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This is an **important document** and requires your immediate attention.

TARGET'S STATEMENT

This Target's Statement has been issued in response to the unsolicited conditional off-market takeover offer by Embark Early Education Limited (ACN 667 611 752) to acquire all of your ordinary shares in Mayfield Childcare Limited (ACN 604 970 390).

THE MAYFIELD BOARD UNANIMOUSLY RECOMMENDS THAT YOU

REJECT

THE EMBARK OFFER

TO REJECT THE EMBARK OFFER YOU SHOULD

TAKE NO ACTION

If you are in any doubt about how to deal with this document, you should contact your broker, financial adviser or legal adviser immediately.

Mayfield Shareholder Offer Information Line: If you have any queries in relation to the Embark Offer, please call the Mayfield Shareholder Offer Information Line on +61 2 8348 6219 Monday to Friday between 9:00am and 6:00pm (Sydney time).

Legal Adviser

STEINEPREIS PAGANIN

Financial Adviser

cg/ Investment Banking
Canaccord Genuity

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IMPORTANT NOTICES

Nature of this document

This document is a Target's Statement issued by Mayfield Childcare Limited (ACN 604 970 390) under Part 6.5 Division 3 of the Corporations Act in response to the off-market takeover offer by Embark Early Education Limited (ACN 667 611 752) to acquire all the ordinary shares in Mayfield.

A copy of this Target's Statement was lodged with ASIC and released to ASX on 20 January 2026. Neither ASIC, ASX nor any of their respective officers take any responsibility for the content of this Target's Statement.

Mayfield Shareholder Offer Information Line

Mayfield has established a shareholder information line which Mayfield Shareholders may call if they have any queries in relation to the Embark Offer. The telephone number for the Mayfield Shareholder Offer Information Line is +61 2 8348 6219 Monday to Friday between 9:00am and 6:00pm (Sydney Time) (excluding public holidays). Calls to the Mayfield Shareholder Offer Information Line may be recorded.

Defined terms

A number of defined terms are used in this Target's Statement. These terms are explained in Section 14. In addition, unless the context requires otherwise, certain terms and phrases used in this Target's Statement have the same meaning and interpretation as given in the Corporations Act.

No account of personal circumstances

This Target's Statement does not take into account your individual objectives, financial situation or particular needs. It does not contain personal advice. The Mayfield Board encourages you to seek independent financial and taxation advice before making a decision as to whether or not to accept the Embark Offer.

Disclaimer as to forward-looking statements

Some of the statements appearing in this Target's Statement may be in the nature of forward-looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industry in which Mayfield operates as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement. None of Mayfield, Mayfield's officers and employees, any persons named in this Target's Statement with their consent, or any person involved in the preparation of this Target's Statement, makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward-looking statement, or any events or results expressed or implied in any forward-looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward-looking statement. The forward-looking statements in this Target's Statement reflect views held only as at the date of this Target's Statement.

Disclaimer as to information about Embark

The information on Embark set out in or referred to in this Target's Statement has been prepared by Mayfield using publicly available information. The information in the Target's Statement concerning Embark and its assets and liabilities, financial position and performance, profits and losses and prospects, has not been independently verified by Mayfield. Accordingly, Mayfield does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

Foreign jurisdictions

The release, publication or distribution of this Target's Statement in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations. This Target's Statement has been prepared in accordance with Australian law and the information set out in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with the laws and regulations outside Australia.

Charts, diagrams and rounding

Any diagrams, charts, maps, graphs and tables appearing in this Target's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, maps, graphs and tables is based on information available at the date of this Target's Statement. Amounts, percentages, prices, estimates and other figures in this Target's Statement are subject to the effect of rounding. Accordingly, actual numbers may differ from those set out in this Target's Statement.

Websites

Any website links in this Target's Statement are for your reference only. Information contained in, or otherwise accessible from, those websites does not form part of this Target's Statement.

Privacy

Mayfield has collected your information from the Mayfield register of shareholders and option holders for the purpose of providing you with this Target's Statement. The type of information Mayfield has collected about you includes your name, contact details and information on your shareholding or option holding (as applicable) in Mayfield. Without this information, Mayfield would be hindered in its ability to issue this Target's Statement. The Corporations Act requires the name and address of shareholders and option holders to be held in a public register. Your information may be disclosed on a confidential basis to Mayfield's related bodies corporate and external service providers (such as the share registry of Mayfield and print and mail service providers) and may be required to be disclosed to regulators such as ASIC. If you would like details of information about you held by Mayfield, please contact Xcend on +61 2 8591 8509. Mayfield's privacy policy is available at https://investor.mayfield.com.au/privacy-policy. The registered address of Mayfield is Suite 1, Level 3, 108 Power Street, Hawthorn VIC 3122.

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KEY DATES

ACTION	DATE
Embark announcement of intention to make Embark Offer	7 November 2025
Original Bidder's Statement lodged with ASIC	19 December 2025
Date of Bidder's Statement	5 January 2026
Embark Offer opens (date of Offer)	5 January 2026
Date of Target's Statement	20 January 2026
Embark Offer closes (unless extended or withdrawn)	7:00pm (Sydney Time) on 5 March 2026

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1. CHAIR'S LETTER

Dear Mayfield Shareholders,

On 7 November 2025, Embark Early Education Limited (ASX:EVO) (**Embark**) announced its intention to make an off-market takeover offer to acquire all of the fully paid ordinary shares on issue in Mayfield Childcare Limited (ASX:MFD) (**Mayfield Shares**) (**Mayfield**) that Embark does not already own (**Embark Offer**).

This followed Embark's acquisition of a 19.9% shareholding in Mayfield on 27 October 2025.

Embark is offering Mayfield Shareholders the option to receive either:

(a) 1 Embark Share for every 1.24 Mayfield Shares you hold, which on 18 December 2025 had an implied value of $0.50 per Mayfield Share[1] (**Embark Share Offer**); or

(b) $0.50 cash for every Mayfield Share you hold (**Embark Cash Offer**).

Embark has stated that Mayfield Shareholders may not elect to receive a mix of Embark Shares and cash. If no election is made, the default option will be the issue of Embark Shares under the Embark Share Offer.

By now, you should have received a Bidder's Statement from Embark which provides information in relation to the Embark Offer.

This Target's Statement provides Mayfield's formal response to the Embark Offer. A summary of the key terms and conditions of the Embark Offer are outlined in Section 8 of this Target's Statement. The key risks associated with accepting or not accepting the Embark Offer are described in Section 10 of this Target's Statement.

As at the date of this Target's Statement, according to the most recent substantial holder notice lodged with ASX on 5 January 2026, Embark and its associates' (including acceptances under the Embark Offer) had a voting power in Mayfield of 19.9%.

MAYFIELD BOARD RECOMMENDATION

The Mayfield Board has carefully considered the Embark Offer and unanimously recommends that you **REJECT THE EMBARK OFFER.**

The following are the key considerations underlying the Board's recommendation which are explained in further detail in Section 3 of this Target's Statement.

- The Embark Offer is opportunistically timed and does not adequately reflect Mayfield's improving performance, under its turnaround strategy.
- The Embark Offer does not represent any meaningful premium to the historical trading prices of Mayfield prior to the Embark Offer.
- The Embark Offer does not represent any meaningful premium to account for the possible synergies and scale benefits of a combined Mayfield – Embark business.
- Embark's plans for Mayfield's business may create a riskier vehicle for Mayfield Shareholders who elect to receive Embark Shares as consideration under the Embark Share Offer.
- The Embark Offer does not currently have support from Mayfield's largest shareholders (excluding Embark), together holding 21.94% of Mayfield.

A summary of the Mayfield Board's reasons for its recommendation that you **REJECT THE EMBARK OFFER** is set out in Section 2.2 below. Full details of the reasons why you should **REJECT** the Embark Offer are set out in Section 3 of this Target's Statement.

[1] Based on Embark's 5-day VWAP of $0.6193, ending on 18 December 2025, being the Business Day prior to lodgement of the Original Bidder's Statement. The final implied value of the Embark Offer (measured by reference to the Embark Share Offer) depends on the value of Embark's Share price at the time the Embark Shares are issued under the Embark Share Offer.

HOW TO REJECT THE EMBARK OFFER

If you wish to reject the Embark Offer, you should **TAKE NO ACTION.**

ENQUIRIES

Mayfield will keep you informed in relation to the Embark Offer, and any other relevant developments, through ASX announcements which will be available at the ASX website www.asx.com.au under the ASX code 'MFD'.

Mayfield Shareholders may call the Mayfield Shareholder Offer Information Line on +61 2 8348 6219, Monday to Friday between 9:00am and 6:00pm (Sydney Time) (excluding public holidays).

We encourage you to read this Target's Statement carefully and consider the Embark Offer having regard to your own personal risk profile, investment strategy and tax position. In this regard, you may wish to consult your broker, professional financial adviser or legal adviser.

Yours faithfully



Roseanne Healy
Independent Non-Executive Chair
Mayfield Childcare Limited

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2. MAYFIELD BOARD RECOMMENDATION

2.1 Mayfield Board recommendation

The Mayfield Board has carefully considered the Embark Offer and unanimously recommends that you **REJECT THE EMBARK OFFER**.

In considering whether to reject the Embark Offer, the Mayfield Board encourages you to:

(a) read this Target's Statement in full;

(b) read the Bidder's Statement in full;

(c) have regard to your individual risk profile, portfolio strategy, tax position and financial circumstances; and

(d) obtain financial advice from your broker or financial adviser in respect of the Embark Offer and obtain taxation advice on the effect of accepting the Embark Offer.

The Mayfield Board is aware that the decision for many Mayfield Shareholders whether or not to accept the Embark Offer depends on the circumstances, investment time horizon and risk tolerance of individual Shareholders.

2.2 Mayfield Board's reasons for its recommendation

The reasons for the Mayfield Board's recommendation that you **REJECT THE EMBARK OFFER** are summarised as follows:

(a) The Embark Offer is opportunistically timed and does not adequately reflect the improving operational and financial performance of Mayfield as it continues to execute its turnaround strategy.

(b) The Embark Offer does not represent any meaningful premium to the historical trading prices of Mayfield prior to the Embark Offer, particularly having regard to limited liquidity and atypical trading conditions prior to the announcement of the Embark Offer.

(c) The Embark Offer does not represent any meaningful premium to account for possible synergies and scale benefits from combining Mayfield and Embark.

(d) Embark's plans for Mayfield's business may create a riskier vehicle for Mayfield Shareholders who elect to receive Embark Shares as consideration under the Embark Share Offer.

(e) The Embark Offer does not currently have support from Mayfield's largest shareholders (excluding Embark), together holding 21.94% of Mayfield.

(f) Embark will require change of control consents under key Mayfield commercial contracts and centre leases, with no guarantee these consents can be obtained.

(g) There is uncertainty about Embark's strategy and capacity to fund the Embark Cash Offer, with implications for Mayfield Shareholders who elect to accept the Embark Share Offer.

(h) If you accept the Embark Share Offer, it is not guaranteed you will receive scrip-for-scrip CGT rollover relief and you may pay tax on any gain you crystalise in the current financial year.

Full details of the reasons why you should **REJECT** the Embark Offer are set out in Section 3 of this Target's Statement.

2.3 Intentions of the Mayfield Board in relation to the Embark Offer

Each of the Mayfield Directors who have a relevant interest in Mayfield Shares intend to **REJECT** the Embark Offer in relation to the Mayfield Shares they own.

Details of the relevant interests of each Mayfield Director in Mayfield Shares are set out in Section 11 of this Target's Statement.

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3. REASONS WHY YOU SHOULD REJECT THE EMBARK OFFER

3.1 The Embark Offer is opportunistically timed and does not adequately reflect Mayfield's improving performance

The Embark Offer is opportunistically timed and does not adequately reflect the improving operational and financial performance of Mayfield as it continues to execute its turnaround strategy.

The Embark Offer has been made during a period of broader negative sentiment toward the childcare and early education sector, which the Mayfield Board believes has adversely affected market valuations across the industry.

Mayfield performance improvement

As announced on 18 December 2025, Mayfield demonstrated a strong improvement in operational and financial performance during October and November 2025, highlighted by continued centre occupancy growth across all brands and significant improvements in cost management and wage control, which strengthened underlying earnings and provides a robust position leading into the 2026 calendar year

Occupancy continuing to rise

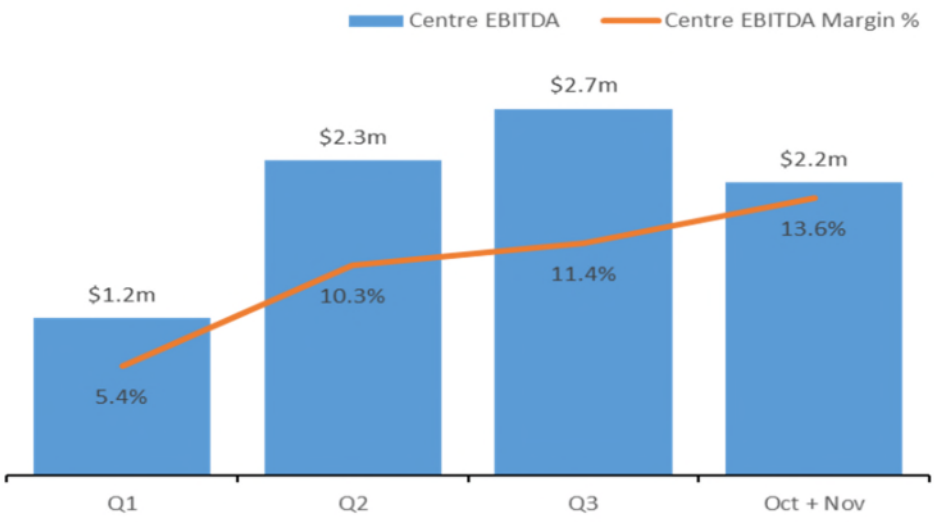
Centre occupancy continued to improve during November 2025 across Mayfield's portfolio, with all brands showing positive growth, during a sector wide period of supressed occupancy growth.

