Mayfield Childcare Limited FY25 Full Year Result

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Investor Presentation
March 2026

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Agenda

- Result Overview
- Financial Performance
- Strategy Update
- Outlook

Executive Summary

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FY25 focused on stabilising the business, rebuilding centre-level margins and strengthening the operational foundations required to support sustainable growth.

- **Stabilised trading performance -** Through disciplined cost control and labour management, reinforcing a focus on controlling the controllables.
- **Rebuilding Centre-Level Margins -** Improved centre-level margin focus, driving accountability around occupancy, wage efficiency, innovation and growth.
- **Strengthened capability -** To win and retain customers, enhancing enrolment processes, family engagement and service quality.

- Delivered clearer **Group brand positioning**, establishing a more consistent and differentiated market identity.
- Established and refined core **processes and operating methodology**, improving governance, reporting and execution discipline.
- Implemented structured action plans for **Performance Improvement Centres**, targeting occupancy recovery and margin restoration.
- Invested in targeted **FY26 initiatives** to enhance core childcare dynamics, including enrolment conversion, workforce stability and operational efficiency.

Key Metrics FY25

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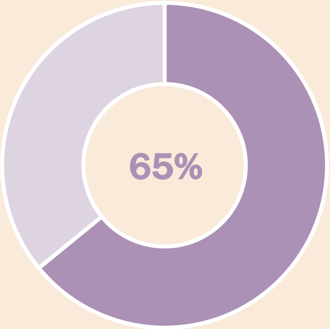
NPS 81

Q3FY25 - NPS 65

1,020

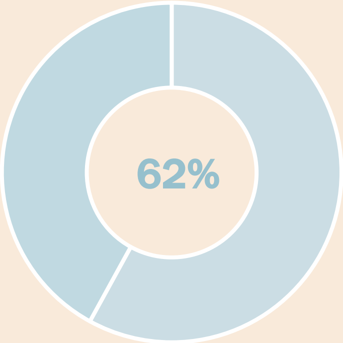
Total Centre Staff
(Q3 25 – 1029)



65% [1]

December Spot Occupancy
(Q3 FY25 – 64.1%)

[1] Spot Occupancy excludes centres previously marked for divestment in comparative period FY24 and Precious Cargo centres



62%

Wage To Revenue
(FY24 – 62%)

