

ASX Announcement

Mayfield Childcare Limited (ASX:MFD)

16 April 2024

Letter to Shareholders – General Meeting

Mayfield Childcare Limited (the “Company”, “Mayfield”) releases the attached letter from the Board of Directors to shareholders regarding the recently held General Meeting.

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

For further information, please contact:

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Dear Shareholders,

The Board would like to thank everyone that participated in the recent General Meeting and voted on the resolutions put forth.

Clearly the results indicate that there is work to do to engage all shareholders in the strategy and direction of the Company. The Board takes this responsibility seriously and will over the next few weeks reach out to shareholders to engage with them around any concerns and seek to align shareholders behind a common purpose and strategy.

We thought it would be useful as we commence that process to set out the core themes of the Board's approach.

Growth and Scale

We believe that the Company needs to grow to achieve an optimal scale of operations for a listed childcare operator, and that through growth the Company will be able to drive operational efficiencies and maximise returns for shareholders.

The Company needs pathways to enhance the timing and scale of that growth. We maintain an Incubator Agreement with Genius Learning which sets out requirements for an agreed Development Plan and acquisitions based on performance metrics and requirements of the Company supports this. As previously announced, we have commenced a renegotiation of the Incubator Agreement to make it more fit for purpose and to address lessons learned to date. We acknowledge that some shareholders require more confidence and transparency about the incubator arrangement, and we commit to engaging with shareholders to ensure that this is a commercial arrangement first and foremost that continues to be in the best interests of the Company.

We are not constrained to the Incubator Agreement for acquisition opportunities, and we continue to engage with brokers and industry participants to seek appropriate growth opportunities. We have engaged Canaccord Genuity to assist us with this process and will communicate with shareholders as this work progresses.

Operational Excellence

Our capacity to identify, integrate and manage centres at scale has significantly improved. We believe that the work completed in 2023 has established a critical capability and platform to support our growth targets. Improved financial control and operational management have been a key focus, leading to streamlined processes and better cost efficiency. We are committed to further enhancing these areas, ensuring robust management practices that support our growth and align with shareholder expectations.



Governance and Risk Management

We continue to work to improve the governance of the company. We look to add expertise and experience to the Board against a skills matrix of requirements for a Company of the scale and scope of Mayfield. We are also advancing our risk management framework to better identify, assess, and mitigate potential risks, ensuring that our governance structures robustly support our strategic objectives and shareholder interests.

We value your continued engagement and support as we strive to achieve our shared goals and to enhance value for all shareholders. Should you have any questions or wish to share feedback, please do not hesitate to contact us.

Sincerely,

David Niall
Non-Executive Chairman

Roseanne Healy
Non-Executive Director

Ashok Naveinthiran
Managing Director