Table 1

OCCUPANCY TYPE	NOVEMBER 2025	SEPTEMBER 2025	CHANGE
Group Occupancy	56%	55%	+1%
Spot Occupancy[2]	65%	64%	+1%
Precious Cargo	45%	44%	+1%

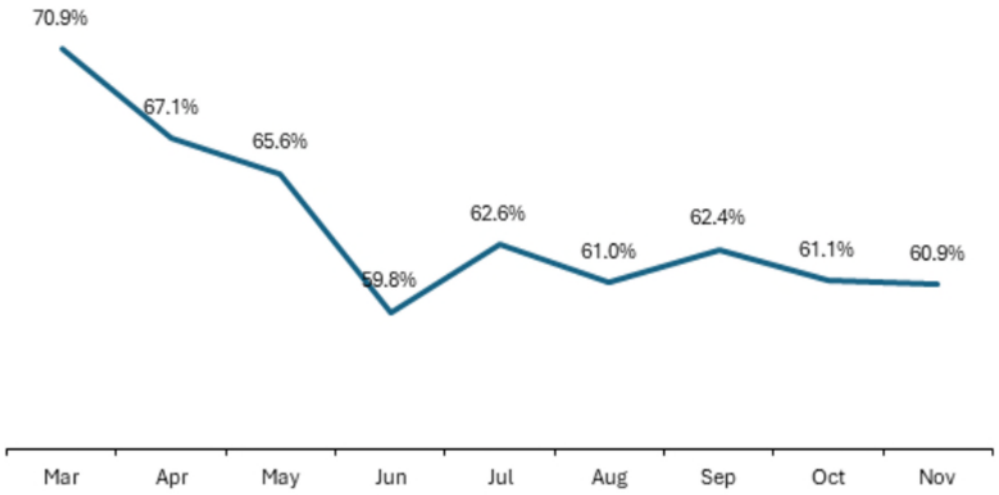
Underlying Centre earnings

Significant improvements in cost management and wage control across the Mayfield Group improved underlying centre earnings, with October and November delivering $2.3m in Centre EBITDA[3] at a margin of 13.6%, representing a 220 basis point improvement in October and November 2025 versus the September quarter (Q3 FY2025).



[2] Spot Occupancy excludes centres previously marked for divestment in comparative period FY24 and Precious Cargo centres.
[3] Underlying Centre EBITDA is a non-statutory financial concept 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.

A dedicated and diligent focus on wage control has delivered an ongoing improving trend into November despite reduced occupancy versus prior corresponding period, with centre level Wage to Revenue[4] (excluding support office costs) of 60.9% in November 2025 versus 70.9% in March 2025.



Robust operational and financial position continuing into FY26[5]

Mayfield is continuing to deliver against the family first plan of marketing and customer engagement, leading to consistent and predictable inflows of new families into the centre network. Momentum built in December has continued into January 2026 and forward enrolment indicators for February 2026 are continuing to strengthen, supported by:

(a) starting occupancy expected to be ahead of the prior corresponding period;

(b) weekly pre-enrolment inflows of 130 sessions of care per week in line with expectations;

(c) continued engagement by customers with marketing initiatives with no slow down noted in December 2025; and

(d) ongoing uplift 3, 4 and 5 day bookings.

These performance improvements have been delivered during a period where several other listed early education operators have reported weaker occupancy trends and reduced earnings expectations in recent ASX updates. In contrast, Mayfield has delivered month-on-month occupancy uplift into November 2025 and expects to commence 2026 with a stronger starting enrolment position.

Accordingly, the Mayfield Board considers that the Embark Offer is opportunistically timed as it does not adequately capture the performance improvement of Mayfield's business as it executes its turnaround strategy. The Mayfield Board's view is that on completion of the turnaround strategy Mayfield will be best placed to continue to deliver value for Mayfield Shareholders as a standalone company. Mayfield's ability to deliver consistent occupancy growth despite broader sector softness demonstrates the effectiveness of recent performance initiatives. The Mayfield Group remains focused on sustaining this momentum, by improving centre performance mix and strengthening centre capability.

Negative sector sentiment and suppressed valuations

During 2025, there were several incidents at childcare centres across Australia, which led to negative media reports maligning the broader early education industry. The Mayfield Board believes this has suppressed valuations across the sector and contributed to the weaker share price performance of both Mayfield, Embark and other listed early education operators.

[4] Wage to Revenue (WTR) is all centre based wages plus oncosts, including agency.
[5] Note that Mayfield has a financial year end of 31 December annually.

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Consequently, Mayfield Shareholders who elect to receive the Embark Cash Offer may not receive the benefit from a potential improvement in investor sentiment towards the early education sector and an associated improvement in the performance, as various issues are addressed.

3.2 The Embark Offer does not represent any meaningful premium to the historical trading prices of Mayfield prior to the Embark Offer

The Embark Offer values Mayfield's Share capital at approximately $37.7 million and the 80.1% of Mayfield's issued shares not currently held by Embark at approximately $30.2 million.

The Mayfield Board believes that the Embark Offer was timed to coincide with a period of weakness in the Mayfield Share price.

The Embark Offer does not represent any meaningful premium to recent historical trading prices of Mayfield prior to the Embark Offer, and is at a significant discount to Mayfield's trading prices over the longer term.

The Embark Offer represents:

(a) only a 7.5% premium to $0.465, the closing price of Mayfield Shares on 6 November 2025, the day prior to Embark's announcement of its intention to make the Embark Offer;

(b) only a 10.8% premium to $0.451, the 5-day VWAP of Mayfield Shares up to 6 November 2025;

(c) a discount of 23.6% to the average closing price of Mayfield Shares in 2024, and a discount of 48.5% to the average closing price of Mayfield Shares in 2023.

This is further highlighted in the following table:

Table 2

YEAR	HIGH CLOSING PRICE	AVERAGE CLOSING PRICE	EMBARK OFFER (DISCOUNT) / PREMIUM TO AVERAGE CLOSING PRICE
2025	$0.510	$0.394	27.0%
2024	$0.840	$0.654	(23.6%)
2023	$1.395	$0.971	(48.5%)

As illustrated in Table 2 above, the consideration offered under the Embark Offer represents a discount to Mayfield's average closing Share prices in 2023 and 2024, periods during which Mayfield Shares traded at materially higher levels than recent trading prices.

The Mayfield Board considers that these longer-term trading prices provide important context when assessing the adequacy of the Embark Offer, particularly given the limited liquidity and atypical trading conditions in more recent periods,[6] and the adverse impact of negative sector sentiment, as outlined in Section 3.1. In the Board's view, the comparison highlights that the Embark Offer does not adequately reflect the value at which Mayfield Shares have traded over an extended timeframe.

In addition, the Mayfield Board considers that the Embark Offer does not include a premium typically associated with a transaction that results in a change of control. If the Embark Offer is successful, Embark would acquire full operational control of Mayfield and the ability to determine strategy, capital allocation and integration outcomes. In the Board's view, the consideration offered does not reflect a premium for the transfer of control or the value of the benefits that Embark may derive from that control.

[6] For instance, 15,009,497 Mayfield Shares were traded via a block trade on 27 November 2025, compared to the average daily share volume traded for the previous 12 months of 39,799 Mayfield Shares.

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3.3 The Embark Offer does not represent any meaningful premium to account for possible synergies and scale benefits between Mayfield and Embark

The Bidder's Statement highlights that the integration is expected to (among others) create operational efficiencies, improve centre performance and support long-term revenue growth. Furthermore, in its Investor Presentation released to the ASX on 15 December 2025, Embark states that "*by combining both networks under one operator, Embark could streamline administration, centralise back office functions, reduce duplicated overheads and better leverage shared resources*". Given the material level of operational and cost synergies identified by Embark, the Mayfield Board is of the view that the Embark Offer does not represent any meaningful premium to the Mayfield Share trading prices to account for these identified synergies.

The Mayfield Board notes that in the event that the Embark Offer is successful, it will increase Embark's number of childcare centres from 39 to 84 (an increase of 115%) and will increase the number of licensed places from 3,562 to 7,757 places (an increase of 118%). It is the view of the Mayfield Board that Embark will procure numerous benefits from this material increase in operational scale.

Furthermore, if the Embark Offer is successful, the Mayfield portfolio of centres will meaningfully improve the overall quality of the merged portfolio of centres based on the centre ratings under the National Quality Framework. Currently Mayfield's portfolio of centres has a greater percentage of centres that are rated "*Meeting the National Quality Standard*" or "*Exceeding the National Quality Standard*" (95.6%) when compared to Embark's portfolio (74.4%).[7] Furthermore, Mayfield's portfolio of centres only consists of two centres that are "*Working Towards the National Quality Framework*" (4.4%), whereas Embark's portfolio consists of 10 centres with this rating (25.6%).[8] This is illustrated in the following table:

Table 3

NQF RATINGS	EMBARK	MAYFIELD	COMBINED	INDUSTRY AVERAGE
Excellent	0.00%	0.00%	0.00%	0.2%
Exceeding NQS	10.3%	17.8%	14.3%	16.8%
Meeting NQS	64.1%	**77.8%**	71.4%	74.4%
Working Towards NQS	**25.6%**	4.4%	14.3%	8.6%
Significant Improvement Required	0.00%	0.0%	0.00%	0.1%
	100.0%	**100.0%**	**100.0%**	**100.0%**

Given the above, it's the Mayfield Board's view that the Embark Offer does not represent any meaningful premium to the trading prices of Mayfield Shares to account for such scale and quality benefits.

3.4 Embark's plans for Mayfield's business may create a riskier vehicle for Mayfield Shareholders who elect to receive Embark Shares as consideration under the Embark Share Offer

Embark states in its Bidder's Statement that, if it acquires 90% or more of Mayfield Shares, Embark does not anticipate making any material changes to Mayfield's management, brands or operations. However, in its Investor Presentation released to the ASX on 15 December 2025, Embark references "*potential reduction in operational costs as a result of the use of Embark's current operating teams*" and a "*reduction of head office / office costs*". Accordingly, the Mayfield Board's view is that Embark's plans for Mayfield, should the Embark Offer be successful, are inconsistent and unclear.

The Mayfield Board considers that these statements create uncertainty regarding Embark's intended approach to the future operation and integration of Mayfield's business. In the Board's view, the absence of clarity regarding how cost reductions would be achieved,

[7] Refer to https://www.acecqa.gov.au/resources/national-registers .
[8] Refer to https://www.acecqa.gov.au/resources/national-registers .

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while maintaining existing operational and quality standards, gives rise to execution and change-management risk within a larger portfolio structure.

Operating models and approach to delivery represent a meaningful risk to integration and ongoing performance of the business. Structurally, Embark operates a largely decentralised operating model supported by a smaller head office function, with senior management being represented by Chris Scott (Managing Director & Executive Director) and family members holding key management roles.

As outlined in Section 3.3 above, combining the Mayfield portfolio of centres into an expanded Embark portfolio of centres potentially creates a perceived 'quality' risk to Mayfield Shareholders with regard to the fact that currently Mayfield's portfolio of centres has a significantly greater percentage of centres that are rated "Meeting the National Quality Standard" or "Exceeding the National Quality Standard" (95.6%) compared to Embark's portfolio (74.4%).[9] 25.6% of Embark's centres are currently rated as "Working Towards" compared to 4.4% of Mayfield's with this classification (refer to Table 3 above).[10] In this context, it is noted that the regulation and availability of the Child Care Subsidy (**CCS**) is dependent upon individual childcare centres being registered with the National Quality Framework. The assessment and rating process and receipt of government subsidies involves regular review by representatives of the Australian Children's Education and Care Quality Authority (**ACECQA**), including inspections of childcare centres, the quality of services provided and facilities.

Additionally, the Mayfield Board notes that Mayfield operates under a centralised operating model, with consistent application of policies across child safeguarding practices and regulatory compliance. By contrast, Embark operates under a decentralised business models which may create implementation risk with respect to any change management necessary to integrate the businesses. This is likely to be especially evident as Embark would increase from 39 centres to a total 84 centres if the Embark Offer is successful.

For Mayfield Shareholders who elect to receive Embark Shares, these factors may result in increased business, operational and execution risk relative to Mayfield continuing as a standalone business. Accordingly, the Board considers that accepting Embark Shares may expose Mayfield Shareholders to a risk profile that differs materially from their current investment in Mayfield.

3.5 The Embark Offer does not currently have support from Mayfield's largest shareholders (excluding Embark), together holding 21.94% of Mayfield

Independently, Mayfield has received separate notifications from its two largest shareholders (and their associates') (excluding Embark), each advising their intention to reject the Embark Offer in the absence of a superior proposal, in relation to the Shares held by the shareholders on the relevant date of the Embark Offer, which as at the date of this Target's Statement, are as follows:

(a) Riversdale Road Shareholding Company Pty Ltd, holding a 13.44% voting power in Mayfield Shares (being 10,133,753 shares);[11] and

(b) Malcolm and June Ross Investments Pty Ltd, holding an 8.50% voting power in Mayfield Shares (being 6,413,417 shares).[12]

Accordingly, given the Embark Offer includes a minimum acceptance condition of 90% (by number) of Mayfield Shares, the Embark Offer could not be successful in the current circumstances (noting that Embark may elect to waive this condition).

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[9] Refer to https://www.acecqa.gov.au/resources/national-registers .
[10] Refer to https://www.acecqa.gov.au/resources/national-registers .
[11] Comprising registered holdings of Riversdale Road Shareholding Company Pty Ltd (7,179,109 shares, 9.52%) and its associates' JT Campbell Properties Pty Ltd (1,781,248 shares, 2.36%), Mr Michael Norman Kroger & Mr Jack Henry Kroger (702,724 shares, 0.93%), MacLaw No 544 Pty Ltd (320,672 shares, 0.43%) and Mr Simon Kroger (150,000 shares, 0.2%).
[12] Comprising registered holdings of Malcolm & June Ross Investments Pty Ltd (3,579,964 shares, 4.75%) and its associates' Mr Malcolm Ross & Mrs June Ross (23,491 shares, 0.03%) and Tobaka Superannuation Pty Ltd (2,809,962 shares, 3.73%).

3.6 There is uncertainty about Embark's strategy to fund the Embark Cash Offer, with implications for Mayfield shareholders that elect to take the Embark Share Offer

Based on publicly available information regarding Embark's financial position, the Mayfield Board has concerns about Embark's strategy to fund the Embark Cash Offer.