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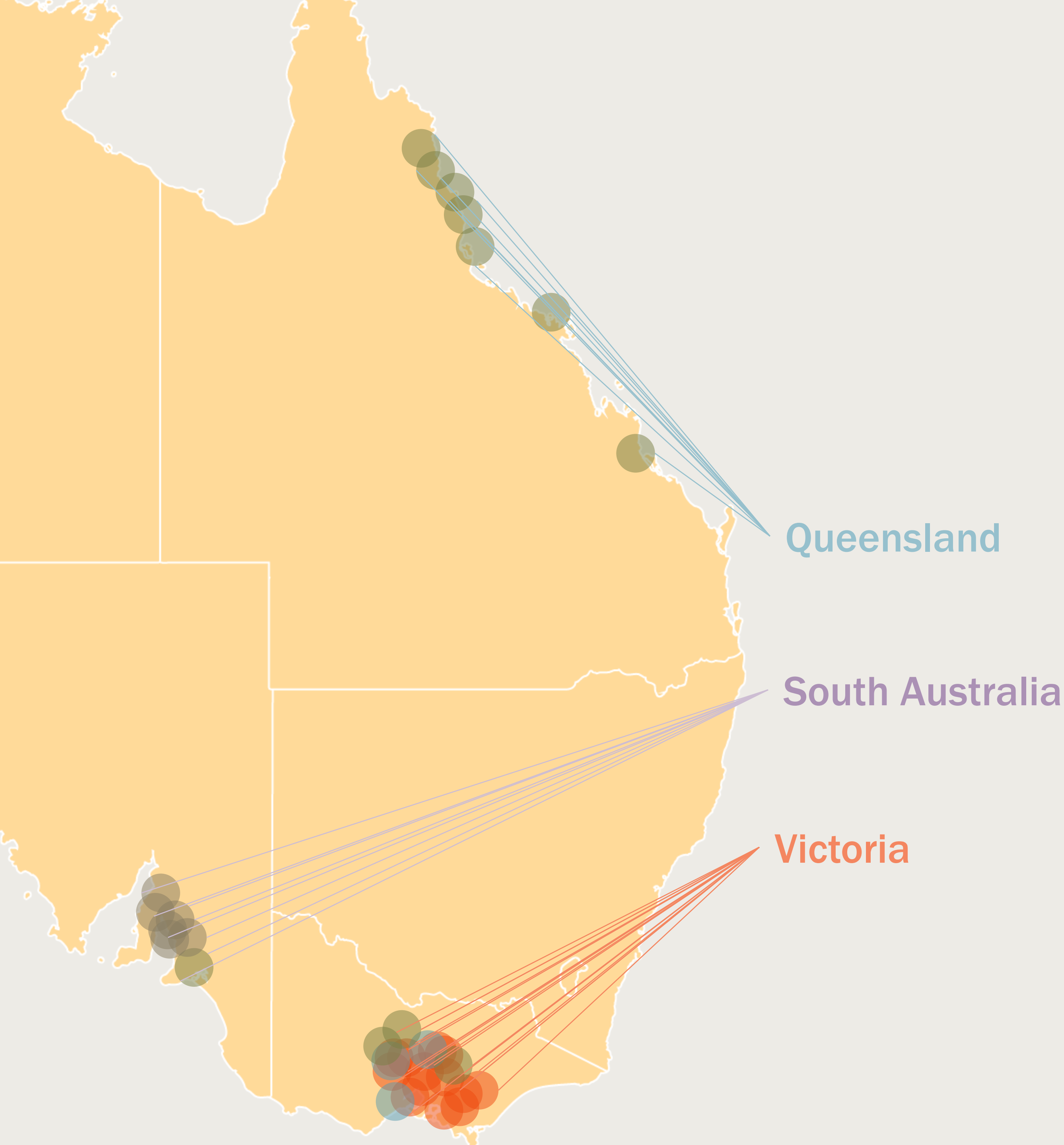
Portfolio



Ryan Road CHILDCARE & SWIM SCHOOL

RAINBOW Developmental Learning Centre

Macedon Early Learning Centre

BALNARRING Early Learning Centre

Waverley Kidz Children's Centre

TULLAMARINE Early Learning Centre

Lyrebird Early Learning Centre

Officer CHILDCARE CENTRE

PARADISE KIDS CHILDREN'S CENTRE

Clever Kids Early Learning Centre

Pebble patch Early Learning Centre

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01 Result Overview

Key Metrics

FY25 Overview

Underlying Centre EBITDA FY25

Normalised EBITDA

Occupancy FY25

FY 25 Overview

MAYFIELD GROUP

- Childcare revenue growth of $4.3M (4.9%) to $91.4 million.
- Underlying Centre EBITDA declined by $2.3M versus FY24 (-20%), with margin reducing from 14% to 10%, reflecting a challenged occupancy position Q1/Q2 FY25 and integration challenges from acquisitions.
- OPEX reduced to $5.8M (FY24: $6.0M), demonstrating tighter cost management and focus on controllable expenditure in 2H25.

EVENTS

- Embark Education (ASX: EVO) became a substantial holder in Mayfield on 27 October 2025.
- Embark Education's intention to make a takeover bid for Mayfield announced on 7 November 2025.
- Embark Education original Bidders Statement provided to market in December 2025. The replacement Bidder's Statement provided to the market in January 2026.
- Mayfield Target Statement provided to the market in January 2026.
- On 26 February 2026, Embark gave Mayfield notice under section 630(3) of the Corporations Act regarding the status of defeating conditions of the offer. Embark notified that all defeating conditions have been fulfilled or waived (except for the quotation condition, which cannot be waived and is not a defeating condition).
- On 27 February 2026, Embark released a Form 604, advising that its voting power in Mayfield is 23.35%.

