



Acquisition of childcare centres and equity raising presentation

1 November 2021



MAYFIELD
CHILDCARE LIMITED

Genius[™]
childcare

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Executive summary

Acquisition Overview	<ul style="list-style-type: none">Transformational acquisition of 14 premium childcare centres across Victoria, Queensland and South Australia ("Genius Education") from Genius Education Holdings Pty Ltd ("Genius") (the "Acquisition")Centres are operated under a premium brand, in high density locations with overall average occupancy of circa 74%Mayfield and Genius have entered a 5-year incubator partnership – agreed purchase price for incubator centres of 4.25x EBITDA (EBITDA of previous three months annualised)Acquisition price of \$39.2m¹ or 4.9x CY22F EBITDA including a earn-out of 1.0x CY22F EBITDA (excl. costs)
Acquisition Terms	<ul style="list-style-type: none">Initial purchase price of 3.9x CY22F EBITDA or \$31.2 million, comprising 21.7m fully paid ordinary shares in Mayfield issued at \$1.15 per share ("Consideration Shares") and \$6.24m in cashPotential earn-out multiple of 1.0x CY22F EBITDA, only payable on Genius Education achieving CY22F EBITDA of \$8.0m ("Earn-out Hurdle")<ul style="list-style-type: none">Earn-out payable in up to 80% Mayfield scrip (at same price as initial Consideration Shares) and 20% cash100% of Consideration Shares are escrowed for 24 months from date of issue. 50% to be released if the Earn-Out Hurdle is achieved and after CY22 audited results are released
Strategic Rationale	<ul style="list-style-type: none">Transforms size and scale of Mayfield adding 14 centres to the portfolioPositions Mayfield as a leading Australian childcare operator with a strong growth pipeline through an incubator partnership with GeniusSignificantly broadens and diversifies Mayfield's existing footprint to 36 centres (8 in Queensland, 1 in South Australia and 27 in Victoria)Incubator partnership provides ongoing pipeline of premium, high performing centres – underpinning future growthHighly complementary to existing portfolio – ability to market premium childcare brand

Note 1: Assumes Genius CY22F EBITDA of \$8.0m

Executive summary (cont.)

Equity Raising	<ul style="list-style-type: none"> • Institutional Placement to raise gross proceeds of approximately \$8.0m (the “Placement”). Approximately 7.6 million new fully paid ordinary shares (“New Shares”) will be issued under the Offer • New Shares will be issued at \$1.05 per New Share, representing: <ul style="list-style-type: none"> – 12.5% discount to the last closing price of \$1.20 on 28 October 2021 – 11.7% discount to the 10 day VWAP of \$1.189 • The Company also intends to offer a non-underwritten Share Purchase Plan (“SPP”) to eligible shareholders aiming to raise up to \$1.0 million on the same terms as the Placement (together with the Placement, the “Offer”) • The Offer and the Acquisition is conditional on shareholder approval being granted at the EGM to be held on 6 December 2021
Timing	<ul style="list-style-type: none"> • The Acquisition is subject to certain conditions precedent, including Mayfield shareholder approval for the issue of Consideration Shares and landlord consents • The general meeting is expected to be held on 6 December 2021 • Acquisition is expected to complete on 9 December 2021
Other	<ul style="list-style-type: none"> • Genius has the right to appoint 2 directors to the Company’s board – David Niall and Lubna Matta • Genius Education Holdings Pty Ltd will become a substantial shareholder (35.2%) in Mayfield on completion of the acquisition and capital raise^{1,2}
2021 Outlook	<ul style="list-style-type: none"> • 1H CY21 results delivered a solid performance, exceeding market expectations, reflecting occupancy growth and improved margins • The return of state-wide lockdowns in Victoria, access restrictions on childcare and requirements to waive parent gap-payments have impacted second half growth • Government support coupled with tight wage and cost control has offset in part, constrained occupancy growth and reduced attendance levels • In light of the Acquisition, equity raise and changed trading conditions, the Board has withdrawn its CY2021 guidance

Note 1: shareholding to increase to 40.5% if Earn-Out is achieved
Note 2: Excluding the impact of the SPP



About Mayfield

Mayfield overview

Aspiring to the highest quality of education and care for children



22 Victorian based long day care centres (pre acquisition)



1,852 ACECQA registered childcare places



450+ Early Childhood Educators



3,000+ Families



Bespoke quality education and improvement plan for each centre



“We believe that families are the first and primary educator of children and our role is to facilitate and foster a child’s development, not to define it.”



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Board and management



Peter Lowe
Chairman

- Over 17 years of listed and unlisted board experience
- Current board roles include Non-Executive Chair of United Energy Pty Ltd, DGL Group, Ltd Multinet Pty Ltd and Lochard Energy Pty Ltd and NED of Australian Gas Networks Ltd and DBNGP Holdings Pty Ltd
- Previous senior roles at Fosters Brewing Group Limited, PwC, and Utilicorp United Inc



Dean Clarke
Executive Director & CEO

- Actively involved in the childcare industry for over 15 years
- Overseen the acquisition, design and construction of greenfield sites
- Previously held senior executive positions at Tabcorp Holdings Ltd
- Certified Practising Accountant and a member of the Australian Institute of Company Directors.



