24 July 2026
ASX Market Release

Appendix 4C and Quarterly Activities Report

Quarterly Highlights

- **Revenue for Q2 FY26 of $21.4m** was below the prior corresponding period **$22.4M Q2 FY25**, reflecting lower occupancy across the Group.
- **Underlying Centre EBITDA Margin** has decreased slightly from **10.1% Q2 FY25 vs 8.6% Q2 FY26.** Reflecting lower occupancy and continued operating cost pressures.
- **Q2 FY26 Underlying Centre EBITDA** was **$1.8m**, compared with **$2.3m** in Q2 FY25. The result reflects the impact of lower attendances across the Group, offset by improved rostering discipline and wage management. Underlying Group EBITDA for Q2 was **$0.1M**
- **Spot occupancy has improved** from the week of 13 April 2026 **52.7%** to **54.2%**, for the week beginning 6 July 2026.
- **Centre Wage-to-Revenue Ratio** improved compared with the prior corresponding period, reflecting changes to roster management, changes to operating model and improved alignment of labour hours with attendance levels. Improving from **Q1 63%** to **Q2 60%** and compared with PCP **Q2 FY25 of 62%.**
- **Drawings under the existing facility** increased from approximately **$4.8m** at the end of Q1 FY26 to approximately **$5.4m** at the end of Q2 FY26.
- **Mayfield 360** commenced customer billing during the quarter and continued converting its existing waitlist into active participants. The current participant pipeline represents a material revenue opportunity, with anticipated margins of approximately 65%, subject to participant conversion and ongoing service delivery. The pipeline continues to build, with the Group developing the clinical capacity and operating model required to scale the allied health offering to approximately 12 times current capacity and support broader network coverage.
- **Prior fee settings** had restricted the Group's ability to pass through cost increases. These settings have now been corrected, and the Group expects to implement a further fee increase in the coming month to support cost recovery and margin improvement.

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2. Spot Occupancy excludes centres marked for divestment in comparative period.

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ASX:MFD

Operations Update

During Q2 FY26, Mayfield Childcare Limited (ASX:MFD) (**Mayfield** or the **Group**) continued to execute its operational improvement plan, with a focus on occupancy growth, centre-level accountability, service quality, cost control and sustainable earnings improvement across the network.

During the quarter, the Group continued to strengthen family support, revenue recovery and billing management across the network. Customer advocacy remained strong, with the Group maintaining a sector-leading **Net Promoter Score averaging above +70 for the period.**

The Group continued to focus on occupancy growth and centre-level execution during the quarter. **Spot occupancy** increased from **52.7%** in the week commencing 13 April 2026 to **54.2%** in the week commencing 6 July 2026, reflecting gradual improvement across the portfolio.

Mayfield 360 was launched into revenue generation during the quarter, with the Group commencing customer billing and converting its existing waitlist into active participants.

Management maintained a focus on wage and cost control, supported by improved rostering discipline, operating model changes and centre-level accountability. The Group also continued to invest in marketing and enrolment activity to support occupancy growth.

The Group continued to actively manage centre performance during the quarter, including reviewing leases approaching expiry or renewal.

As previously disclosed, certain centres acquired through the 2021 Genius transaction are subject to lease arrangements that are less favourable than the Group's preferred commercial settings and require active management until renewal opportunities arise. By contrast, a number of centres across the portfolio are operating at occupancy levels above 90% under lease terms that better support the Group's operating model and earnings potential.

All renewal decisions are being assessed with regard to local demand, occupancy, centre economics, lease terms and the capacity to generate sustainable returns.

As part of the ongoing simplification of the operating model, responsibility for enrolments was transitioned from head office back to centres, providing centre teams with greater ownership and control over local enquiry conversion and occupancy performance.

The Group also finalised changes to its pricing methodology and expects to implement a further fee increase in the coming month to support cost recovery and margin improvement.

The operating environment remains challenging, with the sector continuing to experience elevated wage costs, workforce constraints, occupancy volatility and broader inflationary pressure across property, food, utilities, insurance and other centre operating inputs. These pressures have been compounded by the timing and conditions associated with government wage-support funding, including limitations on fee growth and the requirement for providers to fund employment costs before receiving certain payments.

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The Group also continues to manage increasing regulatory, compliance and quality-assurance requirements across the network. Management remains focused on disciplined cost control, rostering efficiency, workforce retention and greater centre-level accountability.