FY 25 Underlying

	Group FY 25
	$M
Childcare Services Revenue	**91.4**
Other Income	**0.1**
Revenue & Other Income	**$91.6**
Labour Costs	**(57.2)**
Agency Costs	**(0.3)**
Centre Operating Costs	**(5.8)**
Rent and Outgoings	**(16.1)**
Other Facilities Costs	**(2.5)**
Head office staff & Corporate Overheads	**(7.3)**
Underlying EBITDA	**2.3**

Underlying Centre EBITDA

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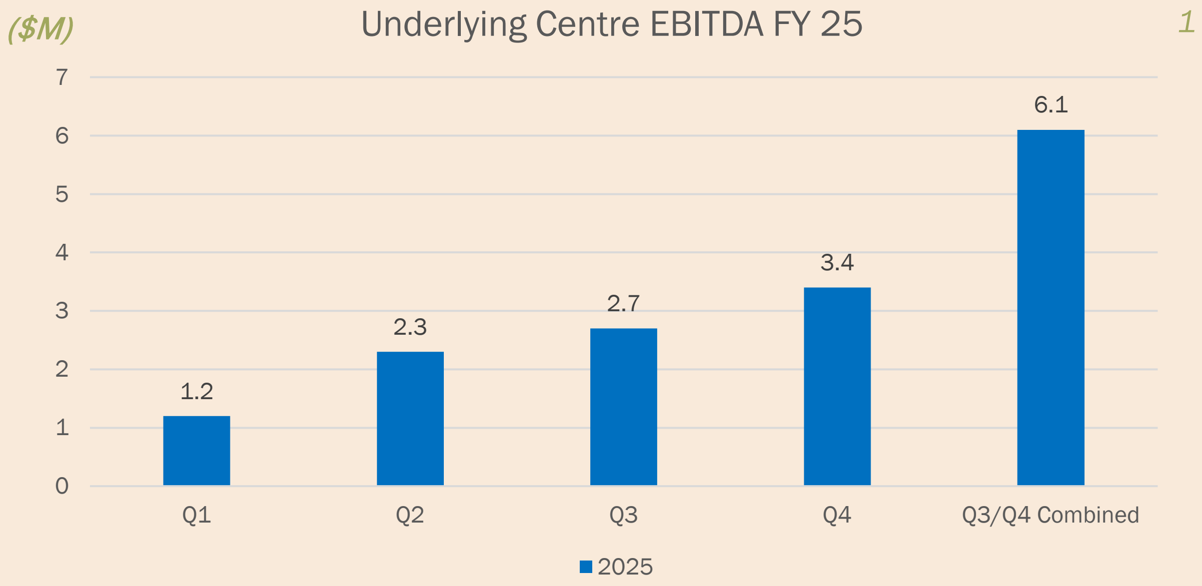
Underlying Centre EBITDA improved throughout the year. On a combined Q3/Q4 basis, 2H25 Underlying Centre EBITDA fell in line with expectations.

- Combined Q3/Q4 underlying EBITDA of $6.1M, demonstrating resilience despite cost headwinds and portfolio mix impacts.
- Underlying Centre EBITDA recovery expected to continue into FY26.
- Management retains the ability to implement its pricing program to cover input cost increases that were deferred in 2H25 to support stable occupancy for FY26.



1.Audited financial accounts FY25

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Normalised Group EBITDA FY25

- **FY25 Underlying EBITDA of $2.3M** reflects subdued trading performance, particularly in 1H25 due to lower than forecast occupancy and cost pressures.
- **Abnormal items totaled $1.0M**, exceeding forecast and primarily relating to one-off corporate and portfolio matters.
- **Underlying trading performance March/April 25 of -$0.9M** highlights the impact of softer early-year occupancy and cost pressures on earnings capacity.
- After adjusting for abnormal items and trading impacts, **Normalised Group EBITDA is $4.2M**, representing a clearer view of the Group's sustainable earnings base.