Michelle Clarke
Executive Director

- Intimately involved in the early childhood industry for 15+ years
- Successfully developed and operated several childcare centres in a range of diverse and highly competitive areas
- Extensive knowledge of regulatory compliance requirements and a proven ability to implement operational efficiencies

Incoming



David Niall
Non-Executive Director

- Chief Operating Officer for Sprint Capital Partners, as well as a Director Rewardle Holdings Limited
- Holds a Bachelor of Science (Hons) Degree from the University of Melbourne and an MBA from Harvard Business School
- Extensive experience driving implementation of complex strategic programs across technology, childcare and management consulting industries

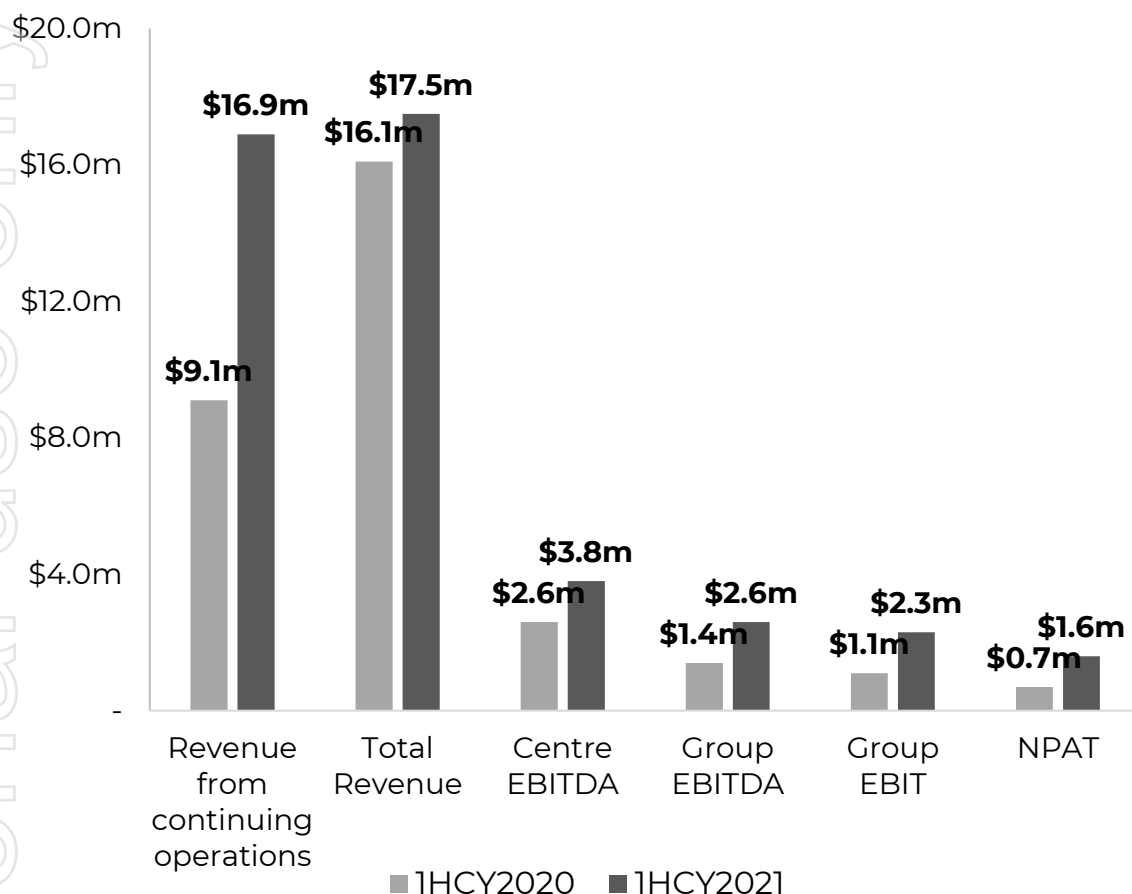


Lubna Matta
Non-Executive Director

- Current owner and founder of UrbanCo IGA, a small chain of independently run supermarkets and sits across a number of Metcash Limited Committees
- Lubna specialises in developing and growing companies addressing local community needs
- Over 15 year's experience in legal, corporate advisory and business growth

1H CY21 underlying (pre-AASB 16) company performance

Solid gains reflecting a more normalised trading environment



Recently acquired 2 Victorian-based, purpose-built centres (70 place and 111 place)



Announced inaugural interim fully franked dividend of 2.47 cps (50% of underlying NPAT)



90% of services rated Meeting or Exceeding the National Quality Framework



1H CY21 occupancy of 66% - up 4% from 62% in 1H CY20



1H CY21 NPAT of \$1.6m¹ – up 140% vs pcp

Note 1: Government support and stimulus packages received by Mayfield reduced by 91.5% between 1H CY20 and 1H CY21, resulting in a smaller total revenue increase than increase from continuing operations

Outlook

- The return of state-wide lockdowns in Victoria, access restrictions on childcare and requirements to waive parent gap-payments have impacted second half growth
- While occupancy growth has slowed compared to 1H CY21, overall occupancy is expected to be circa 70%, up 3% on pcp
- The business has implemented appropriate cost control initiatives and staffing rostering protocols in light of reduced attendance levels
- With previously announced 2021 acquisitions settled, improving operating margins and a strong balance sheet position, Mayfield remains resilient
- In light of the Genius acquisition, equity raise and the associated costs, along with changed trading conditions, the Board has withdrawn its CY2021 guidance



Acquisition overview

Genius Childcare

Innovative and holistic provider of premium early education for preschool aged children

Play smart.



