

ASX Announcement

Mayfield Childcare Limited (ASX:MFD)

26 May 2023

Acquisition of Childcare Centres

Mayfield Childcare Limited (the “Company”, “Mayfield”) is pleased to announce that it has completed the acquisition of two high-performing childcare centres, enabling the Company to strategically consolidate its position within key areas of operation:

- **Sandringham, VIC** – the Sandringham acquisition complements Mayfield’s existing centre in Cheltenham and strengthens the Company’s Bayside operations. The centre comprises 60 approved places, with 86% occupancy as at the week beginning 15 May 2023.
- **Home Hill, QLD** – the Home Hill acquisition expands Mayfield’s operations south of Townsville and complements existing centres in Wulguru and Cannonvale. The centre comprises 80 approved places, with 78% occupancy as at the week beginning 15 May 2023.

The acquisition is funded from existing debt facilities, with a total purchase price of \$2.4m and is expected to generate \$485k EBITDA in CY23. The purchase price represents a multiple of 5.0x CY23.

Chief Executive Officer, Ashok Naveinthiran commented: “The Company is pleased to have negotiated an all-cash transaction for two high-performing centres, on terms comparable to market and consistent with our strategy to purchase centres within existing regional clusters”.

The Company purchased the centres from Genius Learning, a strategic partner which has a pipeline of greenfield and developing childcare centres across Australia. The Company has an existing Incubator Agreement (IA) with Genius Learning and has purchased the Sandringham and Home Hill centres for cash consideration rather than the issuance of scrip so as to reduce the dilution impact on existing shareholders.

Mayfield now own and operate a total of 38 centres across Queensland, Victoria and South Australia. The Company continues to pursue the acquisition of high-performing centres in areas which complement its existing footprint and enable further scale and operational benefits at a regional level.

The ASX announcement has been approved for release by the Board of Directors of Mayfield Childcare Limited.

For further information, please contact:

Ashok Naveinthiran

Chief Executive Officer

anavein@mayfieldchildcare.com.au

Andrew Angus

Investor Relations

andrewangus@overlandadvisers.com.au