Normalised Group EBITDA

	FY 25
Underlying EBITDA	$2.3M
Add back: Abnormal Items	$1.0M
Adjust for Q1 Trading Performance	$0.9M
Normalised EBITDA	**$4.2M**

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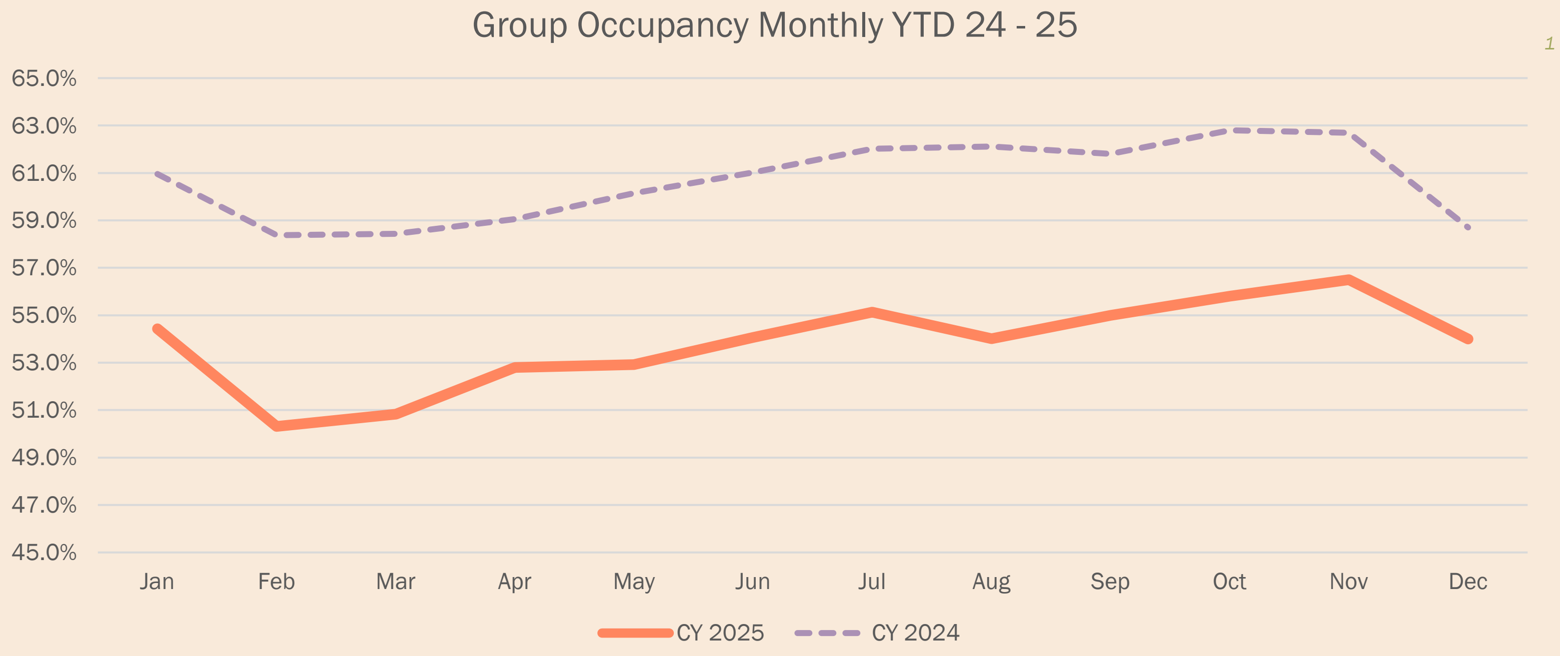
Occupancy Monthly FY24/FY25

Consistent occupancy recovery underway, with reduced seasonal volatility.



Spot Occupancy FY 25	
Spot Occupancy Group [2]	65% (64% Q3 FY25)
Group Occupancy [1]	57% (56% Q3 FY25) (62% PCP)

Spot Occupancy FY 26	
Spot Occupancy [3]	51% (52% PCP)

1. Group Occupancy includes all centres in the Mayfield Portfolio
2. Spot Occupancy is the occupancy for a given trading week beginning 1st December 2025 (excludes centres previously marked for divestment in comparative period FY24 and Precious Cargo centres)
3. Spot Occupancy FY26 is the occupancy for a given trading week beginning 16th February 2026 (excludes centres marked for divestment)