- State-of-art, purpose built childcare facilities



- Centres feature interactive spaces and adventure zones. Calming, uncluttered indoor environments promote children's learning experiences and demeanour. Outdoor environments rich in plant life and natural materials encourage and provoke the innate curiosity in children

Environment & sustainability.



- Committed to creating a naturally-inspired environment



- Encourages and supports sustainable practices and processes



- Genius is connected with local families, businesses and organisations and maintains meaningful relationships, in turn growing the wider Genius community

Learn for a lifetime.



Accredited curriculum designed with a strong emphasis on play-based learning



Funded Kindergarten Program, delivered by an Early Childhood Teacher, for children in the year before they attend formal schooling



Highly-skilled educators teaching life skills through the following programs: Robotics, Nutritional Ninja, Garden Guru and Music and Movement



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Genius Childcare

Seaford



Wulguru



Mooroolbark



Cheltenham



Sheridan Gardens






Clifton Beach



Strategic rationale



Strategic rationale

 Transforms size and scale of Mayfield	<ul style="list-style-type: none">• Positions Mayfield from a small Victorian based operator to a leading Australian childcare operator with a portfolio of premium centres and strong growth pipeline• Incremental addition of earnings substantially increases the financial standing and balance sheet strength<ul style="list-style-type: none">– Provides greater flexibility when accessing future acquisition opportunities• Acquisition metrics of 4.9x CY22F EBITDA¹ with significant economies of scale and synergies expected to be delivered over time
 Diversifies geographic footprint	<ul style="list-style-type: none">• Significantly broadens and diversifies Mayfield's existing footprint to 36 centres (8 in Queensland, 1 in South Australia and 27 in Victoria)• Provides immediate entry into Queensland and South Australia whilst rapidly expanding the current Victorian footprint
 Provides significant growth pipeline	<ul style="list-style-type: none">• Delivers certainty of growth for the enlarged Mayfield business through the provision of ongoing and exclusive access to a pipeline of premium, high-performing centres<ul style="list-style-type: none">– Underpins future acquisition growth and geographical expansion• Genius to manage development and trading up of centres, allowing Mayfield to focus on operating mature sites
 Provides access to the premium Genius brand and IP	<ul style="list-style-type: none">• Innovative and holistic provider of premium early education for preschool aged children, with a well-respected and recognised national brand<ul style="list-style-type: none">– Market leading educational, operational and marketing practices and strategies• State-of-art, purpose-built childcare facilities, a diverse and thoughtful curriculum, passionate and highly-skilled educators - the Genius centres will be highly complementary to existing Mayfield portfolio of centres

1. Including 1.0x EBITDA Earn-Out

Transforms size and scale of Mayfield



- Transformational acquisition that immediately increases the size and scale of Mayfield
- Combination adds earnings and 14 centres to the combined group
- Enhanced financial position will provide flexibility when assessing future centre acquisitions
- Provides increased buying power and enhanced operating efficiencies through the centralisation of operations
- Provides access to experienced management team



- Experienced operator of mature childcare centres
- 22 childcare centres located in VIC
- ASX-listed childcare operator, with access to equity capital markets to fund future growth initiatives



- 14 childcare centres located in VIC, QLD and SA to vend-in
- Well-known premium childcare centre brand
- Pipeline of childcare centres in the trade-up phase and new greenfield developments