The Group delivered **Underlying Centre EBITDA of $1.8 million** for **Q2 FY26**. The result reflects improved wage and cost control across the network, partially offset by occupancy remaining below the prior corresponding period and continued pressure from the broader operating environment.

Cashflows for the Quarter

Net operating cash inflows of $1.3M were driven predominantly by higher cash receipts due to increases in occupancy over the quarter, accompanied by timing differences associated with dates funding was received by the Group when compared on a quarter-by-quarter basis (Q1: -$0.4M).

Net cash outflows from investing activities was $0.4M, reflecting above-forecast expenditure related to centre improvements and equipment purchases driven primarily by continued compliance requirements and maintenance demands of aging centres.

Net cash outflows from financing activities of $1.0M was primarily driven by net lease principal payments (as measured under AASB16 Leases) of 1.4M. Included within net lease principal payments is the receipt of $0.8M incentives from landlords tied to lease renewals. Net drawdown from the working capital facility of $0.6M is a significant decrease from Q1, ($3.3M), resulting from gradual increases in revenues as well as cost stabilisations achieved.

At the end of the quarter the Group had $0.2M (Q1: $0.2M) of cash and cash equivalents and $5.4M (Q1: $4.7M) drawn down on its borrowing facilities. The Group had $3.4M available under its working capital redraw facility at the quarter end.

Market commentary

Until recently the sector has been challenged by an oversupply of new childcare developments, however rising construction costs and increased regulatory requirements, has placed pressure on new entrants while contributing to the closure of single-centre operators positioning long-term operators such as Mayfield for the recovery.

Board Changes

On 26 May 2026 the Company announced the appointment of Gary Scott as a Non-Executive Director of the Group.

Outlook and Market Conditions

- **Execution of FY26 Plan and Occupancy Recovery:** The Group remains focused on executing its FY26 plan, with continued investment in marketing, enquiry generation and conversion initiatives to support occupancy recovery across the balance of the year.

  While improvement is expected, the pace of recovery remains dependent on family demand, affordability and market conditions.

- **Child Safety and Regulatory Investment:** Child safety remains a core operating priority, with ongoing investment required to meet heightened regulatory and compliance

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expectations. These costs are expected to remain a near-term drag on financial performance, particularly while the Group remains constrained by the current ECEC grant environment.

- **Sector Demand and Catchment Oversupply:** Macroeconomic pressures continue to weigh on demand across the sector, with cost-of-living pressures impacting family decision-making and enrolment conversion. Oversupply in certain catchments also continues to pressure operators to build and retain occupancy, particularly in more competitive jurisdictions.
- **Customer Experience and Revenue Recovery:** The Group is investing in focused customer experience initiatives, including enhanced family support, debt management, billing accuracy and issue resolution. These initiatives are expected to be accretive over time through improved revenue recovery, reduced leakage and stronger family retention.
- **Mayfield 360:** remains on track for NDIS approval, with network scaling expected to occur following approval. Pilot centres continue to show strong systems, process and family engagement, supporting confidence in the platform's longer-term earnings potential.

ASX Additional Information

Payments to Related Parties during the period as detailed in Section 6.1 of the Q2 FY26 Appendix 4C consisted of Director fees (including superannuation) of $0.06M.

This announcement has been approved for release by the Board.

For further information please contact:

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Chief Executive Officer
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About Mayfield

Mayfield own and operate 45 childcare centres with over 4,000 registered childcare places across Victoria, Queensland, and South Australia. Our goal at Mayfield is to deliver exceptional, high-quality services to families by continuously improving our centres and surpassing National Quality Standards. We believe that providing the best education and care will create a positive impact on the lives of families we serve.

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity
MAYFIELD CHILDCARE LIMITED

ABN	Quarter ended ("current quarter")
53 604 970 390	30 June 2026

	Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
1.	**Cash flows from operating activities**		20,409	38,418
1.1	Receipts from customers			
1.2	Payments for			
	(a)	research and development	0	0
	(b)	operating costs	(2,913)	(5,140)
	(c)	advertising and marketing	(440)	(615)
	(d)	leased assets	0	0
	(e)	staff costs	(16,211)	(32,885)
	(f)	administration and corporate costs	(464)	(1,152)
1.3	Dividends received (see note 3)		0	0
1.4	Interest received		0	0
1.5	Interest and other costs of finance paid (including AASB 16 Leases interest)		(1,513)	(3,012)
1.6	Income taxes paid		(46)	(93)
1.7	Government grants and tax incentives		2,478	5,340
1.8	Other (provide details if material)		41	52
1.9	**Net cash from / (used in) operating activities**		**1,341**	**913**