Conversion Enrolments

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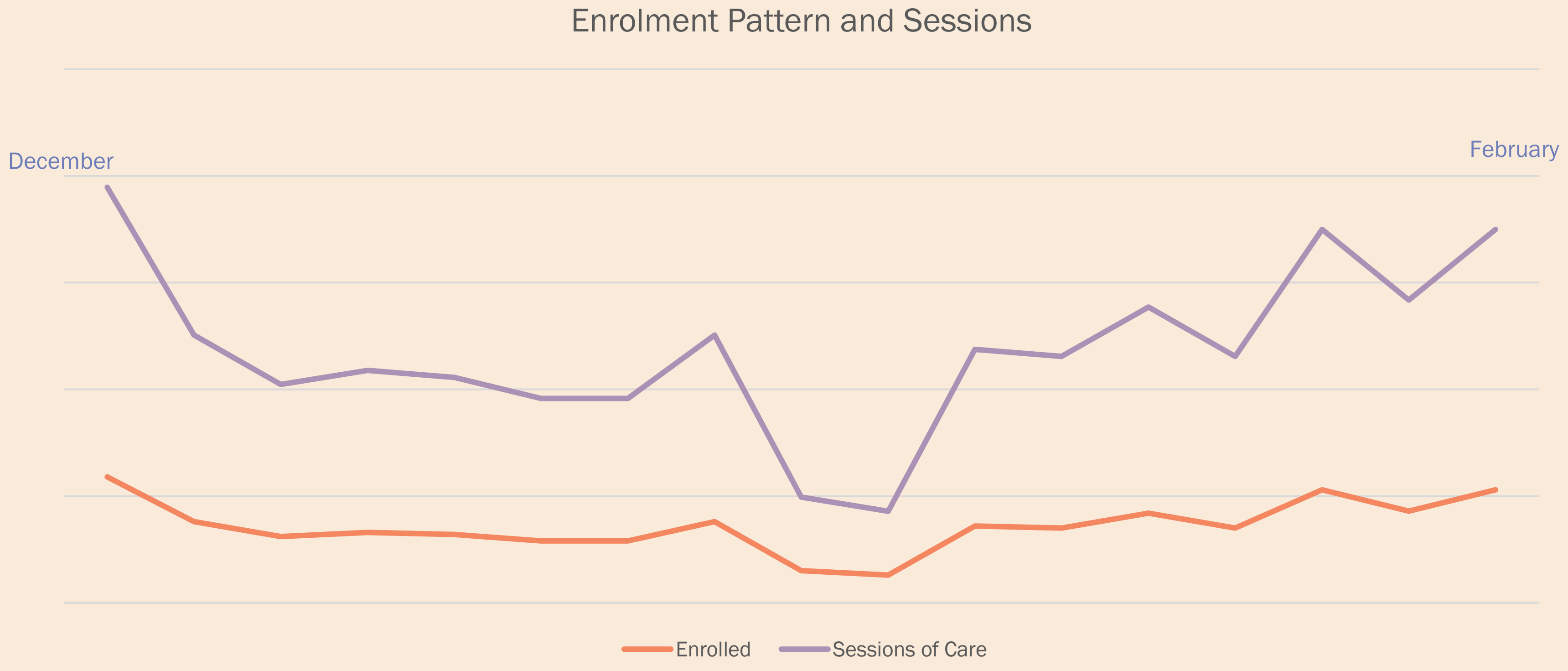
Enrolment conversion remains strong, enquiry volumes and sessions stable and increasing



Enrolment Volumes Dec 25 – Feb 26	
Sessions Added	2027
New Mayfield Families Added	614

Average Sessions Per New Family	
Utilisation Per Family	3.3

02 Financial Performance

Earnings
Cashflow
Balance Sheet

Earnings

- Childcare Services Revenue increased by $4.3M to $91.4M, driven by the first full-year contribution from the Precious Cargo acquisitions.
- Labour costs increased by $3.4M on pcp, driven by the Precious Cargo acquired centres as well as annual award rate increases. Agency spend reduced a further 29% to $0.3M, following roster optimisation and workforce initiatives.
- Head office support and related costs increased by $1.1M, reflecting costs associated with organisational restructure, Precious Cargo integration, governance & corporate costs and increased investment in marketing initiatives to address the decline in occupancy experienced at the start of the year. Costs remained comparable to the prior period at 7.9% of revenue over the period (7.1% in FY24) taking into account increases in once-off abnormal items.
- Underlying EBITDA of ($2.3M) (FY24: $5.8M), reflects slower than expected enrolment growth and lower occupancy from soft re-enrolments in Q1 FY25 and the significant underperformance of the Precious Cargo centres in the first half of the year.
- FY24Underlying EBITDA included a one-off positive EBITDA impact of historic accounting adjustments of $0.9M related to the impact of reducing a previous provision raised in FY23.

