs and net of tax	11	(31,673)	-	-	-	(31,673)
Purchase of treasury shares	11	(1,775)	-	-	-	(1,775)
Issue of treasury shares to employees	11	1,780	(1,780)	-	-	-
Share based payment expense		-	276	-	-	276
Dividends provided for or paid	12	-	-	(27,597)	-	(27,597)
Total		**(31,668)**	**(1,504)**	**(27,597)**	**-**	**(60,769)**
Balance 30 June 2025		847,742	1,237	132,631	(103,558)	878,052
Balance 1 January 2026		836,816	1,035	115,172	(427,343)	525,680
Profit / (loss) for the half-year		-	-	3,366	(42,116)	(38,750)
Total comprehensive income / (loss) for the half-year		**-**	**-**	**3,366**	**(42,116)**	**(38,750)**
Transactions with owners in their capacity as owners						
Buy back of equity, including transaction costs and net of tax	11	(626)	-	-	-	(626)
Share based payment expense		-	119	-	-	119
Total		**(626)**	**119**	**-**	**-**	**(507)**
Balance 30 June 2026		836,190	1,154	118,538	(469,459)	486,423

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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Consolidated Statement of Cash Flows

For the half-year ended 30 June 2026

	Notes	Consolidated Half-year 2026 $'000	Consolidated Half-year 2025 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		402,738	471,963
Payments to suppliers and employees (inclusive of GST)		(332,284)	(340,134)
Interest received	3(a)	1,275	680
Interest paid (non-leases)		(3,269)	(3,965)
Interest paid (leases)		(20,379)	(22,226)
Income taxes received / (paid)		1,380	(20,955)
Net cash inflows from operating activities		**49,461**	**85,363**
Cash flows from investing activities			
Payments for purchase of intangible assets	7	(323)	(273)
Payments for divestments and surrender fees		(516)	(9,586)
Payments for property plant and equipment		(24,105)	(15,861)
Net cash outflows from investing activities		**(24,944)**	**(25,720)**
Cash flows from financing activities			
Dividends paid	12	-	(27,597)
Principal elements of lease payments		(35,071)	(33,834)
Buy back of equity (including transaction costs)	11(b)	(626)	(31,673)
Payments for purchase of treasury shares	11(b)	-	(1,775)
Net proceeds / (repayment) from current borrowings	9	4,604	(612)
Proceeds from non-current borrowings	9	5,000	40,000
Repayment of non-current borrowings		-	(14,000)
Borrowing costs paid		(121)	-
Net cash outflows from financing activities		**(26,214)**	**(69,491)**
Net decrease in cash and cash equivalents		**(1,697)**	**(9,848)**
Cash and cash equivalents at the beginning of the half-year		38,086	47,679
Cash and cash equivalents at the end of the half-year		**36,389**	**37,831**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

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Index to Notes to the Financial Statements

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Note 1: Principal accounting policies

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements are for the consolidated entity consisting of G8 Education Limited and its subsidiaries.

(a) Basis of preparation

This consolidated interim financial report for the half-year reporting period ended 30 June 2026 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with IAS 134 *Interim Financial Reporting*.

This consolidated interim financial report does not include all notes of the type normally included in an annual financial report. Accordingly, it is to be read in conjunction with the annual report for the year ended 31 December 2025 and any public announcements made by G8 Education Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX listing rules.

In certain instances in the notes to the interim financial report, the comparative information has been reclassified to allow for ease of comparison to the current half-year reporting period.

(b) Going concern basis of accounting

The Group recognised a Net Loss After Tax of $38.8 million for the half-year ended 30 June 2026 which includes a non-cash net impairment expense of $47.1 million (Net Profit After Tax for the half-year ended 30 June 2025: $22.5 million). Current liabilities exceed current assets by $175.3 million as at 30 June 2026 (31 December 2025: $177.8 million). Cashflows from operating activities were $49.5 million for the half-year ended 30 June 2026 (2025: $85.4 million).

In addition to its cash reserves and as detailed in note 9, the Group has undrawn debt facilities of $40.0 million as at 30 June 2026 (31 December 2025: $45.0 million). The Group's drawn and undrawn debt is subject to financial and other operational covenants. The Group has complied with its financial and operational covenants during the reporting period. The Group's forecasts indicate it will continue to satisfy the financial and operational covenants for a period of at least 12 months from the date of issuing the financial statements.