Embark has outlined in the Bidder's Statement that it will fund the Embark Cash Offer from the following:

(a) existing cash reserves of Embark, to which it has allocated a cash pool of $10,000,000 from the existing cash reserves;

(b) cash from a $12,000,000 institutional share placement that completed on 19 December 2025, allocating $11,400,000 to funding the Embark Cash Offer; and

(c) cash from a further proposed Institutional Placement that may be completed in January 2026, if required subject to the level of demand for scrip consideration under the Embark Share Offer (**Embark Proposed Institutional Placement**).

If all Mayfield Shareholders elect to accept the Embark Cash Offer, Embark would need to raise an additional $8,854,470 from the Proposed Institutional Placement in January 2026, to adequately and fully fund the Embark Cash Offer.

The Mayfield Board believes there is uncertainty regarding the Embark Proposed Institutional Placement. This is in consideration of the broader equity market conditions, the current negative sentiment towards the early education sector contributing to weaker share price performance across the industry and that Embark may have recently utilised a significant level of investor demand following completion of its $12 million December 2025 placement.

There is uncertainty on the ultimate price that the Proposed Institutional Placement will be completed at, and subsequently, the quantum of new Embark shares issued under the Embark Proposed Institutional Placement. Consequently, as at the date of this Target's Statement, it is unclear what percentage of the combined business Mayfield Shareholders who elect to accept the Embark Share Offer will own, and how much their shareholding may be diluted in the future.

3.7 Embark will require change of control consents under key Mayfield commercial contracts and centre leases, with no guarantee these consents can be obtained

Under various key Mayfield Group commercial contracts and centre leases, the Mayfield Group is required to be provided with the counterparties' prior consent to a change of control in Mayfield or its subsidiary.

There is no guarantee these consents will be able to be obtained and any termination of agreements or licences due to a change of control could have a materially adverse effect upon the Mayfield business.

(a) **Westpac Facility**

Under the terms of the Westpac Facility (see further information at Section 6.7 below), Westpac may review the existing Facility Agreement if it considers that an event of default has or may occur. A change in ownership or control, without Westpac's consent is one of the events of default. On and any time after the event of default, Westpac may (among others) declare that all or part of the utilisation of the Westpac Facility, become due and payable.

If Westpac were to exercise these rights (or require amended terms, including increased pricing), this could adversely affect the Mayfield Group's liquidity and funding costs and constrain its ability to operate and pursue its strategy. There is no guarantee that any waiver, consent or replacement/refinancing funding would be available on acceptable terms (or at all).

(b) **Leases**

The Mayfield Group holds over 45 leases.

A significant number of these leases require landlord consent for the change of control if acceptances under the Embark Offer results in Embark acquiring a

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relevant interest in more than 50% of the shares in Mayfield or MEEPL (as applicable). As at the date of this Target's Statement, these consents have not been obtained. If a consent is not granted, it may result in the termination of the relevant lease (or the landlord seeking to renegotiate the terms of the lease). This may have an adverse impact on the Mayfield Group's operational and financial performance. The Mayfield Group has not yet received any confirmation of whether any termination rights under the leases would be exercised if they are triggered by the Embark Offer.

Any default under a lease by the Mayfield Group (which, under a significant number of leases would be triggered if the Mayfield Group does not satisfy its obligations to notify or obtain the consent of the landlord under the relevant change of control provisions that may be triggered upon Embark acquiring a controlling interest in Mayfield), or failure to renew existing leases on acceptable terms or an inability to negotiate alternative arrangements, could materially affect the Mayfield Group's ability to operate.

Further, pursuant to the terms of certain leases, upon termination by the landlord or default by the Mayfield Group, certain make good obligations and any obligations to re-pay fit-out contributions provided by the relevant landlord to the Mayfield Group may crystallise. Such obligations may result in the Mayfield Group being required to make material payments to a number of landlords, which may also have an adverse effect on the Mayfield Group's future financial condition and performance.

3.8 If you accept the Embark Share Offer, you will not receive scrip-for-scrip CGT rollover relief unless Embark acquires 80% ownership of Mayfield under the Embark Offer which is uncertain

If you accept the Embark Offer, then this may trigger taxation implications for you earlier than would have otherwise been the case.

Australian tax resident Mayfield Shareholders for income tax purposes who hold their Mayfield Shares on a capital account, and who would make a capital gain on disposal of their Mayfield Shares, could crystalise a capital gains tax liability by accepting the Embark Offer.

In addition, foreign Shareholders may be subject to the tax consequences in their jurisdiction if they accept the Embark Offer.

Mayfield Shareholders should carefully read the taxation considerations outlined in Section 12. The Mayfield Board encourages Mayfield Shareholders to consult with their own independent taxation advisers regarding the taxation implications of accepting the Embark Offer given their own particular circumstances.

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4. FREQUENTLY ASKED QUESTIONS

QUESTION	ANSWER
What is this Target's Statement?	This Target's Statement has been prepared by Mayfield and provides Mayfield's response to the Embark Offer, including the recommendation of the Mayfield Board.
What is the Bidder's Statement?	The Bidder's Statement is the document setting out the terms of the Embark Offer. The Bidder's Statement was sent to Mayfield securityholders on 5 January 2026.
What is the Embark Offer?	Embark is offering Mayfield Shareholders the option to receive either: (a) 1 Embark Share for every 1.24 Mayfield Shares held, which on 18 December 2025, had an implied value of $0.50 per Mayfield Share[13] (**Embark Share Offer**); or (b) $0.50 cash for every Mayfield Share held (**Embark Cash Offer**). Embark has stated that Mayfield Shareholders may not elect to receive a mix of Embark Shares and cash. If no election is made, the default option will be the issue of Embark Shares under the Embark Share Offer.
What choices do I have as a Mayfield Shareholder?	As a Mayfield Shareholder, you have the following choices in respect of your Mayfield Shares: (a) **reject the Embark Offer** by doing nothing; (b) accept the Embark Cash Offer; (c) accept the Embark Share Offer; or (d) sell your Mayfield Shares on the ASX (unless you have previously accepted the Embark Offer and you have not validly withdrawn your acceptance). There are several implications in relation to each of the above choices. A summary of these implications is set out in Section 5 of this Target's Statement.
What are the directors of Mayfield recommending?	The Mayfield Board unanimously recommends that you **REJECT THE EMBARK OFFER**.
Why is the Mayfield Board recommending that I reject the Embark Offer?	The reasons for the Mayfield Board's recommendation are outlined in Section 3.
What do the Mayfield Board members intend to do with their own Mayfield Shares?	Each of the Mayfield Directors who have a relevant interest in Mayfield Shares intends to reject the Embark Offer in relation to their own Mayfield Shares.
How to reject the Embark Offer?	To reject the Embark Offer, simply do nothing. You should take no action in relation to all correspondence from Embark in relation to the Embark Offer.

[13] Based on Embark's 5-day VWAP of $0.6193, ending on 18 December 2025, being the Business Day prior to lodgement of the Original Bidder's Statement. The final implied value of the Embark Offer (measured by reference to the Embark Share Offer) depends on the value of Embark's Share price at the time the Embark Shares are issued under the Embark Share Offer.

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QUESTION	ANSWER
How to accept Embark Offer	You may accept the Embark Offer (either the Embark Cash Offer or the Embark Share Offer) in respect of all or some of your Shares. To accept the Embark Offer, you should follow the instructions set out in the Bidder's Statement. To be effective, your acceptance of the Embark Offer must be received by 7:00pm (Sydney Time) on 5 March 2026 (unless extended).
Will Embark increase the Embark Offer?	As set out in section 2, question 14 of the Bidder's Statement, Embark does not have any current intention to increase the Embark Offer (although it reserves the rights to do so).
What are the consequences of accepting the Embark Offer now?	If you accept the Embark Offer, unless withdrawal rights are available (refer below), you will give up your right to sell your Mayfield Shares on the ASX or otherwise deal with your Mayfield Shares while the Embark Offer remains open.
If I accept the Embark Offer, can I withdraw my acceptance?	You may only withdraw your acceptance if Embark varies the Embark Offer in a way that postpones the time when Embark is required to satisfy its obligations by more than one month. Section 8.11 of this Target's Statement sets out further details on withdrawing your acceptance.
When does the Embark Offer close?	The Embark Offer is scheduled to close at 7:00 pm (Sydney Time) on 5 March 2026, unless extended or withdrawn. Section 8.7 of this Target's Statement sets out further details of the circumstances in which the Offer Period can be extended.
What are the conditions of the Embark Offer?	The Embark Offer is subject to the conditions which are set out in Section 8.4 of this Target's Statement. In summary, the conditions of the Embark Offer are: (a) Embark obtaining a relevant interest in more than 90% (by number) of Mayfield Shares on issue at that time; (b) no Prescribed Occurrences taking place between the Announcement Date and the close of the Offer Period as set out in section 9, Appendix 1 of the Bidder's Statement; (c) satisfaction of the quotation condition, meaning that Embark receives permission from ASX for the quotation of the Embark Shares offered under the Embark Share Offer by no later than 7 days after the close of the Offer Period; and (d) satisfaction of all ASX Listing Rule requirements, including but not limited to, any requirements of ASX Listing Rule 11.1.
What happens if the conditions of the Embark Offer are not satisfied or waived?	If the conditions are not satisfied or otherwise waived before the Embark Offer closes, the Embark Offer will lapse. You would then be free to deal with Mayfield Shares even if you had accepted the Embark Offer.

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QUESTION	ANSWER
How is Embark funding the Embark Offer?	The Embark Cash Offer will be sourced from: (a) existing cash reserves of Embark; (b) cash from Embark's institutional placement which completed on 19 December 2025; and (c) cash from a proposed institutional placement that may be completed, subject to the level of demand for the Embark Share Offer. Section 9 of the Bidder's Statement includes further details on how Embark is funding the Embark Offer.
When will I be sent my consideration if I accept the Embark Offer?	If you accept the Embark Offer, you will have to wait for the Embark Offer to become unconditional before you will be sent your consideration from Embark. Section 8.12 of this Target's Statement sets out further details on when you will be sent your consideration.
Can I be forced to sell my Mayfield Shares?	You cannot be forced to sell your Mayfield Shares unless Embark compulsorily acquires your Mayfield Shares. Embark will need to obtain a relevant interest in 90% or more of Mayfield Shares in order to proceed to compulsory acquisition of the Mayfield Shares in relation to which acceptances of the Embark Offer have not been received, in accordance with the provisions of Chapter 6A of the Corporations Act. Section 8.15 of this Target's Statement sets out further details on the compulsory acquisition process.
What are the tax implications of accepting the Embark Offer?	A general summary of the tax implications of accepting the Embark Offer are set out in Section 12 of this Target's Statement. Mayfield Shareholders are encouraged to seek their own advice as to the taxation implications applicable to their own personal circumstances.
Is there a number that I can call if I have further queries in relation to the Embark Offer?	If you have any further queries in relation to the Embark Offer, you may call the Mayfield Shareholder Offer Information Line on +61 2 8348 6219 Monday to Friday between 9:00am and 6:00pm (Sydney time) (excluding public holidays). Calls to the Mayfield Shareholder Offer Information Line may be recorded.

5. YOUR CHOICES AS A MAYFIELD SHAREHOLDER

(a) Reject the Embark Offer

Mayfield Shareholders who do not wish to accept the Embark Offer, should do nothing.

Mayfield Shareholders should note that if Embark becomes the holder of a relevant interest in at least 90% of the Mayfield Shares during or at the end of the Offer Period, Embark will be entitled to compulsorily acquire the Mayfield Shares in relation to which acceptances under the Embark Offer have not been received.

Refer to Section 8.15 of this Target's Statement for further information.

(b) Accept the Embark Offer

Mayfield Shareholders may elect to accept the Embark Offer. You can elect to accept the Embark Offer for part or all of your Mayfield Shares.

As set out in the Bidder's Statement, the consideration offered by Embark for the acquisition of each of the Shares to which the Embark Offer relates (and the rights attaching to them) is either:

(i) 1 Embark Share for every 1.24 Mayfield Shares, which on 18 December 2025 had an implied value of $0.50 per Mayfield Share[14] (**Embark Share Offer**); or

(ii) $0.50 cash for every Mayfield Share (**Embark Cash Offer**).

If you accept the Embark Offer, you:

(iii) will only have limited rights to withdraw your acceptance of the Embark Offer; and

(iv) may be subject to tax on the disposal of your Mayfield Shares (refer to Section 12 of this Target's Statement for further details of the potential tax consequences of accepting the Embark Offer).

Details of how to accept the Embark Offer are set out in the Bidder's Statement.

(c) Sell your Mayfield Shares on market

You can still sell some or all of your Mayfield Shares on market for cash if you have not already accepted the Embark Offer in respect of those Mayfield Shares.

The latest price for Mayfield Shares may be obtained from the ASX website www.asx.com.au.

Mayfield Shareholders who sell their Mayfield Shares on market may be subject to tax on the sale and may incur a brokerage charge.

Mayfield Shareholders who wish to sell their Mayfield Shares on market should contact their broker for information on how to effect that sale and their tax adviser to determine the tax consequences from such a sale.

[14] Based on Embark's 5-day VWAP of $0.6193, ending on 18 December 2025, being the Business Day prior to lodgement of the Original Bidder's Statement. The final implied value of the Embark Offer (measured by reference to the Embark Share Offer) depends on the value of Embark's Share price at the time the Embark Shares are issued under the Embark Share Offer.

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6. INFORMATION ABOUT MAYFIELD

6.1 Overview

Mayfield Childcare Limited (ASX: MFD) is an Australian early childhood education and care provider. Mayfield was listed on the Australian Securities Exchange in November 2016 and has since grown to own and operate 45 long day childcare centres with over 4,000 registered childcare places across Victoria, Queensland and South Australia. Mayfield provides high-quality early education and care to over 3,600 families and is supported by a management and educational team of over 1,100 people.

Mayfield has one wholly owned subsidiary, Mayfield Early Education Pty Ltd (ACN 653 437 935) (**MEEPL**). Mayfield and MEEPL are together referred to as the Mayfield Group.