	FY25	FY24
$'000S	**UNDERLYING**	**UNDERLYING**
Childcare Services Revenue	91,412	87,156
Other Income (insurance recoveries and other income)	140	1,152
REVENUE & OTHER INCOME	**91,552**	**88,308**
Labour costs	(57,167)	(53,769)
Agency costs	(336)	(474)
Centre operating costs	(5,810)	(6,042)
Rent and outgoings	(16,109)	(13,893)
Other facilities costs	(2,538)	(2,196)
UNDERLYING CENTRE EBITDA	**9,592**	**11,934**
Head office and corporate overheads	(7,253)	(6,164)
UNDERLYING EBITDA	**2,339**	**5,770**
Underlying Centre EBITDA Margin	10%	14%

1. Underlying EBITDA reflects the reversal of the impact of AASB 16 Leases.
2. Underlying Centre EBITDA reflects the reversal of the impacts of AASB 16 Leases.
3. Normalised EBITDA and Underlying Centre EBITDA are non-statutory financial concepts and measures which are not prescribed by Australian Accounting Standards (AAS). The Directors consider that these measures are useful in gaining an understanding of the performance of the entity, consistent with internal reporting.

Cashflow

- Decreases in operating cashflow are primarily driven by increases to labour and centre operating costs as a result of award rate increases and cost pressures experienced across the industry. The Group was also required to pay a final income tax instalment relating to the previous year.
- $4.3M was received in relation to the institutional share placement in January 2025, net of share issue costs.
- The Group utilised working capital to maximise repayments of debt facilities that were drawn down in the prior period to fund new centre acquisitions and improvements, other costs including income tax.
- As outlined in in the Full Year Financial Report, the Group had up to $8.1M (at reporting date) available to be drawn down from its Business Loan facility for working capital requirements.

$'000S	FY25	FY24
Cash flows from operating activities		
Receipts from customers, including government funding	97,372	85,951
Payments to suppliers and employees	(80,672)	(69,325)
Other receipts	101	516
Interest paid on lease liabilities	(5,024)	(4,501)
Net interest paid on borrowings	(484)	(774)
Net income tax refunded / (paid)	(980)	(62)
NET CASH INFLOW FROM OPERATING ACTIVITIES	10,313	11,805
Proceeds from the disposal of plant and equipment	-	19
Payments for plant and equipment	(1,519)	(1,246)
Payments for purchases of businesses plus associated costs	-	(2,594)
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES	(1,519)	(3,281)
Proceeds from issue of shares (net of share issue costs)	4,324	-
Proceeds from / (repayment of) borrowings	(4,432)	(1,267)
Proceeds from amounts repaid by Related Parties	-	459
Repayment of lease liabilities	(8,702)	(7,265)
Dividends Paid	-	(171)
NET CASH INFLOW / (OUTFLOW) FROM FINANCING ACTIVITIES	(8,810)	(8,244)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(15)	(260)

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Balance Sheet

1.Cash Position: The Group utilised working capital to maximise repayments of debt facilities that were drawn down in the prior period to fund new centre acquisitions and improvements, other costs including income tax.

2.Intangible Assets: The Group assessed the performance of the cash generating unit against previously applied assumptions for the Value in Use calculations for the reporting period ended 31 December 2024. As a result, the Group recognised an impairment loss of $19.4M.

3.Right of Use Assets and Lease Liabilities: Balances have generally decreased due to utilisation of leased assets as well as payment of lease liabilities. These amounts have been partially offset by the impact of several rent increases and market reviews during the period.

4.Borrowings: Debt has reduced as a result of prioritising repayments using working capital on hand. The Group had up to $8.1M (at reporting date) available to be drawn down from its Business Loan facility for working capital requirements (noting the cyclical timing difference in operating cash movements). The Redraw facility also reduces at $182k per month through to the Facility expiry date of 31 August 2026.