Combination

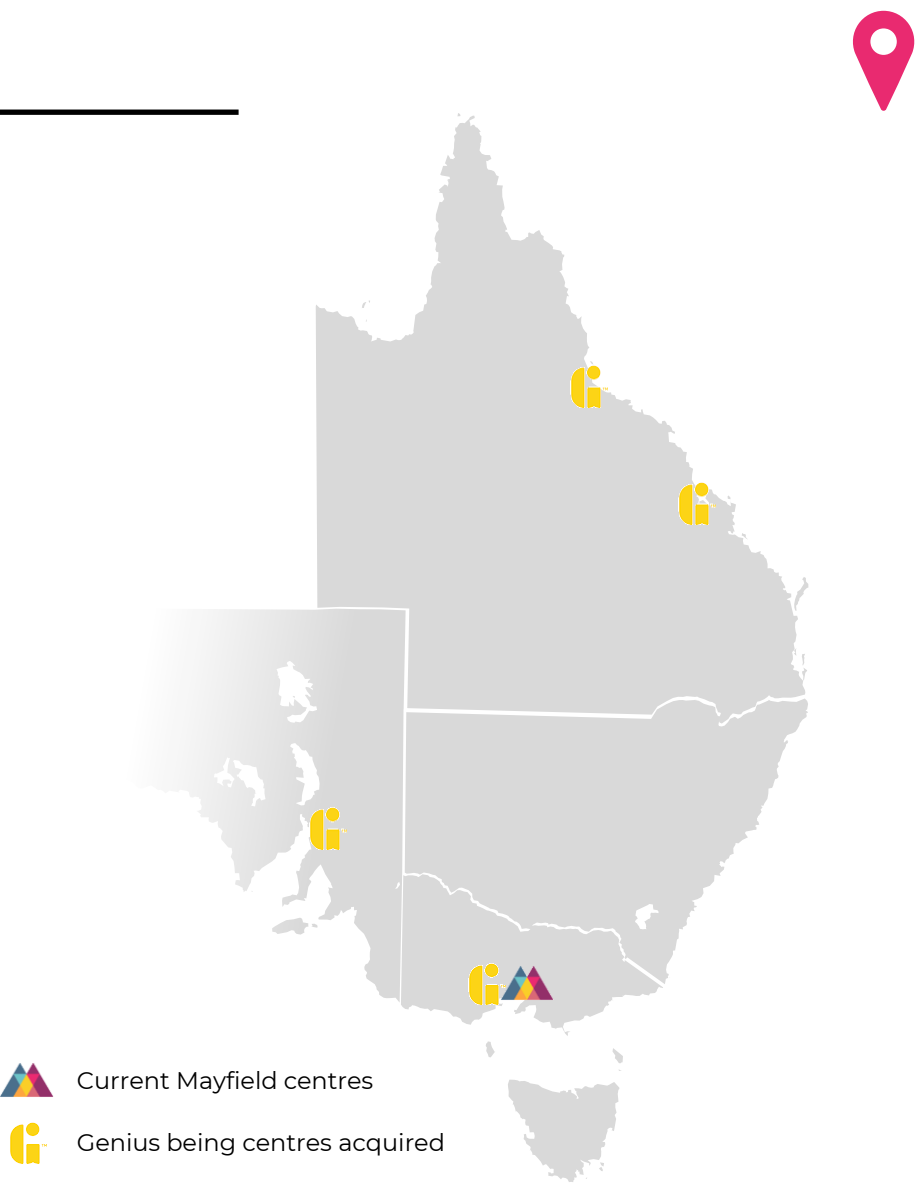
- 36 childcare centres diversified across VIC, QLD and SA
- Growth underpinned by incubator model providing pipeline of new childcare centres to acquire
- Strengthened balance sheet
- Scaled operator of centres

Diversifies geographic footprint

- Highly complementary portfolio of centres allowing immediate entry into Queensland and South Australia whilst expanding the Victorian footprint
- Purpose built, premium centres that are established with an overall average occupancy of circa 74%
- Total portfolio of centres of 36 post acquisition including current Victorian centres
- Continued expansion planned through pipeline of new centres within the incubator pipeline

Mayfield current portfolio	
State	Centres
Victoria	22
Total	22

Genius Childcare portfolio	
State	Centres
Victoria	5
Queensland	8
South Australia	1
Total	14



Significant growth pipeline



- Genius to identify, develop and trade-up childcare centres for sale to Mayfield
- Mayfield to purchase centres once pre-agreed performance metrics are met
- Mayfield has a right of first refusal in respect of other centres developed by Genius and not yet achieving agreed performance metrics
- Allows Mayfield to focus attention on managing and operating mature centres
- Allows Genius to leverage their expertise in the trade-up of childcare centres
- Mayfield has right of first refusal to purchase centres developed by Genius that do not fall within a CDP or do not meet the performance metrics

Pipeline Terms

Term	5 years
Acquisition Price	4.25x EBITDA (EBITDA of previous three months annualised)
Strategic investment envelope	Mayfield will provide Genius with a strategic investment envelope which sets out Mayfield 's requirements for new childcare centres and capacity requirements in each region
Childcare development plan ("CDP")	Each year, Genius and Mayfield will agree a new CDP for the year which sets out the pipeline of centres under development and potential transfer dates for completion of a sale from Genius to Mayfield
Marketing & Advertising	Genius responsible for all marketing and advertising expenses for the initial 12 months

Performance Metrics

Occupancy	At least 75% for three consecutive months
EBITDA	Centre forecast EBITDA greater than \$150,000 based upon an annualised last three month period
Licensed places	Minimum capacity of 60 licensed places. Any existing Genius centres with a capacity below 60 licensed places will be treated as an exception and will form part of the initial agreed CDP

Access to 'premium' Genius brand & business model



- The Genius offering targets families searching for a premium and holistic education experience
- Accredited curriculum designed with a strong emphasis on play-based learning
- Ability to leverage Genius expertise to integrate the innovative and accredited curriculums into other Mayfield centres
- Well respected and recognised national brand underpinned by market leading sales & marketing strategy
- Acquisition establishes a strategic partnership with Genius to act as Mayfield's exclusive incubator of childcare centres