6.2 Mayfield Board of Directors

As at the date of this Target's Statement, the directors of Mayfield are:

NAME	POSITION
Roseanne Healy	Independent Chair and Non-Executive Director
Ingrid Fraser-Williams	Independent Non-Executive Director
Gregory Johnson	Independent Non-Executive Director

Brief profiles of the Mayfield Directors are as follows:

Roseanne Healy
Independent Chair and Non-Executive Director

Roseanne Healy has over 20 years of experience in corporate advisory and investment banking. She began her career at JBWere in the resources and IPO divisions, contributing commercial, legal, and risk expertise to support investment strategy. She has since held CEO, executive, and advisory roles across public and private companies, with deep capability in corporate transactions, operational discipline, and performance. Roseanne is currently the Managing Director of Enterprise Corporation, a boutique advisory and private equity firm. She is also an experienced Chair and Non-Executive Director, with board roles spanning ASX-listed, private, and statutory organisations across infrastructure, banking, resources, and funds management. She presently serves as Chair of Money Management Group and as a Non-Executive Director of the CMV Group, the Murray Darling Basin Authority, and Australian Grain Technologies Pty Ltd.

Gregory Johnson
Independent Non-Executive Director, Audit & Risk Committee Chair

Greg Johnson has more than 30 years' experience in the funds management industry. He has held senior capital raising and client relationship roles at Macquarie, Perpetual, and Dimensional and has led Operations and Client Service teams at Deutsche Bank, Credit Suisse and Macquarie Funds Management. His last fulltime role was as a partner and Executive Board member of Apostle Funds Management. Greg is an experienced Director and is a former Chairman of an ASX-listed company. He is currently a Non-Executive Director of the South Sydney Rabbitohs MemberCo and also of Greyhound Racing New South Wales. He has received directorship qualifications and is an active member of the Australian Institute of Company Directors.

Ingrid Fraser-Williams
Independent Non-Executive Director

Ingrid Fraser-Williams is an experienced CEO and Chair with more than 20 years' experience as a Non-Executive Director within health, community services, aged care, disability, including large Not-For-Profit organisations. Ingrid has held senior management roles and directorships in ASX listed companies, Not-For-Profit and private businesses, as well as membership-based organisations, and government business enterprises at both state and federal levels. Ingrid's work has taken her from the coal face of local operations through to the boardrooms of national peak bodies. Working in both regional and capital city geographies, Ingrid has focused on turning around underperforming businesses,

improving operating efficiency and asset management, and balancing the demands of regulatory compliance, investor aspirations and community and consumer expectations. Ingrid leads organisations with large workforces comprising unionised employees, contractors, sessional staff and volunteers. She is currently the chair of genU, a large national organisation providing disability, aged, employment and training services. She also sits on the board of a private dental aggregator business.

6.3 Mayfield issued securities

As at the date of this Target's Statement, the issued securities in Mayfield are as follows:

	NUMBER
Mayfield Shares	75,424,609
Mayfield Performance Rights[1]	93,827

Notes:

1. Subject to satisfaction of performance milestones. For additional information, refer to Section 13.3.

6.4 Mayfield dividend history

Mayfield paid the following dividends to Mayfield Shareholders in the past 3 years:

(a) Financial Year ended 31 December 2022 – $0.04380 per Mayfield Share (paid on 21 April 2023); and

(b) Half Year ended 30 June 2024 – $0.005 per Mayfield Share (paid on 26 September 2024).

6.5 Recent activities of Mayfield

As set out in Mayfield's most recent Quarterly Activities Report dated 31 October 2025, during Q3 FY25, the Mayfield Group continued to execute against its operational priorities with a focus on stability, quality, and disciplined performance across the network. The Mayfield Group maintained positive trading momentum through July 2025 and August 2025, indicating a recovery in financial performance driven by cost discipline, improved rostering efficiency, and consistent centre-level execution.

Occupancy trends strengthened modestly, with the Mayfield Group portfolio recording quarter-on-quarter improvement, reflecting improved family engagement and marketing effectiveness rather than pricing initiatives. Wage costs as a percentage of revenue continued to decline, supported by refined rostering tools and stronger leadership capability at the centre level. These gains have been achieved without compromising compliance or educator-to-child ratios, ensuring the sustainability of performance improvements.

Following the acquisition of 7 Precious Cargo centres in South Australia in 2024, the integration of the Precious Cargo network has progressed well, with all operating and financial systems now aligned to Mayfield standards. Focus during Q3 shifted toward brand consolidation, family engagement, and consistent delivery of the Montessori-inspired model, supporting operational stability across the South Australian portfolio.

Across the broader network, Mayfield continued to invest in the experiences that define its service quality. Enhancements to learning environments, educator development, and family engagement initiatives are strengthening the Mayfield Group's market position and aligning it with evolving community and regulatory expectations.

Further information about Mayfield's recent operations and activities during Q3 can be found in the Quarterly Activities Report dated 31 October 2025 available at Mayfield's website, https://investor.mayfield.com.au/investors/reports.

Building on the momentum established in Q3, as announced on 18 December 2025, Mayfield delivered a marked improvement in operational and financial performance during October 2025 and November 2025, highlighted by continued occupancy growth across all brands and significant improvements in cost management and wage control, which strengthened underlying earnings and provides a robust position leading into the 2026 calendar year.

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6.6 Strategic priorities

Mayfield's strategy is focused on improving the performance of the existing portfolio, strengthening execution at centre level, and building a disciplined platform for sustainable growth. The Mayfield Group is applying a clear and consistent operating approach, with a strong emphasis on accountability, operational control, innovation, and continued investment in people, quality and compliance to deliver long-term value.

Mayfield's strategy as outlined to the market is anchored in the following priorities:

(a) **Operational excellence and margin recovery**

Mayfield is driving improved centre-level performance through disciplined rostering, labour efficiency and tighter cost control, without compromising the quality of education and care. The immediate focus is on improving utilisation, embedding consistent operating standards and restoring sustainable margins.

(b) **Occupancy growth, revenue quality and family satisfaction**

The Mayfield Group is focused on lifting occupancy through stronger re-enrolment outcomes, targeted local demand generation and a consistent family experience across the network. Priority is being placed on session mix, retention and pricing discipline, underpinned by improved family satisfaction and advocacy.

(c) **Innovation in child experience and outcomes**

Mayfield is investing in innovation that enhances the child experience and strengthens partnerships with families, with a clear focus on delivering meaningful child development outcomes that extend beyond minimum regulatory standards. Innovation initiatives are being directed toward improving educational practice, communication with families and the use of data and insight to support better real-world outcomes for children.

(d) **People, capability and culture**

Strong leadership, stable teams and a clear performance culture are central to Mayfield's success. The Group is investing in leadership capability, workforce development and clear accountability to support consistent execution at centre level, while maintaining a safe, inclusive and high-performance culture aligned to Mayfield's values.

(e) **Quality, compliance and risk discipline**

Mayfield is reinforcing its quality, compliance and governance frameworks to ensure consistent readiness for regulatory assessment and effective risk management. The Group remains focused on delivering high-quality education outcomes supported by clear standards, oversight and disciplined execution.

(f) **Disciplined growth and capital allocation**

While the near-term focus remains on optimising the existing portfolio, Mayfield continues to assess selective growth opportunities that meet its strategic, operational and financial criteria. Any expansion will be measured, value-accretive and supported by existing capability and infrastructure.

These priorities define the Mayfield Group's operating agenda and position the Mayfield Group to deliver near-term performance improvement while building a differentiated, resilient and scalable business for long-term growth.

Further information about Mayfield's strategic objectives can be found in Mayfield's half year results presentation dated 1 September 2025, available at Mayfield's website, https://investor.mayfield.com.au/investors/asx-announcements (**Half Year Results Presentation**).

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6.7 Mayfield facility

As set out in Mayfield's Half Year Report for the period ended 30 June 2025, Mayfield had $13,931,237 in unused borrowing facility with Westpac Banking Corporation (**Westpac**). Of the unused amount, $7,542,000 was available for future acquisitions under the acquisition facility and there were specific criteria which needed to be met prior to any drawdown. As at 30 June 2025 the Mayfield Group had up to $6,389,237 (at the reporting date) available to be drawn down from its redraw facility for working capital requirements (**Westpac Facility**) (**Facility Agreement**).

As at 31 December 2025 the Mayfield Group had $8,064,000 in unused borrowing available to be draw down from its redraw facility for working capital requirements. No further amounts are available to be drawn down on the acquisition facility.

As set out in the Quarterly Activities Report dated 31 October 2025, the Mayfield Group entered into a variation of facility agreement with Westpac, extending the Westpac Facility to 31 August 2026.

The Westpac Facility is secured by a first ranking security held by Westpac over the assets and undertakings of the Mayfield Group.

Further information about the Westpac Facility can be found in the Quarterly Activities Report dated 31 October 2025 and the Company's Half Year Report for the period ended 30 June 2025 released on 29 August 2025, available at Mayfield's website, https://investor.mayfield.com.au/investors/reports.

6.8 Historical financial information

The income statement, balance sheet and statement of cash flows information set out below for Mayfield is extracted from the audited consolidated financial statements of Mayfield for the years ended 31 December 2023 and 31 December 2024 and the reviewed consolidated financial statements of Mayfield for the half year ended 30 June 2025.

The financial information has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, and the Corporations Act. The financial information also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial information presented in the tables below does not represent complete financial statements and should therefore be read in conjunction with the financial statements for the respective periods, including the description of accounting policies contained in those financial statements and the notes to those financial statements.

Mayfield Shareholders may view complete copies of the audited consolidated financial statements of Mayfield via ASX announcements available at www.asx.com.au or on the Mayfield website https://investor.mayfield.com.au/investors.

Mayfield income statement

	HALF YEAR ENDED 30 JUNE 2025 $'000	YEAR ENDED 31 DECEMBER 2024 $'000	YEAR ENDED 31 DECEMBER 2023 $'000
Revenue	43,922	88,308	77,199
Other Income	-	-	441
	43,922	**88,308**	**77,640**
Employee costs	(30,709)	(58,002)	(49,271)
Centre operations costs	(2,961)	(6,516)	(8,418)
Facilities costs	(2,433)	(4,323)	(4,684)
Administration costs	(1,082)	(1,931)	(1,807)
Depreciation and amortisation of plant and equipment	(701)	(1,461)	(1,323)

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	HALF YEAR ENDED 30 JUNE 2025 $'000	YEAR ENDED 31 DECEMBER 2024 $'000	YEAR ENDED 31 DECEMBER 2023 $'000
Depreciation charge on right-of-use assets	(5,971)	(10,506)	(9,595)
Impairment loss	(19,368)	-	-
Bad Debts Written Off	-	-	(277)
Finance costs	(2,803)	(5,276)	(4,497)
Total Expenses	**(66,028)**	**(88,015)**	**(79,872)**
Profit / (Loss) before income tax	(22,106)	293	(2,232)
Income tax (expense) / benefit	228	(53)	797
Profit / (Loss) after income tax for the year entirely attributable to the owners of Mayfield Childcare Limited	**(21,878)**	**240**	**(1,435)**
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year entirely attributable to the owners of Mayfield Childcare Limited	**(21,878)**	**240**	**(1,435)**

	HALF YEAR ENDED 30 JUNE 2025 CENTS	YEAR ENDED 31 DECEMBER 2024 CENTS	YEAR ENDED 31 DECEMBER 2023 CENTS
Basic (losses)/earnings per share	(29.01)	0.37	(2.20)
Diluted (losses)/earnings per share	(29.01)	0.37	(2.20)

Historical balance sheet

	30 JUNE 2025 $'000	31 DECEMBER 2024 $'000	31 DECEMBER 2023 $'000
Assets			
Current assets			
Cash and cash equivalents	381	103	363
Trade and other receivables	2,428	2,774	2,993
Prepayments	382	558	571
Current tax receivables	-	-	184
Total current assets	**3,191**	**3,435**	**4,111**
Non-current assets			
Plant and equipment	3,953	4,220	4,455
Intangibles	63,019	82,387	78,689
Right-of-use assets	145,661	150,561	144,321

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	30 JUNE 2025 $'000	31 DECEMBER 2024 $'000	31 DECEMBER 2023 $'000
Deferred tax	5,724	5,495	4,127
Other	5	5	5
Total non-current assets	**218,362**	**242,668**	**231,597**
Total assets	**221,553**	**246,103**	**235,708**
Liabilities			
Current liabilities			
Trade and other payables	4,451	4,672	4,160
Contract liabilities	1,644	1,470	1,111
Borrowings	3,950	6,280	7,547
Lease liabilities	9,039	8,546	6,822
Current tax liabilities	-	831	-
Provisions	4,340	4,882	4,495
Total current liabilities	**23,424**	**26,681**	**24,135**
Non-current liabilities			
Lease liabilities	150,043	153,802	146,045
Provisions	188	160	145
Total non-current liabilities	**150,231**	**153,962**	**146,190**
Total liabilities	**173,655**	**180,643**	**170,325**
Net assets	**47,898**	**65,460**	**65,383**
Equity			
Contributed equity	65,098	60,774	60,619
Equity reserves	-	8	-
Retained earnings	(17,200)	4,678	4,764
Total equity	47,898	65,460	65,383

Historical statement of cash flows

	HALF YEAR ENDED 30 JUNE 2025 $'000	YEAR ENDED 31 DECEMBER 2024 $'000	YEAR ENDED 31 DECEMBER 2023 $'000
Cash flows from operating activities			
Receipts from customers, including government funding	43,746	85,951	76,863
Payments to suppliers and employees	(37,106)	(69,326)	(63,166)
Other receipts	46	516	832
Interest paid on lease liabilities	(2,550)	(4,501)	(3,618)
Net interest paid on borrowings	(250)	(774)	(882)

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	HALF YEAR ENDED 30 JUNE 2025 $'000	YEAR ENDED 31 DECEMBER 2024 $'000	YEAR ENDED 31 DECEMBER 2023 $'000
Net income tax paid	(833)	(62)	(1,274)
Recovery of misappropriations and termination benefits	-	-	441
Net cash inflow from operating activities	**3,053**	**11,804**	**9,196**
Cash flows from investing activities			
Proceeds from the disposal of centre, net of costs	-	-	-
Proceeds from the disposal of plant and equipment	-	19	-
Payments for plant and equipment	(433)	(1,246)	(1,911)
Payments for purchases of businesses plus associated costs	-	(2,594)	(4,380)
Net cash (outflow) from investing activities	**(433)**	**(3,821)**	**(6,291)**
Cash flows from financing activities			
Proceeds from issue of shares (net of transaction costs)	4,324	-	-
Repayment of lease liabilities	(4,336)	(7,265)	(6,402)
Drawdown/(Repayment) of borrowings	(2,330)	(807)	4,064
Dividends paid	-	(171)	(2,861)
Net cash (outflow) from financing activities	**(2,342)**	**(8,243)**	**(5,199)**
Net (decrease) / increase in cash and cash equivalents	**278**	**(260)**	**(2,294)**
Cash and cash equivalents at the beginning of the year	103	363	2,657
Cash and cash equivalents at the end of the year	**381**	**103**	**363**

The information in this Section 6.8 has been adapted from:

(a) the Company's Half Year Report for the six months ended 30 June 2025 released on 29 August 2025;

(b) the Company's Annual Report for the year ended 31 December 2024 released on 28 February 2025; and

(c) the Company's Annual Report for the year ended 31 December 2023 released on 29 February 2024.