The Group expects the cash reserves and undrawn debt facilities, together with the forecast cash flow generation from operations will allow the Group to fulfil the Group's obligations and meet its debts for the 12 months from the date of this report. On this basis, the Directors have concluded that there are reasonable grounds to believe that preparing the accounts on a going concern basis is appropriate.

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Note 2: Revenue

	Half-year ended 30 June	
	2026	2025
Consolidated	**$'000**	**$'000**
From continuing operations		
Sales revenue		
Revenue from childcare centres	397,645	451,903
Funding relating to childcare operations	11,393	12,710
	409,038	**464,613**

(a) Description of segments

The Executive Team (the Chief Operating Decision Maker) considers the business as one Group of services, and regularly reviews operating results as a portfolio, to assist with making decisions about the allocation of resources. The Executive Team has therefore identified one operating segment, being the operation of childcare services. All revenue in this report relates to the single operating segment in Australia and the segment disclosure has not altered from the last Annual Report.

(b) Seasonality

The childcare sector is normally seasonal as a large group of children leave childcare to commence school and then revenue increases with new enrolments as the calendar year progresses. As such, historically, the second half of the year contributes more than half of the annual reported revenue and profit.

Note 3: Result for the Half-Year

(a) Other Income

	Half-year ended 30 June	
	2026	2025
Consolidated	**$'000**	**$'000**
Other Income		
Interest	1,275	680
Gain on lease modifications	3,205	57
Insurance proceeds	87	69
Total other income	**4,567**	**806**

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Note 3: Result for the Half-Year *(continued)*

(b) Non-trading items

Profit for the half-year includes the following items that are unusual because of their nature, size or incidence.

Consolidated	Half-year ended 30 June 2026 $'000	Half-year ended 30 June 2025 $'000
Non-trading income		
Gain on lease modifications	3,205	57
Net restructuring, regulatory and legal costs recovery[1]	-	5,372
Total non-trading income	**3,205**	**5,429**
Non-trading expenses		
Loss on sale of centres and disposal of assets / centres	(474)	(750)
Net restructuring, regulatory and legal costs recovery[1]	(16,657)	-
Loss on surrender / termination of leases	(348)	(1,075)
Interest expense on lease liabilities on suspended centres	(380)	-
Software development expenses	(3,250)	(2,220)
Impairment expense (notes 5 and 6)	(47,083)	(5,744)
Total non-trading expenses	**(68,192)**	**(9,789)**
Net non-trading items	**(64,987)**	**(4,360)**
Income tax benefit	19,496	1,308
Net non-trading items after tax	**(45,491)**	**(3,052)**

[1]Included in 'other expenses' in the consolidated income statement.

(c) Finance expenses

Consolidated	Half-year ended 30 June 2026 $'000	Half-year ended 30 June 2025 $'000
Interest expense on lease liabilities and make good provision[1]	20,650	22,761
Interest expense	5,621	4,097
Borrowing costs expense	128	126
Total finance expenses	**26,399**	**26,984**

[1]Includes Interest expense on lease liabilities on suspended centres of $0.4 million (2025: nil).

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Note 4: Divestments and network optimisation

(a) Suspension of operations

On 29 April 2026 the Group announced an initiative to suspend the operation of approximately 40 challenged and underperforming centres during the year ending 31 December 2026. Forty centres were suspended in the half-year ended 30 June 2026 in relation to this initiative. Of the 40 suspended centres, three of the centres had their leases surrendered or they expired before 30 June 2026 and one centre was divested before 30 June 2026. In relation to the remaining 36 suspended centres, longer-terms options for these centres are being considered, including lease surrender, divestment or other alternatives.

As a result of this decision, the Group recognised a loss after tax of $36.7 million which relates to the recognition of an onerous contracts provision, impairment expense and restructuring costs. A summary is provided as follows:

Consolidated	Half-year ended 30 June 2026 $'000
Onerous contracts provision[1]	11,371
Restructuring costs[1]	2,937
Impairment expense	38,176
Total loss before income tax	52,484
Income tax benefit on loss	(15,745)
Total loss after income tax	**36,739**

[1]Included in 'other expenses' in the consolidated income statements and reflected within 'Net restructuring, regulatory and legal costs recovery' in note 3(b).

(b) Network optimisation

During the half-year ended 30 June 2026 the Group:

- Completed the sale of two centres;
- Closed and merged one outside school hours care centre with an existing long day care centre; and
- Five leases were surrendered or expired (three relating to centres that had their operation suspended per note 4 (a)).