Key Genius learning areas



Creative expression



Physical wellbeing and our environment



Language and literacy



Construction and discovery



STEM



Routines and rituals



Community connection



Imaginative expression

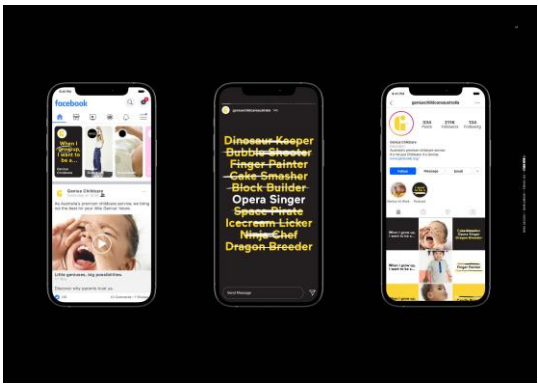
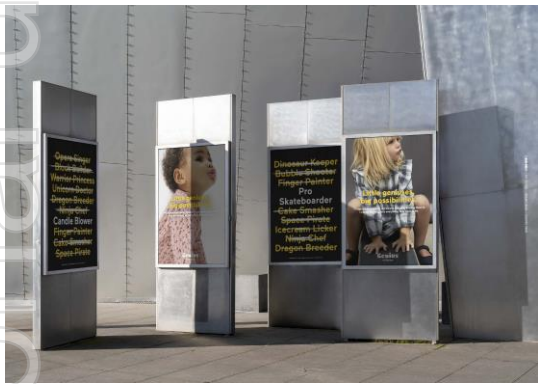
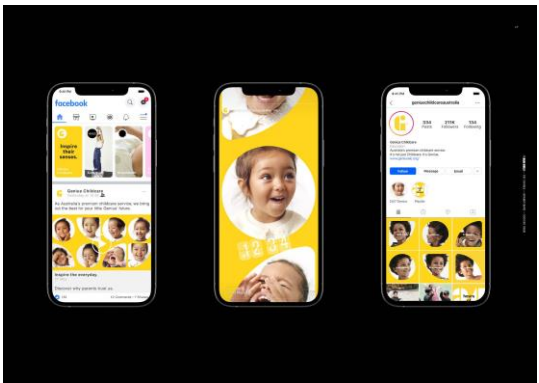
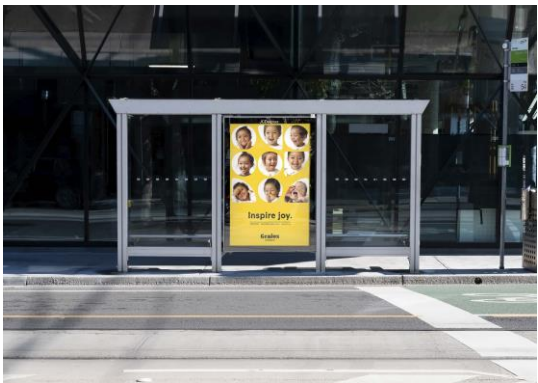
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Genius Childcare premium branding



Key Metrics & Acquisition terms

Acquisition terms	
Purchase price	<ul style="list-style-type: none"> \$39.2 million¹ (including minimum earn-out)
Acquisition metrics	<ul style="list-style-type: none"> 4.9x CY22F EBITDA (including earn-out multiple)
Potential earn-out	<ul style="list-style-type: none"> 1.0x CY22F subject to achieving the Earn-Out Hurdle of \$8.0m CY22F EBITDA
Escrow	<ul style="list-style-type: none"> Consideration Shares are escrowed for 24 months from date of issue. 50% to be released if the Earn-Out Hurdle is achieved and after CY22 audited results are released to the market
Conditions Precedent	<ul style="list-style-type: none"> Requires Mayfield shareholder approval for issue of Consideration Shares and landlord consents
Board and management	<ul style="list-style-type: none"> The vendor has the right to appoint 2 directors to the Board – David Niall and Lubna Matta
Timing	<ul style="list-style-type: none"> Shareholder approval and completion of the Acquisition is expected to occur in December 2021
Transitional services agreement	<ul style="list-style-type: none"> Genius to provide financial, operational, corporate, legal and marketing services from completion until 31 December 2022

Key metrics	
Number of services	<ul style="list-style-type: none"> 14
Number of licensed places	<ul style="list-style-type: none"> 1,347
Average fees per day	<ul style="list-style-type: none"> \$121
Rent per licensed place	<ul style="list-style-type: none"> \$3,187
Average lease term	<ul style="list-style-type: none"> 39 years, including options
Location	<ul style="list-style-type: none"> 8 x Queensland, 1 x South Australia and 5 x Victoria
Average occupancy	<ul style="list-style-type: none"> 74%
CY22F EBITDA	<ul style="list-style-type: none"> \$8.0m

Note 1: Assumes Genius CY22F EBITDA of \$8.0m

Equity raise



Offer summary

Offer structure and size	<ul style="list-style-type: none"> Institutional Placement to raise gross proceeds of approximately \$8.0m ("Placement"). Approximately 7.6 million new Mayfield ordinary shares ("New Shares") will be issued under the Offer The Company also intends to offer a non-underwritten Share Purchase Plan ("SPP") to eligible shareholders aiming to raise up to A\$1.0 million on the same terms as the Placement (together with the Placement, the "Offer")
Offer price	<ul style="list-style-type: none"> New Shares will be issued at \$1.05 per New Share, representing: <ul style="list-style-type: none"> 12.5% discount to the last closing price of \$1.20 on 28 October 2021 11.7% discount to the 10 day VWAP of \$1.189 Vendor scrip ~27.3 million shares at \$1.15 per share
Conditions	<ul style="list-style-type: none"> The Offer is conditional on shareholder approval of the Placement and Acquisition being granted at the EGM to be held on 6 December 2021
Use of funds	<ul style="list-style-type: none"> To principally fund the upfront cash consideration of the Acquisition¹
Ranking	<ul style="list-style-type: none"> New Shares will rank Pari Passu with fully paid ordinary shares
Conditions	<ul style="list-style-type: none"> The acquisition is subject to receiving shareholder approval
Advisor	<ul style="list-style-type: none"> Canaccord Genuity (Australia) Limited acted as financial advisor to the Acquisition and Lead Manager and Bookrunner to the Placement