6.9 Publicly available information about Mayfield

Mayfield is a listed "disclosing entity" for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed entity, Mayfield is subject to the ASX Listing Rules which require continuous disclosure of any information Mayfield has concerning it that a reasonable person would expect to have a material effect on the price or value of Mayfield Shares (subject to certain exceptions).

Mayfield's recent ASX announcements are available at the ASX website www.asx.com.au. Mayfield's ASX announcements between the announcement of the Embark Offer on 7 November 2025 and the date of this Target's Statement are as follows:

DATE	DESCRIPTION OF ANNOUNCEMENT
5 January 2026	Sending Replacement Bidder's Statement
5 January 2026	Marked-Up Replacement Bidder's Statement
5 January 2026	Replacement Bidder's Statement
5 January 2026	Change in substantial holding for MFD
19 December 2025	Letter to ASX re Bidder's Statement For Mayfield
18 December 2025	Operational Update – Continued Occupancy Growth
5 December 2025	Ceasing to be a substantial holder
24 November 2025	Securities Trading Policy
21 November 2025	Update on Takeover Bid for MFD
7 November 2025	Takeover Bid Announcement Take No Action
7 November 2025	Intention to Make Takeover Bid

6.10 Further information

Further information about Mayfield is available at the Mayfield website https://investor.mayfield.com.au/investors.

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7. INFORMATION ABOUT EMBARK

7.1 Disclaimer

The following information about Embark is based on publicly available information, including information in the Bidder's Statement, and has not been independently verified by Mayfield. Mayfield does not make any representation or warranty, express or implied, as to the accuracy or completeness of this information.

The information on Embark in this Target's Statement should not be considered comprehensive.

7.2 Overview of Embark

The Embark Offer is being made by Embark, a publicly listed provider of early childcare education (ASX:EVO).

Embark was admitted to the official list of the ASX on 27 June 2023 following its re-domiciliation and concurrent listing on the ASX and de-listing from the NZX.

Further information about Embark is set out in section 4 of the Bidder's Statement and is available at Embark's website: https://embarkeducation.com.au/.

7.3 Embark issued securities

As at the Last Practicable Date, the issued securities in Embark are as follows:

	NUMBER
Embark Shares	203,481,906
Embark Options	Nil
Embark Performance Rights	Nil

7.4 Substantial Embark shareholders

As at the Last Practicable Date, based on section 4.9 of the Bidder's Statement, the substantial shareholders of Embark are:

SUBSTANTIAL HOLDER	NUMBER OF EMBARK SHARES	VOTING POWER
J 47 Pty Ltd [1]	21,727,514	11.84%

Notes:

1. J 47 Pty Ltd is an entity controlled by Chris Scott, the managing director and executive director of Embark.

Assuming the maximum number of Embark Shares on issue is as set out in section 6.6 of the Bidder's Statement, as set out in section 6.7 of the Bidder's Statement, J 47 Pty Ltd (controlled by Chris Scott) is expected to be a substantial holder of the combined group. Refer to section 6.7 of the Bidder's Statement for further information.

7.5 Embark's interests in Mayfield

As at the date of this Target's Statement, according to the most recent substantial holder notice lodged with ASX on 5 January 2026, Embark holds a voting power in relation to 15,009,497 Mayfield Shares (19.9%).

Section 5.9 of the Bidder's Statement and the most recent substantial holder notice lodged by Embark with ASX on 5 January 2026, sets out further information about Embark's interest in Mayfield.

7.6 Embark's intentions

Embark's intentions in relation to the continuation of or any major changes to the business of Mayfield (including any redeployment of the fixed assets of Mayfield), and changes to the future employment of the present employees of Mayfield, depending on Embark's relevant interest in Mayfield given acceptances under the Embark Offer, are set out in section 8 of the Bidder's Statement.

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8. DETAILS ABOUT THE EMBARK OFFER

8.1 The Embark Offer

Embark announced its intention to make a takeover offer for Mayfield on 7 November 2025.

On 19 December 2025, Embark's bidder's statement was lodged with ASIC, released to ASX and served on Mayfield. On 5 January 2026, Embark lodged a replacement bidder's statement with ASIC, replacing the original bidder's statement dated 19 December 2025, which was also released to ASX and served on Mayfield. All references in this Target's Statement to the Bidder's Statement are to the replacement bidder's statement dated 5 January 2026.

A summary of the Embark Offer, as set out in the Bidder's Statement, is provided in this Section 8. However, the Mayfield Board encourages you to read the Bidder's Statement, and in particular Appendix 1 of the Bidder's Statement, in full to ensure you have a comprehensive understanding of the terms of the Embark Offer.

The Embark Offer is open for acceptance until 7:00pm (Sydney Time) on 5 March 2026, unless extended or withdrawn. Sections 8.7 and 8.9 of this Target's Statement describe the circumstances in which Embark can extend or withdraw its Offer.

8.2 Consideration payable to Mayfield Shareholders who accept the Embark Offer

As set out in the Bidder's Statement, the consideration offered by Embark for the acquisition of each of the Shares to which the Embark Offer relates (and the Rights attaching to them) is either:

(a) 1 Embark Share for every 1.24 Mayfield Shares held, which on 18 December 2025 was worth approximately $0.50 for each Mayfield Share[15] (**Embark Share Offer**); or

(b) $0.50 cash for every Mayfield Share (**Embark Cash Offer**);

If no election is made, the default option for accepting Mayfield Shareholders will be the Embark Share Offer.

You may accept the Embark Offer for some or all of your Mayfield Shares.

8.3 Fractional entitlements

With respect to the Embark Share Offer, the fractional entitlement will be rounded up to the nearest whole number if the fraction is 0.5 or greater of an Embark Share and rounded down if the fraction is less than 0.5 of an Embark Share.

If you are entitled to a fraction of a cent, that fraction will be rounded to the nearest cent on the same basis.

If Embark reasonably believes that you have manipulated your holding of Mayfield Shares to take advantage of rounding up, then any fractional entitlement will be aggregated or rounded down to the next whole number of Embark Shares.

8.4 Conditions of the Embark Offer

The Embark Offer is subject to a number of conditions which are set out in full in section 9 of Appendix 1 of the Bidder's Statement.

By way of summary, the conditions of the Embark Offer are:

(a) Embark obtaining a relevant interest in more than 90% (by number) of the Mayfield Shares on issue at the close of Offer Period;

[15] Based on Embark's 5-day VWAP of $0.6193, ending on 18 December 2025, being the Business Day prior to lodgement of the Original Bidder's Statement. The final implied value of the Embark Offer (measured by reference to the Embark Share Offer) depends on the value of Embark's Share price at the time the Embark Shares are issued under the Embark Share Offer.

(b) no Prescribed Occurrences taking place between the Announcement Date and the close of the Offer Period (each inclusive);

(c) satisfaction of the quotation condition as detailed in section 625(3) of the Corporations Act, being:

(i) Embark must make an application for admission to quotation of the Embark Shares within 7 days of the start of the Offer Period; and

(ii) permission for admission to quotation of the Embark Shares is granted no later than 7 days after the close of the Offer Period; and

(d) satisfaction of all ASX Listing Rule requirements, including but not limited to, any requirements of ASX Listing Rule 11.1.

8.5 Notice of Status of Conditions

Section 9.6 of Appendix 1 of the Bidder's Statement ('Notice on status of Condition') indicates that Embark will give a Notice of Status of Conditions as required by section 630(1) of the Corporations Act, subject to variation under section 630(2) of the Corporations Act if the Offer Period is extended.

If the Offer Period is extended by a period before the time the Notice of Status of Conditions is required to be given, the date for giving the notice will be taken to be postponed for the same period. In the event of such an extension, Embark is required, as soon as practicable after the extension, to give a notice to the ASX and Mayfield that states the new date for the giving of the Notice of Status of Conditions.

If a condition is fulfilled (so that the Embark Offer becomes free of that condition) during the Offer Period but before the date on which the Notice of Status of Conditions is required to be given, Embark must, as soon as practicable, give the ASX and Mayfield a notice that states that the particular condition has been fulfilled.

8.6 Offer Period

Unless the Embark Offer is extended or withdrawn, it is open for acceptance until 7:00pm (Sydney Time) on 5 March 2026.

The circumstances in which Embark may extend or withdraw its Offer are set out in Section 8.7 and Section 8.9 respectively of this Target's Statement.

8.7 Extension of the Offer Period

Embark may extend the Offer Period at any time before giving the Notice of Status of Conditions (referred to in Section 8.5 in this Target's Statement) while the Embark Offer is subject to conditions. However, if the Embark Offer is unconditional (that is, all the conditions are fulfilled or freed), Embark may extend the Offer Period at any time before the end of the Offer Period.

In addition, there will be an automatic extension of the Offer Period if, within the last seven (7) days of the Offer Period:

(a) Embark improves the consideration offered under the Embark Offer; or

(b) Embark's voting power in Mayfield increases to more than 50%.

If either of the above events occurs, the Offer Period will automatically be extended so that it ends 14 days after the relevant event occurs, subject to any further extensions in accordance with the Corporations Act.

8.8 Variation of Offer

Embark may vary the Embark Offer in accordance with the Corporations Act.

8.9 Withdrawal of Offer

Embark may not withdraw the Embark Offer if you have already accepted it. Before you accept the Embark Offer, Embark may withdraw the Embark Offer with the written consent of ASIC and subject to the conditions (if any) specified in such consent.

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8.10 Effect of acceptance

The effect of acceptance of the Embark Offer is set out in section 10 of Appendix 1 of the Bidder's Statement ('Effect of acceptance'). Mayfield Shareholders should read these provisions in full to understand the effect that acceptance will have on their ability to exercise the Rights attaching to their Mayfield Shares and the representations and warranties which they give by accepting of the Embark Offer.

8.11 Your ability to withdraw your acceptance

Your acceptance of the Embark Offer is irrevocable and can only be withdrawn in certain limited circumstances described in the Corporations Act as set out in section 10.1 of Appendix 1 of the Bidder's Statement ('No revocation of acceptance').

Once you have accepted the Embark Offer, you will be unable to withdraw your Mayfield Shares from the Embark Offer or dispose of your Shares, except if the Offer Period is extended for more than 1 month and the obligations of Embark to pay the consideration are postponed for more than 1 month.

8.12 When you will receive your consideration if you accept the Embark Offer

If you accept the Embark Offer and the Embark Offer is, or becomes unconditional, provided that the necessary documents accompany your Acceptance Form, you will be issued your consideration (being either the Embark Cash Offer or the Embark Share Offer) within:

(a) 1 month after the date of your acceptance or, if the Embark Offer is subject to a defeating condition when you accept the Embark Offer, within 1 month after the Embark Offer becomes unconditional; and

(b) 21 days after the end of the Offer Period.

However, there are certain exceptions to the above timeline for the issuing of consideration. Full details of when you will be issued your consideration are set out in section 8.2 of Appendix 1 of the Bidder's Statement ('When consideration is provided').

8.13 Effect of an improvement in consideration on Mayfield Shareholders who have already accepted the Embark Offer

If Embark improves the consideration offered under its Offer, all Mayfield Shareholders, whether or not they have accepted the Embark Offer before that improvement in consideration, will be entitled to the benefit of that improved consideration. However, Embark is unlikely to improve the consideration as the Embark Offer is expressed to be best and final.

8.14 Lapse of Offer

The Embark Offer will lapse if the Embark Offer conditions are not freed or fulfilled by the close of Offer Period, in which case, all contracts resulting from acceptance of the Embark Offer and all acceptances that have not resulted in binding contracts are void.

8.15 Compulsory acquisition

Embark has indicated in section 8.2 of the Bidder's Statement that if it satisfies the required thresholds it intends to compulsorily acquire any outstanding Mayfield Shares.

(a) **Compulsory acquisition within one month after the end of the Offer Period**

Embark will be entitled to compulsorily acquire any Mayfield Shares in respect of which it has not received an acceptance of its Offer on the same terms as the Embark Offer if, during or at the end of the Offer Period, Embark has a relevant interest in at least 90% of Mayfield Shares.

If this threshold is met and Embark wishes to exercise its rights to compulsorily acquire any outstanding Mayfield Shares, Embark will have one month after the end of the Offer Period within which to give compulsory acquisition notices to Mayfield Shareholders who have not accepted the Embark Offer. Mayfield Shareholders have certain statutory rights to challenge the compulsory acquisition, but a successful challenge will require the relevant Mayfield

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Shareholder to establish to the satisfaction of a court that the terms of the Embark Offer do not represent 'fair value' for their Mayfield Shares. If compulsory acquisition occurs, Mayfield Shareholders who have their Mayfield Shares compulsorily acquired are likely to be issued their consideration approximately 5 to 6 weeks after the compulsory acquisition notices are dispatched to them.

(b) **Alternative compulsory acquisition regime**

In addition, if Embark becomes entitled to exercise the general compulsory acquisition right under Part 6A.2 of the Corporations Act, it may exercise those rights to compulsorily acquire any outstanding Mayfield Shares (if the conditions for compulsory acquisition under Part 6A.1 of the Corporations Act are not satisfied) then on issue in accordance with the provisions of Part 6A.2 of the Corporations Act, although it reserves the right not to do so.

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9. IMPORTANT MATTERS FOR MAYFIELD SHAREHOLDERS TO CONSIDER

9.1 Embark's intentions if it obtains a relevant interest in 90% or more of the Mayfield Shares

The Embark Offer is subject to a minimum acceptance condition, being Embark obtaining a relevant interest in more than 90% (by number) of the Mayfield Shares on issue at the close of Offer Period.