$'000S	DEC-25	DEC-24
Cash and cash equivalents	88	103
Trade and other receivables	2,769	2,774
Prepayments	709	559
TOTAL CURRENT ASSETS	**3,566**	**3,436**
Plant and equipment	4,293	4,220
Intangible assets	63,020	82,387
Right-of-use assets	140,410	150,562
Security deposit	5	5
Deferred tax asset	6,725	5,495
TOTAL NON-CURRENT ASSETS	**214,453**	**242,669**
TOTAL ASSETS	**218,019**	**246,105**
Trade and other payables	5,391	4,672
Contract liabilities	1,506	1,470
Borrowings	1,848	6,280
Leases	9,359	8,546
Provisions	4,985	4,882
Current tax payable	145	831
TOTAL CURRENT LIABILITIES	**23,234**	**26,681**
Leases	146,145	153,802
Provisions	242	160
TOTAL NON-CURRENT LIABILITIES	**146,387**	**153,962**
TOTAL LIABILITIES	**169,621**	**180,643**
NET ASSETS	48,398	65,460

03 Strategy Update

Key Achievements
Strategic Progress

Strategic Overview

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Five strategic pillars driving growth — from curriculum excellence to scalable platforms and sustainable margins.

Strategic Focus Areas 2025-2026

1 **Program & Service Delivery**	**2** **Compliance & Quality**	**3** **People & Culture**	**4** **Commercial Platform**	**5** **Sustainable Growth**
Delivers consistent, high-quality programs that inspire curiosity, creativity, and lifelong learning.	Ensures every service meets or exceeds the National Quality Standard.	Builds a capable, confident, and engaged workforce.	Creates a scalable, localised, insight-led platform.	Delivers disciplined expansion & financial strength.
- Network-wide curriculum enhancement - Signature Workshops & STEAM programs - Curriculum Advisory Board - Digital child outcome measurement and tracking	- Business Partner oversight model - Fortnightly audits & monthly compliance themes - Digital dashboards for compliance & risk	- Future Leaders Program & leadership series - Daily coaching & communities of practice - Career pathways & retention initiatives	- Targeted joint venture opportunities - Community partnerships & tactical local marketing - Comprehensive marketing plan - Specific occupancy improvement initiatives on identified centres	- Joint venture partnerships - AI-enabled rostering & compliance - Daily governance cadence
By When: December 2025	**By When:** December 2026	**By When:** January 2026	**By When:** July 2026	**By When:** Ongoing

Performance Improvement Centres

Performance improvement centres have performed at an improved level on occupancy patterns from prior corresponding periods

- Two centres identified for divestment. Average spot occupancy improvement of remaining performance improvement centres 4.5%
- Two centres identified for divestment from the performance improvement cohort expected accretive for FY26 ($1.3M per annum)
- Rental abatement negotiations across the portfolio well advanced with $0.8M of lease incentives already provided with a further $2M currently under negotiation