Source of funds¹	
Institutional Placement	\$8.0m
SPP	\$1.0m
Upfront scrip consideration	\$25.0m
Current cash ²	\$1.7m
Total	\$35.7m

Use of funds¹	
Cash consideration ³	\$7.8m
Upfront Scrip consideration	\$25.0m
Working Capital & transaction costs	\$2.9m
Total	\$35.7m

Pro forma capital structure	Shares (m)
Existing shares on issue	32.4
Institutional Placement Shares	7.6
Upfront scrip consideration	21.7
Total	61.7
Earn-out shares ⁴	5.6

Note 1: Includes the earn-out cash component and excludes the earn-out scrip component

Note 2: As at 30 June 2021

Note 3: Funds the upfront and earn-out (if achieved) cash consideration and costs of the offer. If earn-out is not achieved, the funds will be applied towards working capital

Note 4: Assumes Genius CY22 EBITDA of \$8.0m

Timetable

Item	Date
Trading halt	Friday, 29 October 2021
Placement opens	Friday, 29 October 2021
Placement closes	5pm Friday, 29 October 2021
Announcement of Placement and Acquisition	Monday, 1 November 2021
Trading halt lifted and shares recommence trading	Monday, 1 November 2021
Notice of Meeting Distributed	Friday, 5 November 2021
SPP opens	Monday, 8 November 2021
SPP closes	Monday, 6 December 2021
EGM to approve Acquisition and Offer	Monday, 6 December 2021
Settlement of Placement and SPP	Thursday, 9 December 2021
Issue of New Shares under Placement and Acquisition	Friday, 10 December 2021
New Shares commence trading	Monday, 13 December 2021

Note: All times are indicative only and subject to change at the discretion of the Company or the Lead Manager

Key risks

Key risks

Contractual risk	Completion of the Acquisition is subject to the fulfilment of certain conditions precedent, particularly those as set out in the share sale agreement for the Acquisition. The ability of Mayfield to achieve its stated objectives will depend on the performance by the parties of their obligations under the share sale agreement and the ancillary agreements relating to the Acquisition. If any party defaults in the performance of their obligations, it may be necessary for Mayfield to approach a court to seek a legal remedy, which can be costly.
Reliance risk	The information provided by the Genius Group and on which Mayfield has relied on in relation to the Acquisition has been derived from information made available to Mayfield by the Genius Education Shareholder during Mayfield's due diligence process. Whilst Mayfield has conducted due diligence on Genius Education, Mayfield is unable to verify the accuracy or the completeness of the information provided to it by the Genius Education Shareholder and there is no assurance that the due diligence was conclusive and that all material issues and risks in relation to the Acquisition and Genius Education have been identified. To the extent that this information is incomplete, incorrect, inaccurate or misleading, or the actual results achieved by Genius Education are weaker than those indicated by Mayfield's analysis, there is a risk that the future results of the operations of the enlarged Mayfield may differ (including in a materially adverse way) from Mayfield's expectations as reflected in this Presentation or the Notice of Meeting, or that additional liabilities of a material nature may emerge. While Mayfield has obtained warranties from the Genius Education Shareholder with respect to these matters, there can be no assurance that these warranties will provide complete coverage of Mayfield's risks.
Risk of high volume of Share sales	If completion of the Placement and the Acquisition occurs, Mayfield will have issued a significant number of new Shares to various parties. The shareholders that receive Shares may not intend to continue to hold those Shares and may wish to sell them on ASX. There is a risk that an increase in the amount of people wanting to sell their Shares may adversely impact the market price of Mayfield's Shares. There can be no assurance that there will be, or continue to be, an active market for Shares or that the price of Shares will increase. As a result, Mayfield shareholders may, upon selling their Shares, receive a market price for their securities that is less than the price of Shares offered.
Genius Education's operations	There is no assurance that the financial performance of Genius Education's group of childcare centres will continue to follow the historical and current growth rates that Genius Education is achieving. Occupancy levels, operating costs and in turn operating margins may fluctuate contrary to historical and assumed levels which would have a direct impact on Genius Education's business and financial position.
The findings of the Independent Expert	Mayfield has engaged PKF Melbourne Corporate Pty Ltd (Independent Expert) to opine on the fairness and reasonableness of the Acquisition for the non-associated shareholders of Mayfield. The Independent Expert has formed the view that the Acquisition is "not fair", on the basis that the value of a Share in Mayfield after the Acquisition (on a minority basis) is worth materially less than the value of a Share in Mayfield before the Acquisition (on a control basis). Although the Independent Expert has opined that the Acquisition is "reasonable", which means that its advantages to non-associated shareholders outweigh its disadvantages, there can be no assurance that the Acquisition will be a success for Mayfield.
Integration risk	The Acquisition has the potential for integration risk. As two separate businesses (though similar) integrate and form, there is the potential for the integration of technology, processes, information, departments and organisations to fail. Mayfield believes it has the appropriate practices and processes, supported by a risk-aware culture and enabling technology, which would help to mitigate any integration risk. However, in general, integration can be a complicated process that requires multiple levels of coordination, with each level posing its own risks.
Concentration of shareholding	Following completion of the Acquisition, the Genius Education Shareholder will hold approximately 34.9% of the Shares in Mayfield. In addition, in the event that the Genius Education Shareholder is issued the maximum number of earn out shares, the Genius Education Shareholder may hold up to approximately 40.9% of the Shares in Mayfield. Accordingly, the Genius Education Shareholder may be in a position to very strongly influence or effectively control the election of the Directors and the potential outcome of matters submitted to a vote of Mayfield shareholders. Given this strong influence the Genius Education Shareholder will have, there is a risk that Mayfield's business strategy may undergo wholesale changes, and if that occurs, there is no guarantee that any such changes will be any more successful than Mayfield's current business strategy.
COVID-19 overall impact	The ongoing COVID-19 global pandemic and associated economic uncertainty continues to impact the global economy and financial markets, including Australian and international equity markets. As a result, there is increased risk associated with making investment decisions in this environment. Measures taken by any government agency or regulatory body in response to the COVID-19 pandemic are likely to be outside the control of Mayfield. If COVID-19 outbreaks, lockdowns and restrictions continue to occur in Australia and overseas, there may be impacts for the Australian and international economy, Mayfield's business activity and the market for Mayfield's Shares.