Embark will need to obtain a relevant interest in 90% or more of Mayfield Shares in order to proceed to compulsory acquisition of the Mayfield Shares in relation to which acceptances of the Embark Offer have not been received, in accordance with the provisions of Chapter 6A of the Corporations Act.

Embark has stated in its Bidder's Statement that it intends to proceed with compulsory acquisition if it becomes entitled to compulsorily acquire the Mayfield Shares.

Further information on Embark's intentions if it obtains a relevant interest in 90% or more of the Mayfield Shares are set out in section 8.2 of the Bidder's Statement.

9.2 Consequences for Mayfield Shareholders if Embark acquires a majority ownership interest in Mayfield but less than the 90% compulsory acquisition threshold

If Embark waives the 90% minimum acceptance condition, and acquires more than 50% but less than 90% of the Mayfield Shares on completion of the Embark Offer, then Embark will acquire a majority shareholding in Mayfield.

This has a number of possible implications, including the following:

(a) Embark will be in a position to cast the majority of votes at a general meeting of Mayfield. As such, Embark will be able to replace some or all of the members of the Mayfield Board. Through control of the composition of the Mayfield Board (and subject to the discharge by all Mayfield Directors of their directors' duties) Embark will be in a position to influence Mayfield's management, dividend policy and strategic direction;

(b) Embark has stated in section 8.3 of the Bidder's Statement that if Embark does not become entitled to compulsorily acquire Mayfield Shares under section 661B Corporations Act, it may nevertheless become entitled to exercise the general compulsory acquisition power under part 6A.2 Corporations Act in the future. Embark intends to exercise that power if it becomes entitled to do so. This could occur, for example, if Embark acquired further Mayfield Shares in reliance on the 3% creep exception provided in item 9 of section 611 Corporations Act;

(c) Embark has stated in section 8.3 of the Bidder's Statement that it intends to review the dividend policy of Mayfield;

(d) Embark has stated in section 8.3 of the Bidder's Statement that it intends to seek that Mayfield is removed from the official list of ASX;

(e) the liquidity of Mayfield Shares will be reduced; and

(f) if Embark acquires 75% or more of the Mayfield Shares it will be able to pass a special resolution which would enable Embark to, among other things, change Mayfield's constitution.

9.3 Potential consequences for Mayfield Shareholders if Embark does not obtain a relevant interest in more than 50% of Mayfield Shares

Section 8.4 of the Bidder's Statement states that if the Embark Offer is not successful, Embark will endeavour to give effect to its intentions set out in section 8.3 of the Bidder's Statement and may consider acquiring additional Mayfield Shares under the 'creep' provisions of item 9 in section 611 of the Corporations Act (which allows for Embark and its associates to acquire up to 3% of Mayfield Shares every 6 months) until it achieves a majority voting power.

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9.4 Taxation consequences of accepting the Embark Offer

The taxation consequences of accepting the Embark Offer depend on a number of factors and will vary depending on your particular circumstances. A general outline of the Australian taxation considerations of accepting the Embark Offer is set out in Section 12 of this Target's Statement.

You should carefully read and consider the taxation consequences of accepting the Embark Offer. The outline provided in Section 12 of this Target's Statement is of a general nature only and you should obtain independent professional advice as to the taxation consequences applicable to your own circumstances.

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10. RISK FACTORS

10.1 Introduction

In considering the Embark Offer, Mayfield Shareholders should be aware that there are a number of risk factors associated with either accepting the Embark Offer or rejecting the Embark Offer and continuing to hold Mayfield Shares.

In deciding whether to accept the Embark Offer, Mayfield Shareholders should read this Target's Statement and the Bidder's Statement carefully and consider these risks. Some of the risks associated with remaining as a shareholder in Mayfield are outside the control of the Mayfield Board and cannot be mitigated.

The risks set out in this Section 10 do not take into account the individual investment objectives, financial situation, position or particular needs of Mayfield Shareholders.

In addition, these risks are general in nature only and do not cover every risk that may be associated with an investment in Mayfield now or in the future. The risk factors set out in this Section 10 are not an exhaustive list of all risks. There may also be additional risks and uncertainties not currently known to Mayfield, or which are currently known to Mayfield but which Mayfield currently considers to be immaterial, which may adversely affect Mayfield's operating and financial performance and the price or value of Mayfield.

10.2 Risks associated with accepting the Embark Offer

There are risks associated with accepting the Embark Offer, including the following:

(a) **Possibility of superior proposal emerging**

A third party with a superior proposal may emerge, although the Mayfield Board can give no assurances that this will occur.

By accepting the Embark Offer, you will not be able to accept any superior proposal that may be made by a competing bidder, unless the Embark Offer is still conditional, and you withdraw your acceptance. As such, you may not be able to obtain any potential benefit associated with any such superior proposal.

(b) **Issue of Embark Shares as consideration under the Embark Share Offer**

The Embark Share Offer consists of a specified number of Embark Shares, being 1 Embark Share for every 1.24 Mayfield Shares held, which on 18 December 2025 had an implied value of $0.50 per Mayfield Share. [16] As a result, the value of the Embark Shares under the Embark Share Offer will fluctuate depending on the market price of Embark Shares. There is an ongoing risk, that the price of Embark Shares (and therefore the implied value of the Embark Share Offer received by accepting Mayfield Shareholders) may fall in the future. The market value of Embark Shares at the time a Mayfield Shareholder receives them may vary significantly from their market value on the date of acceptance of the Embark Share Offer. Refer to section 4.10 of the Bidder's Statement regarding Embark Share price movements. Furthermore, if Mayfield Shareholders accept the Embark Share Offer and subsequently seek to sell their Embark Shares, this may have a material adverse effect on the combined group and the market price of Embark Shares.

(c) **Risks that the potential synergies or other benefits that are anticipated may not be achieved**

If Embark acquires control of Mayfield, Embark will be responsible for integrating Mayfield's business (to the extent it chooses to do so) and implementing its strategy. There is a risk that the anticipated benefits including cost savings, benefits and other efficiencies, including potential synergies may be lower than anticipated.

[16] Based on Embark's 5-day VWAP of $0.6193, ending on 18 December 2025, being the Business Day prior to lodgement of the Original Bidder's Statement. The final implied value of the Embark Offer (measured by reference to the Embark Share Offer) depends on the value of Embark's Share price at the time the Embark Shares are issued under the Embark Share Offer.

Any failure to achieve the anticipated cost savings, benefits and other efficiencies (including potential synergies) could impact the financial performance and position of the combined group.

Further details about the risks associated with the integration of the businesses of Mayfield and Embark are set out in section 7.2 of the Bidder's Statement.

(d) **Regulatory Environment – changes in law and government policy[17]**

The childcare industry in Australia is heavily regulated by each level of government. The state and territory governments are responsible for issuing licences to operate a childcare business and determining the standards that operators must meet in order to obtain and retain a licence. Any change or addition to the regulation imposed by any of the levels of government could negatively affect the operation of the centres and could negatively impact on the profitability of Embark.

In particular, government subsidies through the Child Care Subsidy (**CCS**) represent a significant portion of Embark's revenue.

Any adverse changes to these childcare subsidies may have an adverse impact on the operations and financial position of Embark.

Changes in other laws (including tax and industrial relations laws) or their interpretation may affect the value of, and returns from, an investment in Embark Shares.

(e) **Regulatory risk and assessment and rating[18]**

The regulation and availability of CCS is dependent upon individual childcare centres being registered with the National Quality Framework. The assessment and rating process and receipt of government subsidies involves regular review by representatives of the ACECQA, including inspections of childcare centres, the quality of services provided and facilities.

Embark currently has a lower National Quality Framework rating than Mayfield (on a percentage basis across its portfolio of centres), as further detailed in Section 3.3.

Negative ratings could result in the loss of this registration, licences and the withdrawal of government subsidies. This would have a negative impact on Embark's operations and financial position.

(f) **Reliance on key personnel**

The responsibility of day to day management and the strategic management of Mayfield is concentrated within a small number of key persons, especially its senior management. A change of control may increase the risk of employee or key personnel departures and may affect recruitment and retention and have a detrimental impact on Mayfield's operations and performance.

Further, the growth and profitability of Embark and its ability to efficiently execute the integration described in section 7.2 of the Bidder's Statement could be adversely affected by the loss of key personnel.

(g) **Possible appreciation of Mayfield Shares in the future**

You may be able to sell your Mayfield Shares in the future for more valuable consideration than the Embark Offer (although the Mayfield Board can give no assurances and make no forecast of whether this will occur).

[17] This risk is equally applicable to Mayfield as a stand alone company.
[18] This risk is equally applicable to Mayfield as a stand alone company, subject to the preceding statements in relation to Embark.

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(h) **Limited withdrawal rights**

As set out in Section 8.11 of this Target's Statement, once you have accepted the Embark Offer, you will only be able to withdraw such an acceptance in very limited circumstances. Such a withdrawal right will arise only if the Offer Period is extended for more than 1 month and the obligations of Embark to pay the consideration are postponed for more than 1 month.

Otherwise, you will be unable to withdraw your acceptance, even if the value of the Embark Shares varies significantly from the date of your acceptance of the Embark Share Offer or a superior proposal is announced.

(i) **Effect of the Embark Offer on material contracts**

Under various key Mayfield Group commercial contracts and centre leases, the Mayfield Group is required to be provided with the counterparties' prior consent to a change of control in Mayfield or its subsidiary.

There is no guarantee these consents will be able to be obtained and any termination of agreements or licences due to a change of control could have a materially adverse effect upon the Mayfield business.

(i) **Westpac Facility**

Under the terms of the Westpac Facility (see further information at Section 6.7 above), Westpac may review the existing Facility Agreement if it considers that an event of default has or may occur. A change in ownership or control, without Westpac's consent is one of the events of default. On and any time after the event of default, Westpac may (among others) declare that all or part of the utilisation of the Westpac Facility, become due and payable.

If Westpac were to exercise these rights (or require amended terms, including increased pricing), this could adversely affect the Mayfield Group's liquidity and funding costs and constrain its ability to operate and pursue its strategy. There is no guarantee that any waiver, consent or replacement/refinancing funding would be available on acceptable terms (or at all).

(ii) **Leases**

The Mayfield Group holds over 45 leases.

A significant number of these leases require landlord consent for the change of control if acceptances under the Embark Offer results in Embark acquiring a relevant interests in more than 50% of the shares in Mayfield or MEEPL (as applicable). As at the date of this Target's Statement, these consents have not been obtained. If a consent is not granted, it may result in the termination of the relevant lease (or the landlord seeking to renegotiate the terms of the lease). This may have an adverse impact on the Mayfield Group's operational and financial performance. The Mayfield Group has not yet received any confirmation of whether any termination rights under the leases would be exercised if they are triggered by the Embark Offer.

Any default under a lease by the Mayfield Group (which, under a significant number of leases would be triggered if the Mayfield Group does not satisfy its obligations to notify or obtain the consent of the landlord under the relevant change of control provisions that may be triggered upon Embark acquiring a controlling interest in Mayfield), or failure to renew existing leases on acceptable terms or an inability to negotiate alternative arrangements, could materially affect the Mayfield Group's ability to operate.

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Further, pursuant to the terms of certain leases, upon termination by the landlord or default by the Mayfield Group, certain make good obligations and any obligations to re-pay fit-out contributions provided by the relevant landlord to the Mayfield Group may crystallise. Such obligations may result in the Mayfield Group being required to make material payments to a number of landlords, which may also have an adverse effect on the Mayfield Group's future financial condition and performance.

(j) **Taxation consequences of accepting the Embark Offer**

The taxation consequences of disposing of your Mayfield Shares pursuant to the Embark Offer depend on a number of factors and your particular circumstances. A general outline of certain Australian tax considerations of such a disposal are set out in Section 12 of this Target's Statement. You should seek your own specific professional tax advice as to the taxation implications applicable to your circumstances.

10.3 Risks associated with rejecting the Embark Offer

(a) **Risks associated with being a minority shareholder in Mayfield**

If the Embark Offer becomes or is declared unconditional and you have not accepted the Embark Offer or sold your Mayfield Shares on-market by the end of the Offer Period (and Embark has not reached the threshold of 90% to compulsorily acquire your Mayfield Shares) then you may become a minority shareholder in a company which has a large shareholder able to exert significant influence.

Embark has stated in its Bidder's Statement that it intends to proceed with compulsory acquisition if it becomes entitled to compulsorily acquire your Mayfield Shares, which would result in the delisting of Mayfield from the ASX. Alternatively, if Embark obtains a relevant interest of more than 50% but less than 90% of Mayfield Shares, Embark also intends to delist Mayfield from ASX.[19] If Mayfield is delisted, Mayfield Shares will not be able to be bought or sold on ASX.

If Mayfield is ultimately delisted at some point in the future, any remaining Mayfield Shareholders (i.e. those who did not accept the Embark Offer) would be holders of unquoted shares. A delisting could result in a number of risks and disadvantages for those Mayfield Shareholders, such as:

(i) Embark will control Mayfield because it will be in a position to cast a majority of votes at a general meeting of Mayfield enabling it to control the composition of the Board and the appointment of senior management, determine Mayfield's dividend policy and control the strategic direction of Mayfield and its subsidiaries;

(ii) the absence of an orderly, transparent and timely mechanism for share trading;

(iii) restricted information compared to that currently provided as Mayfield would no longer be subject to the continuous disclosure requirements of the ASX Listing Rules. If Mayfield remained a public company after delisting and has at least 100 shareholders, Mayfield would still be required to disclose material information to ASIC and likely on its website. Nevertheless, the level of shareholder reporting in these circumstances could be diminished;

(iv) the ceasing of various requirements and protections for minority shareholders under the ASX Listing Rules. Examples of provisions that would cease to apply include:

(A) restrictions on the issue of new securities;

[19] Mayfield notes that under ASX guidance, if Embark is not able to proceed with compulsory acquisition, the approval of minority Mayfield Shareholders would most likely be required for ASX to allow a delisting unless certain conditions are met, including Embark attaining ownership or control of at least 75% of Mayfield.

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(B) a governance framework for related party transactions; and

(C) requirements to seek shareholder approval for significant changes in the nature or scale of Mayfield's activities.

Should Mayfield be converted into a proprietary company then remaining Mayfield Shareholders would no longer have various Corporations Act minority shareholder protections required of public companies, including but not limited to, enhanced disclosure requirements as a disclosing entity or Embark having to comply with the related party transaction protections of Chapter 2E of the Corporations Act.

