

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Mayfield Childcare Limited

ACN/ARSN 604 970 390

1. Details of substantial holder (1)

Name Mayfield Childcare Limited

ACN/ARSN (if applicable) 604 970 390

The holder became a substantial holder on 10 / 12 / 2021

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares	21,704,347	21,704,347	34.23%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Mayfield Childcare Limited ACN 604 970 390 ("MFD")	<p>Restrictions on the disposal of shares under voluntary escrow arrangements in the form of Annexure A entered into with the holder set out in paragraph 4 below would, if not for the relief granted by ASIC in the form of ASIC Instrument 21-1014, give MFD a deemed relevant interest in its own shares pursuant to section 608(1)(c) of the <i>Corporations Act 2001</i> (Cth).</p> <p>See ASIC Instrument 21-1014 dated 7 December 2021. MFD issued this notice in respect of the shares subject to the voluntary escrow arrangements substantially in the form of Annexure A.</p> <p>MFD has no right to acquire the shares or to exercise, or control or influence the exercise of, a right to vote attached to these shares.</p>	21,704,347 fully paid ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Mayfield Childcare Limited ACN 604 970 390	Genius Education Holdings Pty Ltd ACN 653 363 636	Genius Education Holdings Pty Ltd ACN 653 363 636	21,704,347 fully paid ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Mayfield Childcare Limited ACN 604 970 390	10/12/2021	N/A	Partial consideration for acquisition of shares in Genius Education Pty Ltd ACN 653 437 935	21,704,347 fully paid ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

7. Addresses

The addresses of persons named in this form are as follows:

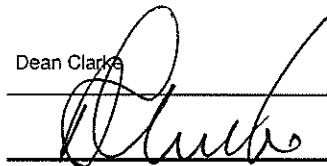
Name	Address
Mayfield Childcare Limited ACN 604 970 390	Suite 2, 207 Waverley Road, Malvern East, Victoria 3145
Genius Education Holdings Pty Ltd ACN 653 363 636	Level 1, 60 Toorak Road, South Yarra, Victoria 3141

Signature

print name Dean Clarke

Capacity: Director

sign here



date 14/12/2021

ANNEXURE A

FORM OF ESCROW DEED

This is Annexure A of 9 page(s) referred to in Form 603.

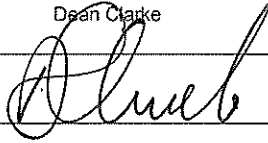
Print Name:

Dean Clarke

Capacity:

Director

Sign Here



Date:

14/12/2021

Escrow Deed

between

Genius Education Holdings Pty Ltd
ACN 653 363 636
(Shareholder)

and

Mayfield Childcare Limited
ACN 604 970 390
(Company)

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This Deed is made on

3 DECEMBER 2021

Parties

- 1 Genius Education Holdings Pty Ltd ACN 653 363 636 of 1 Balmain Street, Cremorne, Victoria, 3121 (**Shareholder**).
- 2 Mayfield Childcare Limited ACN 604 970 390 of Suite 2, 207 Waverley Road, Malvern East, Victoria, 3145 (**Company**).

Recitals

- A The Company is admitted to the official list of ASX and its Shares are quoted on ASX.
- B The Shareholder will be issued the Escrow Shares under the Sale Agreement.
- C In order to help promote a stable market for Shares on ASX, the Shareholder undertakes to the Company to be bound by the terms and conditions of this Deed.

It is agreed as follows.

1 Definitions and Interpretation

1.1 Definitions

The following definitions apply unless the context requires otherwise.

ASIC means Australian Securities and Investments Commission;

ASX means ASX Limited ABN 98 008 624 691 or the financial market operated by ASX Limited ABN 98 008 624 691, as the context requires.

Business Day means a day which is not a Saturday, Sunday or a public holiday in Melbourne, Victoria.

Completion means the completion of the sale and purchase of all the shares in the Sale Company under the Sale Agreement.

Completion Date which the date on which Completion occurs.

Corporations Act means the *Corporations Act 2001* (Cth).

Dispose has the meaning given to 'dispose' in the Listing Rules.

Earn Out Consideration means the amount of earn out consideration payable to the Shareholder under the Sale Agreement.

Earn Out EBITDA means the earnings before interest, tax, depreciation and amortisation of the Sale Company for the Earn Out Year, as more particularly defined in the Sale Agreement.

Earn Out Statement means the statement to be prepared under the Sale Agreement setting out the Earn Out EBITDA.

Earn Out Year means the period of 12 months starting on 1 January 2022.