Key risks

Changes in laws and regulations	The Australian childcare sector is heavily regulated, including by the Education and Care Services National Law Act 2010 (Vic), which has been adopted by all Australian States and Territories. Supporting legislative regulations prescribe frameworks for the operation of childcare centres in each State. Consequently, changes to the wording, administration or interpretation of the relevant legislation, regulations and policy governing the childcare sector may have adverse effects on Mayfield's business and financial position. Changes to government regulation and law which might affect Mayfield include, but are not limited to, legislative changes that affect operational factors such as staff ratios and employment qualification criteria, government policy or legislation that affects the demand for childcare services and changes to government funding and subsidies.
Government funding changes	A significant amount of Mayfield's revenue comes from Commonwealth government assistance. The Child Care Subsidy introduced in July 2018 has been implemented to provide assistance and accessibility for families to childcare. Government funding is subject to review and alteration at any time by the Commonwealth government. Any changes reducing the funding to childcare operators or to the eligibility criteria for receiving the assistance could have adverse impacts on Mayfield's business and financial position.
Registration, assessment and regulation risk	All childcare centres in Australia must be registered under the National Quality Framework for Early Childhood Education and Care (NQF) in order to qualify for government funding. The Australian Children's Education and Care Quality Authority (ACECQA) is responsible for the monitoring of this process and for conducting inspections and assessments of childcare centres. ACECQA undertakes inspections and assessments to ensure compliance with relevant regulations and provides a rating to individual childcare centres. An unsatisfactory evaluation (reflected in a poor rating) may result in the withdrawal of a Mayfield childcare centre's registration and/or government subsidies. If this occurs, this could have an adverse effect on Mayfield's business and financial position.
Occupancy	There is no assurance that occupancy levels at the Mayfield childcare centres will continue to follow historical occupancy trends. Occupancy may fluctuate contrary to Mayfield's historical experience or estimations. Fluctuating occupancy levels (whether increasing or decreasing) will have a direct impact on the financial performance and earnings of Mayfield.
Competition risk	The Australian childcare industry is highly competitive. Mayfield competes against other long day care services providers as well as outside school hours providers. Competition between childcare service providers is generally based on the quality of the relevant childcare centres and the care provided, coupled with location and the cost of the services. If a childcare centre is established by a competitor in close proximity to a Mayfield childcare centre, this may adversely affect Mayfield's business and financial position. Mayfield must also respond to the ever-changing competitive landscape. Entry by new competitors may mean increased consolidation of the sector, reducing potential acquisition targets, whilst current competitors also compete with Mayfield for acquisition targets.
Key personnel risk	The responsibility of overseeing the day-to-day operations and the strategic management of Mayfield depends substantially on its ability to attract and retain qualified and experienced staff. There is no guarantee that Mayfield will be able to attract and retain its key personnel. Any difficulty in attracting or retaining staff could disrupt and materially affect the operations of Mayfield in the short to medium term. Such occurrences could reduce Mayfield's competitiveness, disrupt operations or adversely affect Mayfield's business and financial position.
Funding risk	There is no guarantee that the monies raised under the Placement and SPP will be adequate or sufficient to meet the ongoing funding requirements of Mayfield under its current business plan. If Mayfield requires access to further funding at any stage in the future, there can be no assurance that additional funds will be available either at all or on terms and conditions which are commercially acceptable to Mayfield. If Mayfield is unable to obtain such additional capital, it may be required to reduce the scope of its anticipated activities, which could adversely affect its business, financial condition and operating results. Changes in the availability and the cost of current and future borrowings may impact Mayfield's earnings.
Dividends	There are a range of factors that determine and will determine the payment of dividends by Mayfield. These factors include the profitability of Mayfield, its cash reserves and future capital requirements. There is no guarantee that any dividend will be declared and paid by Mayfield or any guarantee that future dividends will equal or exceed previous dividend payments.
Dilution risk	The percentage shareholding of Mayfield shareholders will be diluted as a result of the Placement, particularly if they do not participate in the SPP. Even if a Mayfield shareholder does take up their full allocation under the SPP, their percentage shareholding in Mayfield may be diluted by the Placement and possibly also from the SPP because participation is limited to a fixed amount and Mayfield shareholders are not entitled to participate in the SPP on a pro rata basis relative to their existing shareholdings. There is a risk that interests of Mayfield shareholders will be further diluted as a result of further capital raisings or equity issues in order to the fund the development of Mayfield's business.
Landlord relationships	Mayfield operates many childcares under which it is the lessee. The loss of key childcares sites or leases could materially adversely affect Mayfield's business, operating and financial performance.