(b) **Risks specific to an ongoing investment in Mayfield**

There are a number of risks specific to Mayfield which may impact Mayfield's future prospects and the market price of Mayfield Shares, including risks that are beyond Mayfield's control. An overview of the material business risks facing Mayfield are set out below.

Further information about Mayfield's risk identification and management processes can be found in Mayfield's 2024 Annual Report available at Mayfield's website https://investor.mayfield.com.au/investors/reports.

Additional risks and uncertainties not currently known to Mayfield may also have a material adverse effect on the business of Mayfield and the information set out in this Section 10 does not purport to be, nor should it be construed as representing, an exhaustive list of the risks affecting Mayfield.

(i) **Regulatory Environment – changes in law and government policy**

The childcare industry in Australia is heavily regulated by each level of government. The state and territory governments are responsible for issuing licences to operate a childcare business and determining the standards that operators must meet in order to obtain and retain a licence. Any change or addition to the regulation imposed by any of the levels of government could negatively affect the operation of the centres and could negatively impact on the profitability of Mayfield.

In particular, government subsidies through the CCS represent a significant portion of Mayfield's revenue.

Any adverse changes to these childcare subsidies may have an adverse impact on the operations and financial position of Mayfield.

Changes in other laws (including tax and industrial relations laws) or their interpretation may affect the value of, and returns from, an investment in Mayfield Shares.

(ii) **Regulatory risk and assessment and rating**

The regulation and availability of CCS is dependent upon individual childcare centres being registered with the National Quality Framework. The assessment and rating process and receipt of government subsidies involves regular review by representatives of the ACECQA, including inspections of childcare centres, the quality of services provided and facilities. Negative ratings could result in loss of this registration, licences and the withdrawal of government subsidies. This would have a negative impact on Mayfield's operations and financial position.

(iii) **Government Funding**: reductions in Government funding could impact affordability and consequently, demand for childcare.

(iv) **Compliance**: loss of childcare license and approvals would impact Mayfield's ability to continue service offering.

(v) **Financial:** loss of access to debt funding could impact growth opportunities. If Mayfield is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations.

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(vi) **Leasehold:** deterioration in leasehold terms could impact underlying business value.

(vii) **Management and Staffing:** the responsibility of overseeing the day-to-day operations and the strategic management of Mayfield depends substantially on its senior management and its key personnel. Inability to retain and attract staff could impact business performance and level of activity. There can be no assurance given that there will be no detrimental impact on Mayfield if one or more of these employees cease their employment.

(viii) **Margins:** increases to centre expenses, wages and lease costs could compress margins.

(ix) **Acquisition Pipeline:** reduction in the quality and quantity of childcare centres available to acquire could slow further revenue growth.

(x) **Acquisition Performance:** underperformance of centre acquisitions could be earnings dilutive.

(xi) **Cyber Risks:** cyber related attacks are an inherent risk faced by every organisation and the financial and operational impact that this can have on an organisation is very high. Accordingly, as a material business risk it requires constant management and risk mitigation.

(xii) **Liquidity risk:** liquidity is the risk that the financial obligations of Mayfield cannot be met as and when they fall due without incurring significant costs. Mayfield manages liquidity risk by monitoring cash requirements, both short and longer term, against its current liquid assets. Further information in relation to the Westpac Facility is set out in Section 6.7.

(xiii) **Key executives:** the Embark Offer may result in an increased risk of the Company not being able to retain key executives.

(xiv) **Tax:** changes in tax law or changes in the way tax laws are interpreted may impact Mayfield's tax liabilities. The ability of Mayfield to obtain the benefit of existing tax losses and claim other beneficial tax attributes will depend on future circumstances and may be adversely affected by changes in ownership, business activities, levels of taxable income and other conditions relating to the use of the tax losses.

(c) **General risk factors applicable to both Mayfield and Embark**

As with any listed entity on the ASX, the future prospects and performance of Mayfield and Embark, and the value of Mayfield and Embark Shares are affected by a wide variety of factors, including:

(i) general economic conditions including interest and inflation rates, exchange rates and commodity prices;

(ii) fluctuations in the local and global market for listed securities;

(iii) changes to government policy (including fiscal, monetary, taxation, employment and environmental policies), legislation, regulation or accounting policy;

(iv) the nature of the market in which Mayfield operates (such markets are cyclical and affected by various macroeconomic, geopolitical, demographic and regulatory factors and the allocation of timing and government funding for public infrastructure and other building programs);

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(v) general and operational business risks; and

(vi) natural disasters, pandemics generally, global hostilities, tensions and acts of terrorism.

These factors may result in fluctuations to the market price of Mayfield and Embark Shares that are not explained by the fundamental operations and activities of Mayfield and Embark.

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11. INFORMATION RELATING TO MAYFIELD DIRECTORS

11.1 Interests and dealings in Mayfield Shares and Mayfield Performance Rights

As at the date of this Target's Statement, the Mayfield Directors had the following relevant interests in Mayfield Shares and Mayfield Performance Rights:

DIRECTOR	NUMBER OF MAYFIELD SHARES	NUMBER OF MAYFIELD PERFORMANCE RIGHTS
Roseanne Healy	50,000 [1]	Nil
Gregory Johnson	50,000 [2]	Nil
Ingrid Fraser-Williams	Nil	Nil

Notes:

1. Refer to appendix 3Y dated 18 September 2025. Held directly.
2. Refer to appendix 3Y dated 2 September 2025. Held indirectly (Gregory James Johnson <G J Superannuation Fund A/C>).

11.2 Dealings in Mayfield Shares

In the 4 month period ending on the date immediately before the date of this Target's Statement, the following acquisitions and disposals of relevant interests in Mayfield Shares by Mayfield Directors occurred:

DIRECTOR	NUMBER OF MAYFIELD SHARES ACQUIRED	ACTIVITY	DATE
Gregory Johnson	50,000	On market purchase	2 September 2025
Roseanne Healy	15,000	On market purchase	11 September 2025
Roseanne Healy	35,000	On market purchase	17 September 2025

11.3 Interests and dealings in Embark's securities

(a) **Interests in Embark's securities**

As at the date of this Target's Statement, no Mayfield Director had a relevant interest in any Embark Shares.

(b) **Dealings in Embark's securities**

No Mayfield Director has acquired or disposed of a relevant interest in any Embark securities in the 4 month period ending on the date immediately before the date of this Target's Statement.

11.4 Benefits and agreements

(a) **Benefits in connection with retirement from office**

As a result of the Embark Offer, no person has been or will be given any benefit (other than a benefit which can be given without member approval under the Corporations Act) in connection with the retirement of that person, or someone else, from a board or managerial office of Mayfield or related body corporate of Mayfield.

(b) **Agreements connected with or conditional on the Embark Offer**

There are no agreements made between any Mayfield Director and any other person in connection with, or conditional upon, the outcome of the Embark Offer other than in their capacity as a holder of Mayfield Shares.

(c) **Benefits from Embark**

None of the Mayfield Directors have agreed to receive, or are entitled to receive, any benefit from Embark which is conditional on, or is related to, the Embark Offer, other than in their capacity as a holder of Mayfield Shares.

(d) **Interests of Directors in contracts with Embark**

None of the Mayfield Directors have any interest in any contract entered into by Embark.

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12. TAXATION CONSIDERATIONS

12.1 Introduction

This Section 12 sets out a general summary of the key Australian income tax, goods and services tax and stamp duty consequences that are relevant for certain Australian resident and non-resident Mayfield Shareholders that accept the Embark Offer. The purpose of the summary is to assist Mayfield Shareholders to understand the potential Australian tax consequences of the disposal of their Mayfield Shares.

The summary is intended as a general guide and is based on the Australian tax laws, regulations and administrative practices in effect as at the date of this Target's Statement. Mayfield Shareholders should be aware that any changes (with either prospective or retrospective effect) to the Australian tax laws, regulations or administrative practices may affect the taxation treatment of the Mayfield Shareholders as described in this summary.

This summary is not intended to be an authoritative or complete statement of the law applicable to the particular circumstances of every Mayfield Shareholder, and is not intended to be advice and should not be relied on as such. The actual tax consequences arising to Mayfield Shareholders may vary depending on their specific profile, characteristics and circumstances. Accordingly, Mayfield Shareholders should obtain independent professional advice in relation to their own particular circumstances and should not rely upon the comments contained in this summary.

This summary is based on the provisions of the *Income Tax Assessment Act 1936* (Cth) (**ITAA 1936**), the *Income Tax Assessment Act 1997* (Cth) (**ITAA 1997**), the *Taxation Administration Act 1953* (Cth) (**TAA**) and the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) (**GST Act**) as at the date of this Target's Statement. The laws are complex and subject to change periodically, as is their interpretation by the courts and the tax authorities.

The Australian tax consequences outlined below are relevant to Mayfield Shareholders who are individuals, companies, trusts and complying superannuation funds that hold their Mayfield Shares on capital account for Australian income tax purposes.

This summary does not consider the Australian tax consequences for Mayfield Shareholders who:

(a) hold their Mayfield Shares as trading stock, as part of a profit-making undertaking or scheme, or otherwise on revenue account;

(b) acquired their Mayfield Shares under an arrangement which qualifies as an employee share or rights plan for Australian tax purposes;

(c) may be subject to special taxation rules, such as partnerships, banks, insurance companies, tax exempt organisations, certain trusts or dealers in securities;

(d) are 'temporary residents' as that term is defined in section 995-1(1) of the ITAA 1997;

(e) change their tax residence whilst holding Mayfield Shares;

(f) are non-residents for Australian tax purposes and who hold their Mayfield Shares in carrying on a business through a permanent establishment in Australia;

(g) have a functional currency for Australian tax purposes other than an Australian functional currency;

(h) are subject to the taxation of financial arrangements rules in Division 230 of the ITAA 1997 in relation to gains and losses on their Mayfield Shares; or

(i) are subject to the Investment Manager Regime under Division 842 of the ITAA 1997 in relation to gains and losses on their Mayfield Shares.

This summary does not take into account the tax law of countries other than Australia. Mayfield Shareholders who are tax residents of a country other than Australia (whether or not they are also residents, or are temporary residents, of Australia for tax purposes) should take into account the tax consequences of the Embark Offer under the laws of their country of residence, as well as under Australian law, of acceptance of the Embark Offer.

12.2 Mayfield Shareholders that are Australian residents for tax purposes

(a) **Australian income tax consequences arising on disposal of Mayfield Shares**:

Capital gains tax (**CGT**) event should happen to Mayfield Shareholders that dispose of their Mayfield Shares pursuant to the Embark Offer. The CGT event should happen at the time when the Mayfield Shareholder accepts the Embark Offer.

In the event that Mayfield Shares are compulsorily acquired by Embark, the time of the CGT event should be the time at which the Mayfield Shareholder ceases to be the owner of the Mayfield Shares.

(b) **Calculation of capital gain or capital loss**

Mayfield Shareholders should make a capital gain from the disposal of their Mayfield Shares to the extent that the capital proceeds received exceed the cost base of their Mayfield Shares. Conversely, Mayfield Shareholders should make a capital loss to the extent that the reduced cost base of their Mayfield Shares exceeds the capital proceeds received.

(c) **Capital proceeds**

The capital proceeds from the disposal of the Mayfield Shares should either be:

(i) the Embark Cash Offer; or

(ii) the value of the Embark Share Offer.

(d) **Cost base**

Generally, the cost base or reduced cost base of a Mayfield Shareholder's Mayfield Shares should broadly equal the money they paid or were required to pay to acquire the Mayfield Shares plus any non-deductible incidental costs incurred in acquiring or disposing of the Mayfield Shares.

(e) **CGT discount**

Mayfield Shareholders that are individuals, trusts or complying superannuation entities may be able to obtain discount capital gains treatment to reduce any capital gain made in respect of the disposal of the Mayfield Shares if those Mayfield Shares have been held for more than12 months before the CGT event. The CGT discount is one half in the case of an individual or trust, or one third in the case of a complying superannuation entity. No CGT discount is available for companies.

Mayfield Shareholders who are trustees of a trust should obtain independent professional tax advice in respect of the availability of discount capital gains treatment in respect of distributions to beneficiaries attributable to capital gains in light of their particular circumstances.

(f) **Net capital gain or net capital loss**

Any capital gain or capital loss made in respect of the disposal of Mayfield Shares should be aggregated with any other capital gains the Mayfield Shareholder may have in that income year. Any available capital losses of the Mayfield Shareholder may then be applied against the total capital gains for the income year. Any resulting net capital loss may be carried forward and offset against future taxable capital gains (subject to satisfying any applicable loss recoupment rules). Any resulting capital gain (after offsetting any available capital losses) should be reduced by any applicable CGT discount and the remaining net capital gain (if any) should be included in the Mayfield Shareholder's assessable income.

Mayfield Shareholders should seek independent professional tax advice on the Australian tax consequences arising from the disposal of their Mayfield Shares having regard to their particular circumstances.

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12.3 Partial scrip-for-scrip CGT rollover relief

If the arrangement results in Embark Bidder holding 80% or more of the Mayfield Shares, Mayfield Shareholders who accept the Embark Share Offer may be eligible to choose partial scrip-for-scrip CGT rollover relief under Subdivision 124-M of the ITAA 1997 in respect of the disposal of their Mayfield Shares.

The 80% threshold must be satisfied as part of a "single arrangement".

If partial scrip-for-scrip CGT rollover relief is available and chosen, Mayfield Shareholders would defer any capital gains arising on the disposal of their Mayfield Shares to the extent they receive Embark Shares as consideration for the disposal of their Mayfield Shares.

Where a Mayfield Shareholder has applied partial scrip-for-scrip CGT rollover relief, the cost base of the Embark Shares received should be equal to the cost base of their original Mayfield Shares as reasonably attributable to the consideration received in the form of Embark Shares.

Partial scrip-for-scrip CGT rollover relief will not be available in respect of any cash consideration, in other words the Embark Cash Offer, received by Mayfield Shareholders for the disposal of their Mayfield Shares.