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Note 5: Non-Current Assets – Property, Plant and Equipment

	Half-year ended 30 June 2026			
Consolidated	Land and buildings $'000	Leasehold improvements $'000	Furniture, fittings and equipment $'000	Total $'000
Opening net book amount	9,390	108,573	32,673	150,636
Additions	-	19,695	2,080	21,775
Disposals[1]	-	(1,464)	(184)	(1,648)
Depreciation charge	(91)	(10,731)	(4,993)	(15,815)
Impairment expense	-	(9,828)	(2,372)	(12,200)
Closing net book amount	**9,299**	**106,245**	**27,204**	**142,748**
At 30 June 2026				
Cost	10,962	219,544	102,599	333,105
Accumulated depreciation and impairment	(1,663)	(113,299)	(75,395)	(190,357)
Net book amount	**9,299**	**106,245**	**27,204**	**142,748**

[1]During the half-year, the Group disposed of property, plant and equipment of $1.6 million which had a cost of $15.6 million and accumulated depreciation and impairment of $14.0 million.

Impairment of property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and impairment.

Property, plant and equipment (including leasehold improvements) are tested for impairment as part of the cash generating units (CGU) to which they relate, usually a childcare centre.

At each balance date the Group reviews whether indicators of impairment exist. During the current period the Group assessed that indicators for impairment did exist for certain CGUs, to which property, plant and equipment related. If such indication exists, the Group estimates the asset's or CGU's recoverable amount, being the higher of fair value less cost of disposal or value-in-use. The value-in-use calculations are based on cashflow projections which are a function of each of the following key assumptions: occupancy, wages and other centre expenses.

As a result of this review, the Group identified indicators of potential impairment for CGUs to which property, plant and equipment relate and tested the recoverable amounts of these CGUs. A property, plant and equipment impairment expense of $12.2 million was recognised in the half-year ended 30 June 2026 (30 June 2025: $1.6 million). The impairment expense for the half-year was impacted by the suspension of operations of 40 centres, refer note 4(a).

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Note 6: Right of Use Assets and Lease Liabilities

Set out below are the carrying amounts and movements during the period:

(a) Right of use assets

	Half-year ended 30 June 2026		
Consolidated	Leased property $'000	Leased vehicle $'000	Total $'000
Opening net book amount	513,282	573	513,855
Remeasurements	(9,187)	14	(9,173)
Disposals[1]	(1,801)	(140)	(1,941)
Depreciation charge	(32,359)	(155)	(32,514)
Net impairment expense	(34,883)	-	(34,883)
Closing net book amount	**435,052**	**292**	**435,344**
Cost	963,837	798	964,635
Accumulated depreciation and impairment	(528,785)	(506)	(529,291)
As at 30 June 2026	**435,052**	**292**	**435,344**

[1]During the half-year, the Group disposed of right of use assets of $1.9 million which had a cost of $12.3 million and accumulated depreciation and impairment of $10.4 million.

(b) Lease liabilities

Consolidated	30 June 2026 $'000	31 December 2025 $'000
Current lease liabilities	73,035	70,154
Non-current lease liabilities	540,235	593,925
Total lease liabilities	**613,270**	**664,079**

Consolidated	Half-year ended 30 June 2026 $'000
Opening net book amount	664,079
Disposals	(3,055)
Interest expense: accretion of interest	20,402
Payments	(55,450)
Remeasurements	(12,706)
Closing net book amount as at 30 June 2026	**613,270**

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Note 6: Right of Use Assets and Lease Liabilities *(continued)*

(c) Impairment of right of use assets

Right of use assets are tested for impairment as part of the CGU to which they relate, usually a childcare centre. Net impairment expense for right of use assets totalled $34.9 million during the half-year ended 30 June 2026 (30 June 2025: $4.2 million impairment expense).

Right of use assets impairment losses

At each balance date, the Group assesses for indicators of impairment. During the current period the Group assessed that indicators for impairment did exist for certain CGUs, to which right of use assets related. If such indication exists, the Group estimates the asset's or CGU's recoverable amount, being the higher of fair value less cost of disposal or value-in-use. The value-in-use calculations are based on cashflow projections which are a function of each of the following key assumptions: occupancy, wages and other centre expenses. A right of use asset impairment expense of $35.9 million was recognised in the half-year ended 30 June 2026 (30 June 2025: $4.2 million). The impairment expense for the half-year was impacted by the suspension of operations of 40 centres, refer note 4(a).

