

Market Announcement Office

ASX Limited

Date: 18th September 2017

CHILDCARE CENTRE ACQUISITION ANNOUNCEMENT

Mayfield Childcare Limited is pleased to announce the acquisition of a further long day care centre in Melbourne's Southern suburbs. The centre provides for 75 registered places, and is expected to contribute approximately \$480K in EBITDA in CY18. Based on the purchase price of \$2.2 million this represents a multiple of 4.6x CY18 EBITDA inclusive of payroll tax (4.2x excluding payroll tax). The acquisition will be funded from Mayfield's existing debt facilities.

The centre is owned by Michelle Clarke, a director of Mayfield. This ownership was disclosed in the Prospectus in Section 6.3 (b) (iv). As a related party transaction, the acquisition will be subject to an independent expert's report and shareholder approval.

On completion, Mayfield will be the owner and operator of 18 long day care centres all based in Victoria.

Further, Mayfield expects to announce shortly, the acquisition of another centre in Melbourne's Northern suburbs, thereby fulfilling our commitment announced at the half year, setting the company up for a strong CY18.

Mayfield will continue to seek considered acquisition opportunities next year in line with our strategic objectives, with a strong focus on improving shareholder value.

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