	Cash flows from investing activities		0	0
2.1	Payments to acquire or for:			
	(a)	entities		
	(b)	businesses	0	0
	(c)	property, plant and equipment	(389)	(886)
	(d)	investments	0	0

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
	(e) intellectual property	0	0
	(f) other non-current assets	0	0
2.2	Proceeds from disposal of:	0	0
	(a) entities		
	(b) businesses	0	0
	(c) property, plant and equipment	0	0
	(d) investments	0	0
	(e) intellectual property	0	0
	(f) other non-current assets	0	0
2.3	Cash flows from loans to other entities	0	0
2.4	Dividends received (see note 3)	0	0
2.5	Other (provide details if material)	0	0
2.6	**Net cash from / (used in) investing activities**	**(389)**	**(886)**

3.	**Cash flows from financing activities**	0	0
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities	0	0
3.3	Proceeds from exercise of options	0	0
3.4	Transaction costs related to issues of equity securities or convertible debt securities	0	0
3.5	Proceeds from borrowings	625	3,990
3.6	Repayment of borrowings	(147)	(292)
3.7	Transaction costs related to loans and borrowings	0	0
3.8	Dividends paid	0	0
3.9	Other - AASB 16 lease principal repayments	(1,442)	(3,618)
3.10	**Net cash from / (used in) financing activities**	**(964)**	**80**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	207	88
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,341	913

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(389)	(886)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(964)	80
4.5	Effect of movement in exchange rates on cash held	0	0
4.6	**Cash and cash equivalents at end of period**	**195**	**195**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	195	207
5.2	Call deposits	0	0
5.3	Bank overdrafts	0	0
5.4	Other (provide details)	0	0
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**195**	**207**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	60
6.2	Aggregate amount of payments to related parties and their associates included in item 2	0

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

The amount at 6.1 includes Director fees (including superannuation) for Directors and any deemed related parties.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	8,764	5,357
7.2	Credit standby arrangements	0	0
7.3	Other (please specify)	0	0
7.4	**Total financing facilities**	8,764	5,357

7.5	**Unused financing facilities available at quarter end**	3,407
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

As at 30 June 2026 the Company has two Business Loans as part of its Facility with Westpac Banking Corporation ("Lender"). The loans have a termination date of 31 August 2026. The Facility loans are secured by a first ranking security held by the Lender over the assets and undertakings of Mayfield Childcare Limited and its subsidiaries.

Facility A1: Bank Bill Business Loan Variable Rate (No Redraw)
Available commitment: $1,570,000 (no principal repayments required).
Purpose: Acquisition line to purchase childcare centres (restricted)
Amount drawn at 30 June 2026: $1,570,000
Amount Unused at 30 June 2026: $Nil
Redraw: Not permitted
Interest Rate: 6.02% (Line Fee 1.75%)

Facility A2: Bank Bill Business Loan Variable Rate (Redraw)
Available commitment: $7,194,000 (no principal repayments required).
Purpose: Working Capital Facility (unrestricted)
Amount drawn at 30 June 2026: $3,787,000
Amount Unused at 30 June 2026: $3,407,000
Redraw: Permitted
Interest Rate: 6.14% (Line Fee 1.75%)

In addition, Mayfield has the below facilities with its Lender:

Premium Funding Facility – Insurances
Amount Financed (including Finance Costs): $108,707.13
Repayments: 10 equal monthly instalments
Term: 10 months
Interest Rate: Flat rate of 2.95%
Commencement Date: 24 November 2025.

Premium Funding Facility – Insurances
Amount Financed (including Finance Costs): $393,790.91
Repayments: 10 equal monthly instalments
Term: 10 months
Interest Rate: Flat rate of 2.87%
Commencement Date: 29 January 2026.

8.	Estimated cash available for future operating activities	$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	1,341
8.2	Cash and cash equivalents at quarter end (item 4.6)	195
8.3	Unused finance facilities available at quarter end (item 7.5)	3,407
8.4	Total available funding (item 8.2 + item 8.3)	3,602
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	N/A

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: .... **24 July 2026**..

Authorised by: ....**The Board of Directors**...................................
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.