Reversal of right of use assets impairment losses

In addition, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount, being the higher of fair value less cost of disposal or value-in-use.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. During the half-year ended 30 June 2026, the Group had the following change in assumption for certain CGUs: indications that the performance of certain CGUs is, or will be, better than expected.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

The assessment resulted in the reversal of right of use assets impairment losses of $1.0 million during the half-year ended 30 June 2026 (30 June 2025: Nil).

(d) Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases, to lease the assets for additional terms. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that effects its ability to exercise (or not to exercise) the option to renew.

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Note 7: Non-current assets - Intangibles

	Half-year ended 30 June 2026		
Consolidated	**Goodwill $'000**	**Software $'000**	**Total $'000**
Opening net book amount	697,054	2,464	699,518
Additions	-	323	323
Disposals	-	(324)	(324)
Amortisation	-	(375)	(375)
Closing net book amount	**697,054**	**2,088**	**699,142**
Cost	1,196,686	4,854	1,201,540
Accumulated amortisation and impairment	(499,632)	(2,766)	(502,398)
As at 30 June 2026	**697,054**	**2,088**	**699,142**

(a) Impairment test for goodwill

Goodwill and software are monitored and tested for impairment on an operating segment level. The recoverable amount of the childcare centre assets is determined based on a value-in-use calculation. This calculation uses cash flow projections based on forecasts for the remainder of 2026 and then extrapolated using estimated growth rates. The growth rate does not exceed the long-term average growth rate for the business. For the purposes of intangible assets impairment testing, the recoverable amount is compared to the carrying amount of the assets of the Group, which aside from goodwill, also includes the fixed and right of use assets of the childcare centres and working capital.

(b) Impairment

Management assessed asset balances for impairment and concluded no impairment was required. Management updated all of the key assumptions in the value-in-use calculation for current conditions and determined that no goodwill impairment was required relating to the half-year ended 30 June 2026.

The Group's value-in-use calculation is based on cash flow projections which are a function of each of the following key assumptions: occupancy, childcare fees, centre expenses and capital expenditure. The Group has made assumptions about broader economic conditions (e.g. the current cost of living, inflation and the unemployment rate).

Future occupancy levels reflected in the cash flow projections take into account:

- Lower occupancy levels in the 2025 year and in the half-year ended 30 June 2026 when compared to occupancy levels in 2021-2024;
- Ongoing strain on affordability for our families;
- Continued declining birth rates over the past 5 years;
- Confidence and trust in sector has been impacted by recent negative events and media coverage; and
- Supply increasing and female workforce participation decreasing impacting demand.

Occupancy levels over the longer term broadly assume a return to 2025 occupancy levels by 2030. These projections are below Management's strategic targets, but given sector conditions remain challenging and the Group currently has limited certainty around long-term occupancy levels, these levels were considered appropriate for the purposes of the cash flow projections used for goodwill impairment testing purposes.

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Note 7: Non-current assets – Intangibles *(continued)*

Childcare fees are based on the current market conditions plus anticipated annual increases which are below the limits set by the Federal Government as part of the funded ECEC Worker Retention Payment grant. The Group has also made assumptions around centre wages and childcare fees for the period beyond the Federal Government funded ECEC Worker Retention Payment grant – current grant period expires on 30 June 2028. In particular, in modelling cash flows it is assumed the ECEC Worker Retention Payment grant continues to fund wages at 15% above the national award rate over the forecast period (which is recognised as a credit to employment costs to offset costs as they are incurred), such that there is no net cash flow impact to the Group. To the extent that the ECEC Worker Retention Payment grant does not continue beyond 30 June 2028 – the value-in-use calculation would be updated to assume increases in childcare fees or decreases in centre wages or a combination of both which would achieve the similar net outcome in the forecast period.

Centre expenses include the following key items:

- Centre wages – based on historical wages as a percentage of fee revenue, known modern award increases set by the Fair Work Commission and taking into account future expected wage rises and occupancy levels;
- Centre property expenses – based on current payments and increased by a forecast annual growth percentage; and
- Other childcare expenses – driven by historical expenditure and future occupancy levels. The Group has considered the impact of inflation and cost of living pressures.

