Kip McGrath Education Centres
Level 2, 31 Market Street,
Sydney NSW 2000, Australia
1800 717 501
www.kipmcgrath.com.au

WAIVER FROM ASX LISTING RULE 6.23.2

29 October 2026

Kip McGrath Education Centres Limited (ASX: KME) (**KME**) announces that ASX has granted KME a waiver from ASX Listing Rule 6.23.2 (**ASX Waiver**) in relation to the proposed cancellation for consideration of 381,819 unquoted performance rights issued under the Kip McGrath Employee Share Option Plan (**Performance Rights**).

As previously announced, Crimson Consulting Australia Pty Ltd (**Crimson Australia**), a wholly owned subsidiary of Crimson Consulting Limited, has made an off-market takeover bid for all of the ordinary shares in KME (**Takeover Bid**). The Takeover Bid was declared unconditional on 12 October 2026 and Crimson Australia's voting power in KME exceeded 75% on 15 October 2026.

Under clause 5.1(d) of the bid process deed between KME and Crimson Australia dated 12 October 2026 (**Bid Process Deed**), KME must use reasonable endeavours to enter into agreements with the holders of the Performance Rights to cancel all of their Performance Rights. Cash consideration of $0.69 per Performance Right will be payable for the number of Performance Rights determined by reference to pro rata vesting up to 12 October 2026. Total payments are capped at $170,000 unless Crimson Australia agrees otherwise in writing. The proposed cancellation terms and calculation methodology were disclosed in KME's Supplementary Target's Statement dated 12 October 2026.

KME sought the ASX Waiver to permit the Performance Rights to be cancelled on the terms disclosed in the Supplementary Target's Statement without shareholder approval under ASX Listing Rule 6.23.2.

Nature and effect of the ASX Waiver

The ASX Waiver permits KME to cancel the Performance Rights for consideration without obtaining shareholder approval under ASX Listing Rule 6.23.2. Any cancellation remains subject to KME entering into binding cancellation agreements with the relevant holders in accordance with the Bid Process Deed.

Conditions of the ASX Waiver

The ASX Waiver is subject to the following conditions:

- the Takeover Bid being declared unconditional;
- full details of the cancellation and the consideration payable being set out to ASX's satisfaction in a supplementary target's statement for the Takeover Bid;
- Crimson Australia gives notice of compulsory acquisition pursuant to section 661B of the Corporations Act 2001 (Cth) to all relevant holders of securities in KME; and
- the ASX Waiver is disclosed to the market in the form of this announcement.

This announcement has been authorised for release by the KME Board