Escrow Period means the period commencing on the Completion Date and ending on:

- (a) in respect of 50% of the Escrow Shares issued under paragraph (a) of the definition of Escrow Shares in this clause 1.1, if the Earn Out EBITDA as set out in the final Earn Out Statement is at least \$8,000,000, the later of the date on which the Earn Out Statement becomes final and at the end of 10 Business Days from the date the Company gives to

ASX financial statements of the Company for the year ending on the last day of the Earn Out Year; or

- (b) in respect of all other Escrow Shares, the Escrow End Date.

Escrow End Date means the second anniversary of the Completion Date.

Escrow Shares means:

- (a) all of the Shares to be issued to the Shareholder at Completion in accordance with the Sale Agreement; and
- (b) 50% of any Shares issued to the Shareholder after Completion under the Sale Agreement that form part of the Earn Out Consideration in accordance with the Sale Agreement.

Holding Lock has the meaning given to 'holding lock' in the Listing Rules.

Issuer Sponsored Subregister has the meaning given to 'issuer sponsored subregister' in the Listing Rules.

Listing Rules means the Listing Rules of ASX (including the ASX Settlement Operating Rules).

Restricted Action has the meaning given to it in clause 2.1.

Sale Agreement means the share sale agreement dated 31 October 2021 between the Company and the Shareholder in relation to the sale and purchase of all the shares in the Sale Company.

Sale Company means Genius Education Pty Ltd ACN 653 437 935.

Shares means fully paid ordinary shares in the capital of the Company.

1.2 Interpretation

The following rules apply unless the context requires otherwise.

- (a) Headings are for convenience only and do not affect interpretation.
- (b) The singular includes the plural and conversely.
- (c) A gender includes all genders.
- (d) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (e) A reference to a clause is a reference to a clause of this Deed.
- (f) A reference to an agreement or document (including a reference to this Deed) is to the agreement or document as amended, varied, supplemented, novated or replaced, except to the extent prohibited by this Deed or that other agreement or document.
- (g) Specifying anything in this Deed after the words 'including', 'includes' or 'for example' or similar expressions does not limit what else is included.
- (h) A reference to a party to this Deed or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).
- (i) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
- (j) A word or term defined in the Corporations Act has the same meaning in this Deed.

1.3 Conditional on ASIC relief

- (a) This Deed (other than this clause 1.3) is conditional on:
 - (i) the Company obtaining relief from ASIC to modify section 609 of the Corporations Act to enable the Company to disregard a relevant interest in the Escrow Shares resulting from the arrangements under this Deed for the purposes of section 606 of the Corporations Act; and
 - (ii) the Company providing a copy of the relief to the Shareholder.
- (b) If the conditions set out in clause 1.3(a) are not satisfied by the Completion Date or such other date as the parties may agree, then this Deed will terminate on that date.
- (c) On termination of this Deed under this clause 1.3, the parties will be under no further obligation to each other and will have no further rights against each other under this Deed except in respect of any breach of this Deed which occurred before termination.

2 Escrow Restrictions

2.1 Shareholder restrictions

During the Escrow Period, the Shareholder must not:

- (a) Dispose of, or agree or offer to Dispose of, any or all of the Escrow Shares;
- (b) create, or agree or offer to create, any security interest in any or all of the Escrow Shares; or
- (c) do or omit to do any act which may have the effect of transferring effective ownership or control of any or all of the Escrow Shares,

(each a **Restricted Action**), other than in accordance with clause 2.3.

2.2 Issuer Sponsored Subregister

- (a) The Shareholder agrees that the Escrow Shares will be:
 - (i) kept on an electronic CHESS subregister; or
 - (ii) held on the Company's Issuer Sponsored Subregister (as that term is defined in the ASX Listing Rules),and agrees to the application of a Holding Lock to the Escrow Shares for the Escrow Period or, in respect of any Escrow Shares, until they may be Disposed of or the subject of another Restricted Action permitted by this Deed.
- (b) The Company agrees to do all things necessary to ensure that the Holding Lock is released:
 - (i) to the extent necessary to permit Disposals of Escrow Shares and other Restricted Actions permitted by this Deed; and
 - (ii) in full at the conclusion of the Escrow Period.