Sensitivity

The Group has completed a sensitivity analysis on its Group impairment model. The calculation of value in use is most sensitive to the following input assumptions:

- Discount rate
- Occupancy % (resulting in a net movement in revenue and costs)
- Terminal growth rate
- Annual fee increase %

Key changes to inputs that would result in no head room are:

- An increase of approximately 0.7% in the pre-tax discount rate;
- A decrease of approximately 0.5% in the terminal growth rate; or
- A decrease of approximately 4% in forecast EBITDA in the 2030 year driven by a decrease in average occupancy, partially offset by a reduction in wages expense.

Note 8: Contractual Commitments

Contractual maturities of financial liabilities

Consolidated	0 to 6 months	6 to 12 months	1 to 2 years	2 to 5 years	>5 years	Total contractual cash flows	Carrying amount
	30 June 2026 $'000						
Non derivative							
Debt facilities	5,490	5,400	10,920	169,709	-	191,519	160,000
Other unsecured borrowings	4,028	672	-	-	-	4,700	4,604
Trade and other payables[1]	58,046	-	-	-	-	58,046	58,046
Lease liabilities	55,498	54,850	106,554	287,503	290,891	795,296	613,270

Consolidated	0 to 6 months	6 to 12 months	1 to 2 years	2 to 5 years	>5 years	Total contractual cash flows	Carrying amount
	31 December 2025 $'000						
Non derivative							
Debt facilities	4,494	4,132	107,825	60,774	-	177,225	155,000
Trade and other payables[1]	55,780	-	-	-	-	55,780	55,780
Lease liabilities	55,195	55,520	108,882	302,345	339,728	861,670	664,079

[1]Excludes employee related payables

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Note 9: Current and Non-Current Liabilities - Borrowings

	Half-year ended 30 June 2026		
Consolidated	**Current[1] $'000**	**Non-current $'000**	**Total $'000**
At 31 December 2025			
Total unsecured borrowings	-	-	-
Total secured borrowings	-	155,000	155,000
Total borrowings	**-**	**155,000**	**155,000**
Half-year ended 30 June 2026			
Opening net book amount	-	155,000	155,000
Drawings	6,509	5,000	11,509
Repayments	(1,905)	-	(1,905)
Total borrowings	**4,604**	**160,000**	**164,604**
At 30 June 2026			
Total unsecured borrowings[1]	4,604	-	4,604
Total secured borrowings	-	160,000	160,000
Total borrowings	**4,604**	**160,000**	**164,604**

[1]Current 'Other unsecured borrowings' relates to annual insurance premium funding

(a) Debt facilities

As at 30 June 2026, the Group has a club debt facility with total facility limits (including the Group's $40.0 million bank guarantee facility) of $240.0 million. At 31 December 2025 the club debt facility had $200.0 million in revolving facilities - $100.0 million with an expiry in December 2027 and $100.0 million with an expiry in December 2029. During the half-year ended 30 June 2026, the Group extended the maturity of the first $100.0 million tranche of the revolving facility from December 2027 to January 2029. The maturity date of the other $100.0 million tranche of the revolving debt facility and $40.0 million bank guarantee facility remains unchanged at December 2029.

The facility incurs interest at a rate of BBSY plus a margin based on the Group's leverage ratio.

Under the terms of the club debt facility the Group is required to comply with three financial ratios at the end of each annual and interim reporting period: net leverage ratio, fixed charge cover ratio and gearing ratio. The Group is also required to comply with certain operational covenants. The Group has complied with its financial and operational covenants during the reporting period. As part of extending the maturity of the first $100.0 million tranche of the revolving facility, the Group's fixed charge cover ratio financial covenant was reduced up to and including the 31 December 2027 testing point. The Group's forecasts indicate it will continue to satisfy the financial and operational covenants for a period of at least 12 months from the date of issuing the financial statements.

The Group had $160.0 million drawn from the $200.0 million revolving facilities as at 30 June 2026 (31 December 2025: $155.0 million).

Consolidated	**30 June 2026 $'000**	**31 December 2025 $'000**
Club debt facility		
Total facility	200,000	200,000
Used at balance date	(160,000)	(155,000)
Unused at balance date	**40,000**	**45,000**

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Note 10: Current and Non-Current Liabilities - Provisions

Consolidated	30 June 2026 $'000	31 December 2025 $'000
Current provisions		
Employee benefits	51,484	55,514
Make good	531	111
Onerous contracts (note 4(a))	2,029	-
Regulatory, legal and other provisions (note (a))	21,500	21,500
Total current	**75,544**	**77,125**
Non-current provisions		
Employee benefits	4,674	5,174
Make good	12,646	12,654
Onerous contracts (note 4(a))	9,029	-
Total non-current	**26,349**	**17,828**

(a) Regulatory, legal and other provisions

There are outstanding regulatory issues and legal actions between the Company and other parties relating to a number of historical issues including litigation in the normal course of business.