The Embark Cash Offer is equal to $0.50 per Mayfield Share. Any capital gain that arises in relation to the receipt of the cash consideration would not be disregarded. A Mayfield Shareholder should make a capital gain to the extent that the cash consideration that the Mayfield Shareholder receives (the **Ineligible Proceeds**) exceeds a proportionate part of the cost base for the Mayfield Shareholder's Mayfield Shares. The capital gain should be calculated as follows:

> Ineligible Proceeds – ((Ineligible Proceeds / (Ineligible Proceeds plus the value of Embark Shares received)) x cost base of their original Mayfield Shares)

12.4 Mayfield Shareholders that are non-residents of Australia for tax purposes

(a) **Australian income tax consequences arising on disposal of Mayfield Shares**

The disposal of Mayfield Shares for Mayfield Shareholders that are non-residents of Australia will generally only result in Australian CGT implications if the Mayfield Shares are 'indirect Australian real property interests'. In broad terms, the Mayfield Shares will be 'indirect Australian real property interests' if:

(i) that Mayfield Shareholder together with their associates (as defined under Australian taxation law) held an interest of 10% or more in Mayfield at the time of disposal or for at least a period of 12 months during the 24 months preceding the disposal of their Mayfield Shares (referred to as a 'non-portfolio interest'); and

(ii) the aggregate market value of Mayfield's assets which are taxable Australian property (being direct and indirect interests in Australian real property, including land, leases of land, mining tenements and property affixed to land) exceeds the aggregated market value of Mayfield's assets which are not taxable Australian property (referred to as the 'principal asset test').

Accordingly, Mayfield Shareholders that are non-residents of Australia and who, together with associates, held less than 10% of the issued shares in Mayfield at the time of disposal or for at least a period of 12 months during the 24 months preceding the disposal, should be able to disregard a capital gain or capital loss arising from the disposal of their Mayfield Shares as the Mayfield Shares should not constitute an 'indirect Australian real property interest'.

Mayfield Shareholders that are non-residents of Australia (particularly those who, together with associates, hold 10% or more of the issued shares in Mayfield at the time of disposal or for at least a period of 12 months during the 24 months preceding the disposal) should seek independent professional advice on the Australian tax consequences arising from the disposal of their Mayfield Shares having regard to their particular circumstances.

Accordingly, any foreign non-Australian tax resident Mayfield Shareholder that holds, together with their associates, a 10% or more interest in Mayfield Shares (at the time of disposal or for at least a period of 12 months during the 24 months preceding the disposal of their Mayfield Shares) should be subject to Australian CGT on the sale of their Mayfield Shares.

(b) **Foreign resident capital gains withholding tax**

Embark may be required to withhold and pay to the ATO an amount equal to 12.5% of the capital proceeds under Australia's foreign resident capital gains withholding regime if the Mayfield Shares qualify as "indirect real property interests" and Embark:

(i) knows or reasonably believes that a Mayfield Shareholder is a foreign resident; or

(ii) does not reasonably believe that the Mayfield Shareholder is an Australian resident, and either has an address outside Australia or Embark is authorised to provide a financial benefit relating to the transaction to a place outside Australia.

Embark, as the purchaser of Mayfield Shares, is required to assess whether Mayfield Shareholders are a 'relevant foreign resident' and whether the Mayfield Shares represent 'indirect Australian real property interests'.

To ensure that Embark does not withhold under Australia's foreign resident capital gains withholding regime, a Mayfield Shareholder may provide Embark with a signed and completed declaration (CGT Declaration) to declare that:

(i) the Mayfield Shareholder is an Australian resident for tax purposes; or

(ii) the Mayfield Shares are 'membership interests' but not 'indirect Australian real property interests' (as those terms are defined in the ITAA 1997).

Mayfield Shareholders should seek independent professional tax advice on the Australian tax implications of the foreign resident capital gains withholding tax regime and the making of a foreign resident capital gains withholding tax declaration.

12.5 GST

There should be no GST payable by Mayfield Shareholders in respect of the disposal of Mayfield Shares under the Embark Offer. If Mayfield Shareholders incur GST included in costs (such as advisor fees) that relate to the Embark Offer, Mayfield Shareholders that are registered for GST may be entitled to reduced input tax credits in connection with those costs depending on their individual circumstances.

12.6 Stamp duty

Mayfield Shareholders should not be liable for any stamp duty on the disposal of their Mayfield Shares, or on the receipt of the cash consideration or Embark Shares as consideration for the acceptance of the Embark Offer.

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13. ADDITIONAL INFORMATION

13.1 Material litigation

As at the date of this Target's Statement, Mayfield is not involved in any litigation or disputes which are material in the context of Mayfield and its Subsidiaries taken as a whole.

13.2 Mayfield issued securities

As at the date of this Target's Statement, the issued securities in Mayfield are as follows:

CLASS	NUMBER
Mayfield Shares	75,424,609
Mayfield Performance Rights	93,827

13.3 Mayfield Performance Rights

Further information on the Mayfield Performance Rights is as follows:

PERFORMANCE RIGHTS HOLDER	NUMBER	GRANT DATE	EXPIRY DATE
Chris Hayes[1]	67,901	7 February 2025	31 May 2026
Senior management personnel	25,926	7 February 2025	31 May 2026
Total	**93,827**		

Notes:

1. Chris Hayes is the Chief Financial Officer at Mayfield.

The Performance Rights are subject to the following vesting conditions:

(a) continued service with the Company from the date the Performance Rights are granted up to the relevant vesting date (subject to Mayfield Board discretion); and

(b) achievement of a compound annual growth rate (CAGR) of reported (audited) basic earnings per share (EPS), provided that the Mayfield Board has retained the discretion to adjust for significant terms that may arise over the vesting period to ensure the integrity of the performance hurdle is maintained.

In the event of a change in control, which could result from completion of the Embark Offer, the Board of Mayfield has full discretion to determine the manner in which any or all of the holder's Performance Rights will be dealt with, including, without limitation, in a manner that allows the holder to participate in and/or benefit from any transaction arising from or in connection with the change of control event. This means that the Performance Rights may be vested and converted into Mayfield Shares prior to completion of the Embark Offer (subject to any necessary Mayfield Shareholder approvals).

13.4 Substantial holders

Based on the information set out in substantial holder notices lodged with ASX, and registry information, the substantial holders of Mayfield Shares as at the date of this Target's Statement were:

SUBSTANTIAL HOLDER	NUMBER OF MAYFIELD SHARES	VOTING POWER
Embark Early Education Limited	15,009,497	19.90%
Riversdale Road Shareholding Company Pty Ltd and associates[1]	10,133,753	13.44%
Citicorp Nominees Pty Ltd	8,190,088	10.86%
Malcolm and June Ross Investments Pty Ltd and associates[2]	6,413,417	8.50%

SUBSTANTIAL HOLDER	NUMBER OF MAYFIELD SHARES	VOTING POWER
Finexia Wealth Pty Ltd	5,000,000	6.63%

Notes:

1. Comprising registered holding of Riversdale Road Shareholding Company Pty Ltd (7,179,109 shares, 9.52%) and its associates'.
2. Comprising registered holding of Malcolm & June Ross Investments Pty Ltd (3,579,964 shares, 4.75%) and its associates'.

13.5 Transaction Expenses

The (unsolicited) Embark Offer has resulted in Mayfield incurring expenses that would not otherwise arise from its ordinary operations. These expenses include fees of legal, financial and other advisers engaged to assist in responding to the Embark Offer and other transaction related expenses including costs of printing and dispatch of this Target's Statement. These expenses include a cash fee payable to Mayfield's financial adviser, Canaccord Genuity (Australia) Limited, of between 2% and 4% of the value of the consideration paid for Mayfield depending on the outcome of the Embark Offer, if the Embark Offer is successful in Embark acquiring at least 90% of Mayfield Shares.

The total cost of the takeover response depends on the outcome of the Embark Offer, the duration of the Embark Offer and required response activities, as well as the complexity of the issues addressed in the response. Therefore, it is difficult to estimate the likely total cost to Mayfield.

13.6 Consents

The following parties have each given, and have not withdrawn before the lodgement of this Target's Statement with ASIC, written consent to be named in this Target's Statement in the form of the context in which they are so named.

NAME	ROLE
Canaccord Genuity (Australia) Limited	Financial adviser
Steinepreis Paganin	Legal adviser
Xcend Pty Ltd	Share registry

Each of these parties have not caused or authorised the issue of this Target's Statement, do not make or purport to make any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based and take no responsibility for any part of this Target's Statement other than any reference to their name and to the maximum extent permitted by law, expressly disclaim all liability in respect of, make no representation regarding and take no responsibility for any part of this Target's Statement, other than a reference to their name.

This Target's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or the company announcement platform of ASX by Mayfield and others. Under the terms of *ASIC Corporations (Takeover Bids) Instrument 2023/683*, the parties making those statements are not required to, and have not consented to, the inclusion of those statements in this Target's Statement. If you would like to receive a copy of any of those documents, or the relevant parts of the documents containing the statements (free of charge), during the Offer Period, please contact Xcend on +61 2 8591 8509 between 9:00am to 6:00pm (Sydney Time) Monday to Friday (excluding public holidays). Copies of documents (or relevant parts of which) will be provided on request.

As permitted by *ASIC Corporations (Consents to Statements) Instrument 2016/72*, this Target's Statement may include or be accompanied by certain statements:

(a) which fairly represent what purports to be a statement by an official person; or

(b) which are a correct and fair copy of, or extract from, what purports to be a public official document; or

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(c) which are a correct and fair copy of, or extract from, a statement which has already been published in a book, journal or comparable publication.

In addition, as permitted by *ASIC Corporations (Consents to Statements) Instrument 2016/72*, this Target's Statement includes trading data sourced from IRESS provided without consent.

13.7 No other material information

This Target's Statement is required to include all the information that Mayfield Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Embark Offer, but:

(a) only to the extent to which it is reasonable for investors and their professional advisers to expect to find this information in this Target's Statement; and

(b) only if the information is known to any Mayfield Director.

The Mayfield Board is of the opinion that the information that Mayfield Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Embark Offer is:

(a) the information set out in the Bidder's Statement (to the extent that the information is not inconsistent or superseded by information in this Target's Statement);

(b) the information set out in Mayfield's releases to the ASX, and in the documents lodged by Mayfield with ASIC before the date of this Target's Statement; and

(c) the information set out in this Target's Statement.

The Mayfield Board has assumed, for the purposes of preparing this Target's Statement, that the information in the Bidder's Statement is accurate (unless they have expressly indicated otherwise in this Target's Statement, in particular in Section 11.1). However, the Mayfield Board does not take any responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all statements provided in it.

In deciding what information should be included in this Target's Statement, the Mayfield Board has had regard to:

(a) the nature of the Mayfield Shares;

(b) the matters that Mayfield Shareholders may reasonably be expected to know;

(c) the fact that certain matters may reasonably be expected to be known to Mayfield Shareholders' professional advisers; and

(d) the time available to Mayfield to prepare this Target's Statement.

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14. GLOSSARY

The meanings of the following terms used in this Target's Statement are set out below, unless a contrary intention appears or the context requires otherwise:

TERM	MEANING
$** or **A$	Australian dollar(s).
Acceptance Form	the form of acceptance and transfer in respect of the Embark Offer accompanying the Bidder's Statement.
ACECQA	Australian Children's Education and Care Quality Authority.
Announcement Date	7 November 2025, being the date of announcement of Embark's intention to make the Embark Offer.
ASIC	the Australian Securities and Investments Commission.
ASX	ASX Limited (ACN 008 624 691) and, where the context requires, the financial market that it operates.
ASX Listing Rules	the listing rules of ASX.
Bidder's Statement	Embark's replacement bidder's statement, dated 5 January 2026.
Board or **Mayfield Board**	the board of directors of Mayfield and a Mayfield Director means any director of Mayfield on the Mayfield Board.
Business Day	a day that is not a Saturday, Sunday, public holiday or bank holiday in Sydney, Australia.
CCS	Child Care Subsidy.
CGT	capital gains tax.
Corporations Act	*Corporations Act 2001* (Cth) (as modified or varied by ASIC).
Embark	Embark Early Education Limited (ACN 667 611 752).
Embark Cash Offer	Embark's offer of $0.50 cash for every Mayfield Share.
Embark Offer	the offer by Embark to acquire all the Mayfield Shares that Embark does not already own, on the terms set out in Appendix 1 of the Bidder's Statement.
Embark Share	a fully paid ordinary share in the capital of Embark.
Embark Share Offer	Embark's offer of 1 Embark Share for every 1.24 Mayfield Shares.
GST	has the meaning as defined in *A New Tax System (Goods and Services Tax) Act 1999* (Cth).
Last Practicable Date	18 December 2025.
Mayfield or **Company**	Mayfield Childcare Limited (ACN 604 970 390).
Mayfield Group	Mayfield and each of its subsidiaries.
Mayfield Group Member	a member of the Mayfield Group.
Mayfield Share	a fully paid ordinary share in the capital of Mayfield.
Mayfield Shareholder	a registered holder of Mayfield Shares.
Mayfield Performance Right	a right to acquire a Mayfield Share subject to the satisfaction of performance milestones.

TERM	MEANING
MEEPL	Mayfield Early Education Pty Ltd (ACN 653 437 935), a wholly owned subsidiary of Mayfield.
Notice of Status of Conditions	Embark's notice disclosing the status of the conditions to the Embark Offer which is required to be given by section 630(3) of the Corporations Act.
Offer Period	the period during which the Embark Offer will remain open for acceptance in accordance with the Embark Offer terms commencing on 5 January 2026 and ending at 7:00pm (Sydney Time) on 5 March 2026, or any later date to which the Embark Offer is extended.
Original Bidder's Statement	Embark's original bidder's statement lodged with ASIC on 19 December 2025.
Prescribed Occurrences	has the meaning given in section 9, Appendix 1 of the Bidder's Statement ('Conditions of the Offer').
Register Date	19 December 2025, being the date set by Embark under section 633(2) and (3) of the Corporations Act.
Rights	(as defined in the Bidder's Statement): all accretions, rights or benefits of whatever kind attaching to or arising from Mayfield Shares directly or indirectly after the date of this Bidder's Statement, including all dividends or other distributions and all rights to receive any dividends or other distributions, or to receive or subscribe for shares, stock units, notes, bonds, options or other securities, declared, paid or made by Mayfield or any of its subsidiaries.
Sydney Time	the time in Sydney, New South Wales, Australia.
Target's Statement	this Target's Statement, prepared by Mayfield under Part 6.5 Division 3 of the Corporations Act in response to the Embark Offer.
VWAP	volume-weighted average price for shares traded on ASX over a specified period.

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