General risks

General equity market risks	<p>On completion of the Placement and SPP, the new Mayfield Shares may trade on ASX at higher or lower prices than the issue price. Investors who decide to sell their new Mayfield Shares after the Placement and SPP may not receive the amount of their original investment.</p> <p>The price at which Shares trade on ASX may be affected by a number of factors, including the financial and operating performance of Mayfield and external factors over which Mayfield and its Directors have no control.</p> <p>These external factors include actual, expected and perceived general economic conditions, changes in government policy or regulation, significant events such as natural disasters or acts of terrorism, epidemics and pandemics, investor attitudes, changes in taxation, movements in interest rates, movements in stock markets, and general conditions in the markets in which Mayfield operate.</p> <p>In addition, investors should consider the historical volatility of Australian and overseas share markets.</p> <p>The Directors make no forecast in regard to the strength of the equity and share markets in Australia and throughout the world.</p>
Economic conditions	<p>The performance of Mayfield is likely to be affected by changes in economic conditions. Profitability of the business may be affected by some or all of the matters listed below, each of which is inherently uncertain:</p> <ul style="list-style-type: none"> • the future demand and occupancy levels of Mayfield's childcare centres; • general financial issues which may affect policies, exchange rates, inflation and interest rates; • deterioration in economic conditions, possibly leading to reductions in business spending and other potential revenues which could be expected to have a corresponding adverse impact on Mayfield's operating and financial performance; • the strength of the equity and share markets in Australia and throughout the world; • financial failure or default by any entity with which a member of Mayfield is or may become involved in a contractual relationship; and • industrial disputes in Australia and overseas.
Geo-political factors	<p>Mayfield may be affected by the impact that geo-political factors have on the world or Australian economy or on financial markets and investments generally or specifically. This may include international wars, terrorist type activities and governmental responses to such activities.</p>
Litigation risk	<p>Mayfield may in the ordinary course of business become involved in litigation, claims and disputes. Any litigation, claim or dispute could be costly and damaging to Mayfield's reputation and business relationships, which could have an adverse effect on its financial performance and industry standing.</p>
Tax risk	<p>Changes to the rate of taxes imposed on Mayfield or tax legislation generally may affect Mayfield and its shareholders. In addition, an interpretation of Australian tax laws by the Australian Taxation Office that differs to Mayfield's interpretation may lead to an increase in Mayfield's tax liabilities and a reduction in shareholder returns. In addition, any change in tax rules could have an adverse impact on the level of dividend imputation and franking. Personal tax liabilities are the responsibility of each individual investor. Mayfield is not responsible either for tax or tax penalties incurred by investors.</p>
Accounting standards	<p>Australian accounting standards are subject to change from time to time which could adversely affect Mayfield's reported earnings performance in any given period and its financial position or performance from time to time.</p>
Speculative investment	<p>The above list of risk factors ought not to be taken as exhaustive of the risks faced by Mayfield or by investors in Mayfield. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of Mayfield and the value of the securities offered under the Placement and SPP. Therefore, the shares to be issued pursuant to the Placement and SPP carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities. Potential investors should consider that an investment in Mayfield is speculative and should consult their professional advisers before deciding whether to apply for securities pursuant to the Placement and SPP.</p>
Geo-political factors	<p>Mayfield may be affected by the impact that geo-political factors have on the world or Australian economy or on financial markets and investments generally or specifically. This may include international wars, terrorist type activities and governmental responses to such activities.</p>

Offer jurisdictions

Offer jurisdictions

Hong Kong	<p>WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).</p> <p>No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.</p> <p>The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.</p>
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Singapore	<p>This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.</p> <p>This document has been given to you on the basis that you are (i) an existing holder of Mayfield's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) an "accredited investor" (as defined in the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.</p> <p>Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.</p>
United Kingdom	<p>Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.</p> <p>The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" (within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing section 86(7) of the FSMA). This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.</p> <p>Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to Mayfield.</p> <p>In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.</p>



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