Employee Payments Remediation Program

Regulatory, legal and other provisions includes the Employee Payments Remediation Program. During 2020, as part of implementing a new Human Resources Information System ("HRIS") and rostering system, the Group conducted a review of award and legislative requirements. This review identified inadvertent non-compliance with some requirements of the Children's Services Award and the Educational Services (Teachers) Award for a number of the Group's team members in Australia.

Payments have been made to current and former team members amounting to $42.3 million to date. Payments have also been made in regards to payroll tax and legal fees.

The Fair Work Ombudsman (FWO) commenced proceedings against G8 Education on 29 June 2026 alleging that G8 has committed 28 contraventions of section 45 of the Fair Work Act 2009 (Cth) (FW Act) by failing to comply with certain provisions of the Children's Services Award 2010. In the proceedings, the FWO is seeking orders for pecuniary penalties, as well as orders to pay additional underpayments calculated by the FWO and compensation for alleged contraventions related to individual flexible work agreements (together with superannuation and interest).

In addition, there remained at reporting date approximately $1.5 million of wages, super and interest payable to former G8 employees who have been unable to be located. G8 Education expects this issue to be resolved through the current proceedings on foot with the FWO.

Legal matters

Regulatory, legal and other provisions also includes legal claims. Provisions for legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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Note 10: Current and Non-Current Liabilities – Provisions *(continued)*

Former employee – Creative Garden Early Learning Point Cook

The Company is aware that a former G8 Education employee has been charged with offences involving children. These allegations are shocking and extremely distressing. G8 Education has no tolerance for any behaviour that compromises the safety or wellbeing of children.

The individual involved in this matter was employed by G8 Education between 28 October 2021 and 2 February 2024. During this time, he primarily worked at the Creative Garden Early Learning Point Cook centre. The charges against him relate to alleged offences committed at this centre.

Aligned with G8 Education's commitment to child safety and protection, during the former employee's employment, all required employment and background checks, including Working with Children Checks, were current in accordance with legal and regulatory requirements.

The individual is currently in police custody. Whilst G8 Education is cooperating fully with Victoria Police, the Victorian Government and other relevant authorities as part of the ongoing investigation, the outcomes are uncertain at this time.

Note 11: Contributed Equity

(a) Share capital

	30 June 2026		31 December 2025	
Consolidated	**No. of Shares**	**$'000**	**No. of Shares**	**$'000**
Ordinary shares fully paid	**756,618,193**	**836,190**	757,526,162	836,816

(b) Movements in ordinary share capital

	Half-year ended 30 June 2026		Half-year ended 30 June 2025	
Consolidated	**No. of Shares '000**	**$'000**	**No. of Shares '000**	**$'000**
Opening balance 1 January	757,526	836,816	795,947	879,410
Share buyback, including transaction costs net of tax[1]	(908)	(626)	(24,388)	(31,673)
Purchase of treasury shares	-	-	(1,382)	(1,775)
Issue of treasury shares to employees	-	-	1,382	1,780
30 June balance	**756,618**	**836,190**	**771,559**	**847,742**

[1] During the reported period, the Group suspended a share buy-back program (that was originally announced in August 2025). Over the period of this share buy-back program between September 2025 and January 2026 there were a total of 14.9 million shares repurchased for $11.5 million (including transaction costs).

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Note 12: Dividends

On 10 February 2026 it was announced that the Board determined that no final dividend would be paid in respect of the year ended 31 December 2025. Dividends paid during the comparative period were as follows:

	Half-year ended 30 June 2025	
	CPS	Total dividend $'000
Financial year 2025		
2024 final fully franked dividend (paid in cash on 3 April 2025)	3.5	27,597
Franked dividend paid during the half-year ended 30 June 2025		**27,597**

Note 13: Commitments

Capital commitments

There is no capital expenditure unconditionally contracted for at the reporting date but not recognised as a liability.

