

# ASX Announcement

G8 Education Limited  
(ASX:GEM)



29 April 2026

## TRADING UPDATE – OCCUPANCY AND COST ACTIONS

G8 Education Limited (ASX:GEM) today announced a program of proactive initiatives to respond to ongoing macro, cost of living and socio-economic challenges affecting the early childhood education and care (ECEC) sector.

The ECEC sector is experiencing unprecedented change and uncertainty, driven by a combination of socio and macro-economic factors, including evolving family demand and lower birth rates and changing operating conditions.

Occupancy across the ECEC sector is lower compared to 2024 and 2025 due to families experiencing sustained affordability pressures, falling birth rates, increased long-day care supply and confidence being impacted by serious child safety incidents.

At the same time, ECEC operators are dealing with increased costs incurred due to inflationary pressures across the economy, persistent workforce challenges, changing regulation and compliance requirements, and a more complex operating environment.

CEO and Managing Director Pejman Okhovat said, “in this environment, G8 Education’s focus remains firmly on safety, high quality education and care, disciplined execution, as well as efficient and effective management of the areas within its control”.

“While the operating environment means G8 Education does not expect a material recovery in occupancy relative to pcp this year, we will continue to review and adjust the operating model and cost base of the Group where appropriate,” Mr Okhovat said.

Current occupancy as at 24 April 2026 is:

- Spot occupancy: 56.4%, down 7.0% versus pcp
- Year-to-date occupancy: 56.1%, down 7.9% versus pcp

“In response, G8 Education has proactively assessed its network to ensure we remain sustainable, resilient and well positioned to continue delivering safe, high quality early education and care over the long term. We have carefully considered where our resources can be most effectively allocated to support quality early education and care outcomes.”

As a result of G8 Education’s assessment, the following initiatives are planned to be delivered in FY26:

- Suspension of the operation of approximately 40 centres. Our network optimisation framework identifies challenged and underperforming centres, and these have been exacerbated by the current macro conditions. G8 Education’s immediate focus remains on supporting families to transition to one of its nearby centres and redeploying team members, where possible. G8 Education will then consider longer term options for those centres including lease surrender, divestment or other alternative.
- 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.
- Implementation of a re-organisation of G8 Education’s Support Office structure and reduction in its cost base.

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Our focus remains firmly on strong execution and efficient and effective management of the areas we can control, with current initiatives centred on safety, high quality education and care, team capability, driving occupancy and managing costs.

A further update on trading and the progress and impact of these initiatives will be provided at G8 Education's half-year results announcement in August.

**Ends**

For further information, contact:

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*This document has been authorised for release by the G8 Education Limited Board.*