Identify | Intervention | Viability

Average Occupancy PIC Centres

Centre	PCP Occupancy Change
1	2.9%
2	3.7%
3	1.7%
4	9.6%
5	-6.4%
6	-5.8%

Centres In PIC Program
6

Allied Health Mayfield 360

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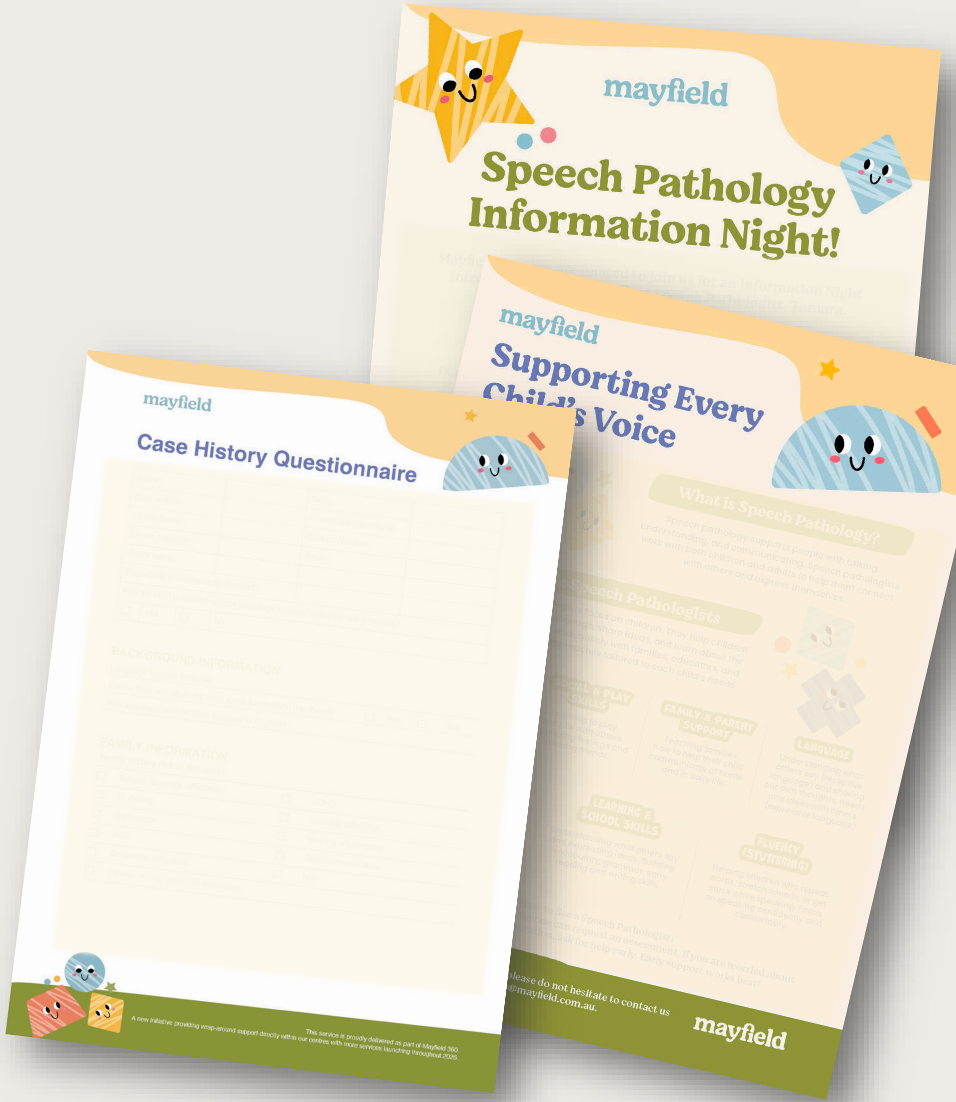
- **Mayfield 360 expands the Group's service offering**, integrating allied health services within centres to enhance child outcomes and family engagement.
- The model leverages existing centre footprint and customer base, providing a capital-light pathway to incremental revenue growth.
- As utilisation builds, currently over 40 active participants across pilot centres (4) and practitioner capacity scales, the platform is expected to deliver **operating leverage and margin expansion**.
- At scale, Mayfield 360 with 1 stream of clinical intervention is expected to deliver positive earnings of $1M with an EBITDA margin of 28%.
- The initiative is anticipated to be **value-accretive**, enhancing centre economics, diversifying revenue and funding streams and strengthening long-term earnings resilience.
- Focus in the near term is on disciplined rollout, practitioner utilisation, service mix optimisation and maintaining quality standards while completing the full rollout by end Q3 FY26.



04 Outlook & Trading Update

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Outlook and Trading Update

Operational Momentum Building

•December 2025 spot occupancy of **65%**

•Aug–Nov occupancy growth of **+2.2%**, outperforming FY24 by **+1.6%**

•Continued focus on enrolment conversion, marketing execution and engagement with strong inflows of families

Portfolio & Earnings Improvement

•Divestment of underperforming centres to remove ~$1.3m annual earnings drag

•Labour efficiency initiatives to further refine continuity of care and direct wage cost reductions

•Fee adjustment program to align revenue with input cost inflation

Growth Initiatives

•Rollout of **Mayfield 360** (Allied Health platform) progressing

•Targeting ~$1m incremental EBITDA at scale

FY26 Guidance

•Underlying Group EBITDA Guidance of $4.7m – $5.3m

•Underlying Centre EBITDA Guidance of $11.25M – $12.5M

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