Note 14: Contingent Liability

(a) Former employee – Creative Garden Early Learning Point Cook

The Company is aware that a former G8 Education employee has been charged with offences involving children at the Creative Garden Early Learning Point Cook centre (refer note 10(a)). These allegations are shocking and extremely distressing. G8 Education has no tolerance for any behaviour that compromises the safety or wellbeing of children.

The individual involved in this matter was employed by G8 Education between 28 October 2021 and 2 February 2024. Whilst he primarily worked at the Creative Garden Early Learning Point Cook centre, he also worked for brief periods at four additional G8 Education centres during his employment with G8 Education. The Group is not aware of any charges relating to alleged offending at those centres but the police investigation remains ongoing.

Aligned with G8 Education's commitment to child safety and protection, during the former employee's employment, all required employment and background checks, including Working with Children Checks, were current in accordance with legal and regulatory requirements.

The individual is currently in police custody. Whilst G8 Education is cooperating fully with Victoria Police, the Victorian Government and other relevant authorities as part of the ongoing investigation, the outcomes are uncertain at this time.

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Note 15: Related Party Transactions

(a) Parent entity

The parent entity within the Group is G8 Education Limited.

(b) Key management personnel

Related party transactions are consistent with 31 December 2025. No material related party transactions occurred during the half-year ended 30 June 2026.

Note 16: Changes in Accounting Policies

(a) New and amended accounting standards adopted by the Group

The accounting policies adopted in the preparation of the interim consolidated financial report are consistent with those followed in the preparation of the Group's annual report for the year ended 31 December 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

A number of amended standards became applicable for the current reporting period. The group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

(b) Impact of accounting standards issued but not yet applied by the entity

Certain amendments to accounting standards have been published that are not mandatory for 30 June 2026 reporting periods and have not been early adopted by the Group.

AASB 18 *Presentation and Disclosure in Financial Statements* (effective for annual periods beginning on or after 1 January 2027)

AASB 18 will replace AASB 101 *Presentation of Financial Statements*, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though AASB 18 will not impact the recognition or measurement of items in the financial statements, there will be impacts on presentation and disclosure.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of AASB 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the income statement into the new categories may impact how operating profit is calculated and reported.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the balance sheet, the Group will disaggregate goodwill and present it separately in the balance sheet.
- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles.

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Note 16: Changes in Accounting Policies *(continued)*

- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.
- The Group expects to provide additional information relating to Management-Defined-Performance Measures.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the half-year ending 30 June 2026 and the financial year ending 31 December 2026 will be restated in accordance with AASB 18.

No other amendments are expected to have a material impact on the entity's operations or financial statements.

Note 17: Events Occurring After the Balance Sheet Date

The following material matters have taken place after the balance sheet date:

- On 31 July 2026, the Group completed the surrender of one childcare centre, which had its operation suspended per note 4(a).
- On 1 August 2026, the lease expired for one childcare centre, which had its operation suspended per note 4(a).
- On 24 August 2026, the Board determined that no interim dividend will be paid in respect of the half-year ended 30 June 2026.

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Directors' Declaration

In the Directors' opinion:

(a) the financial statements and notes set out on pages 7 to 27 are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standard *AASB 134 Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

  (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the half-year ended on that date.

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

Pejman Okhovat
Managing Director

25 August 2026

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Independent auditor's review report to the members of G8 Education Limited

Conclusion

We have reviewed the accompanying half-year financial report of G8 Education Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated balance sheet as at 30 June 2026, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2026 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (*including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2026 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst + Young

Ernst & Young

Sally-Anne Jamieson
Partner
Brisbane
25 August 2026

Corporate Directory

Directors

D Singh, Chair
P Okhovat, Managing Director and Chief Executive Officer
Prof J Cogin, Non-Executive Director
S Heath, Non-Executive Director
A Thornton, Non-Executive Director
P Trimble, Non-Executive Director
M Zabel, Non-Executive Director

Company Secretary

J King

Principal registered business office in Australia

G8 Education Limited is a Company limited by shares, incorporated, and domiciled in Australia. Its registered office and principal place of business is:

159 Varsity Parade, Varsity Lakes
Telephone: 07 5581 5300
Facsimile: 07 5581 5311
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Share registry

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Brisbane QLD 4000

Auditor

Ernst & Young
111 Eagle Street
Brisbane QLD 4001

Lawyers

Allens Linklaters Lawyers
Level 26, 480 Queen Street
Brisbane QLD 4000

Securities exchange listing

G8 Education Limited shares are listed on the Australian Securities Exchange under the ticker code GEM.

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