

10 December 2021

Mayfield Childcare Limited – Genius Learning Acquisition Completed

The Board of Mayfield Childcare Limited (ASX:MFD) is delighted to announce that the company has today, successfully completed the acquisition of all 14 Genius Learning childcare centres across to Mayfield.

The transaction significantly transforms both the size and scale of the business, positioning Mayfield as a leading Australian childcare operator, with a portfolio of 36 centres across Victoria, Queensland and South Australia.

Building on this foundation acquisition, is the incubator arrangements that Mayfield and Genius have entered into, that will deliver certainty of growth, providing ongoing and exclusive access to a pipeline of premium, high performing centres.

To cap, key highlights include

- Acquisition of 14 premium childcare centres, with 5 in Victoria, 8 in Queensland and 1 in South Australia
- Projected CY22F revenues from the 14 centres of \$37.0m resulting in CY22F EBITDA of \$8.0m
- The total acquisition costs of up to \$39.2m or 4.9x CY22F EBITDA of \$8.0m, including earn-out of 1.0x CY22F EBITDA (excl. costs).
- A 5-year incubator agreement based on a centre acquisition price of 4.25x EBITDA, subject to pre-agreed performance metrics for occupancy, annualised EBITDA and centre size.
- Successful completion of an Institutional Placement raising \$8.0m from new and existing institutional investors.
- Successful completion of a non-underwritten share purchase plan raising \$1.75m from existing eligible shareholders.
- Appointment of David Niall and Lubna Matta to the Company's Board
- Canaccord Genuity (Australia) Limited has acted as financial advisor to the acquisition and Lead Manager and Bookrunner to the Placement, and Thomson Geer has acted as legal advisor.

Mayfield Childcare Chief Executive Officer Dean Clarke said

“Mayfield is entering into an exciting new phase of operations and growth as we expand our business around Australia. The acquisition of the 14 Genius Learning centres, coupled with the incubator arrangements, represents a substantial step change in the business, both physically and economically. The overwhelming support we have received from our existing shareholder via the SPP and new institutional investors who have come on board via the Placement, is testament to the value this transaction represents to the business.”

Please direct any further enquiries to:

Dean Clarke
Chief Executive Officer
dclarke@mayfieldchildcare.com.au
+61 3 9576 3156

Glenn Raines
Chief Financial Officer
graines@mayfieldchildcare.com.au
+61 3 9576 3156

Andrew Angus
Investor Relations
andrewangus@overlandadvisers.com.au
+61 402 823 757