2.3 Permitted Transfers

During the Escrow Period, the Shareholder may only undertake a Restricted Action if:

- (a) the Restricted Action is required by law (including an order of a court of competent jurisdiction);
- (b) the Shareholder obtains the prior written consent of the Company (which may be withheld by the Company at its absolute discretion);

- (c) the Restricted Action is the acceptance of:
 - (i) a bona fide takeover bid under Chapter 6 of the Corporations Act for all of the Shares in the Company; or
 - (ii) a proportional takeover bid under Chapter 6 of the Corporations Act, provided that:
 - (iii) such acceptance occurs following a public announcement by the Company that the board of directors of the Company recommends a takeover bid; or
 - (iv) the holders of at least 50% of the bid class securities that are not subject to escrow, and to which the offers under the bid relate, have accepted and the Escrow Shares continue to be held on the terms of this Deed if the relevant bid does not become unconditional or does not otherwise proceed;
- (d) the Restricted Action is the transfer or cancellation of the Shares in the Company as part of a scheme of arrangement under Part 5.1 of the Corporations Act, provided that scheme of arrangement takes effect;
- (e) the Restricted Action is in connection with exercising any voting rights attached to the Escrow Shares or a transfer or sale of securities in the Shareholder;
- (f) the Restricted Action is in connection with Shares being bought back under a buy-back that is an equal access scheme or cancelled under an equal capital reduction **provided that** if any Escrow Shares are not bought back under the equal access scheme or cancelled under the equal capital reduction (as relevant) the Escrow Shares continue to be held on the terms of this Deed; or
- (g) the Restricted Action is in connection with providing a security interest in any Escrow Shares to a bona fide third party financial institution as a security for a loan or other financial accommodation **provided that**:
 - (i) the Escrow Shares are not transferred to the financial institution during the Escrow Period; and
 - (ii) the financial institution agrees that the Escrow Shares will continue to be held on the terms of this Deed.

2.4 Shareholder to notify Company

If the Shareholder becomes aware:

- (a) that a dealing in any Escrow Shares has occurred, or is likely to occur, during the Escrow Period in breach of this Deed; or
- (b) of any other matter which is likely to give rise to a dealing in any Escrow Shares during the Escrow Period in breach of this Deed,

the Shareholder must notify the Company as soon as practicable after becoming aware of the dealing or those matters giving rise the dealing, and provide full details.

2.5 Providing a security interest under clause 2.3(g)

If at any time prior to the first anniversary of the Completion Date, the Shareholder provides a security interest in any Escrow Shares to a bona fide third party financial institution as a security for a loan or other financial accommodation on the terms of clause 2.3(g), the Shareholder undertakes to use its best endeavours to cause and procure the release of any such security interest over all the Escrow Shares by no later than the first anniversary of the Completion Date.

3 Breach

3.1 Prevention of anticipated breach

The parties acknowledge and agree that if it appears to the Company that the Shareholder may breach this Deed, the Company:

- (a) may take the steps necessary to prevent the breach or to enforce this Deed, as soon as the Company becomes aware of the potential breach; and
- (b) subject to the Listing Rules, may refuse to acknowledge, deal with, accept or register any sale, assignment, transfer or conversion of any of the Escrow Shares (in addition to the other rights and remedies of the Company).

3.2 Damages insufficient remedy

The parties agree that damages would be an insufficient remedy for breach of this Deed and the Shareholder agrees that the Company is entitled to seek and obtain an injunction or specific performance as a remedy for any actual or threatened breach of this Deed, in addition to any other remedies available to the Company at law or in equity under or independently of this Deed.

4 Representations and Warranties

4.1 Shareholder representations and warranties

The Shareholder represents and warrants that:

- (a) **(power)** it has power to enter into and comply with all of the terms and conditions of this Deed applicable to it;
- (b) **(authority)** it has taken all necessary corporate actions and authorisations to permit it to enter into this Deed and to observe all of its terms and no such corporate action or authorisation has since been rescinded or varied;
- (c) **(deed effective)** this Deed constitutes a legal, valid and binding obligation on it and is enforceable against it in accordance with its terms;
- (d) **(Escrow Shares)** upon the issue of the Escrow Shares, it will be the legal and beneficial holder of the Escrow Shares; and
- (e) **(no encumbrances)** upon the issue of the Escrow Shares, the Escrow Shares are free from all encumbrances, security interests and other third party interests or rights.

4.2 Reliance on representations and warranties

The Shareholder acknowledges that the Company has executed this Deed in reliance on the representations and warranties that are made in this clause.

4.3 No representations by the Company

The Shareholder acknowledges that it has not relied and will not rely on any representation statement or promise made by or on behalf of the Company in deciding to enter into this Deed.

5 Notices

Any notice, demand, consent or other communication (**Notice**) given or made under this Deed:

- (a) must be in writing and signed by a person duly authorised by the sender;
- (b) must be delivered to the intended recipient by prepaid post (if posted to an address in another country, by registered airmail) or by hand or email to the address or email

address below or the address or email address last notified by the intended recipient to the sender:

(i) to the Company: Suite 2, 207 Waverley Road, Malvern East, Victoria, 3145

Attention: Dean Clarke

Email: dclarke@mayfieldchildcare.com.au

(ii) to the Shareholder: 1 Balmain Street, Cremorne, Victoria, 3121

Attention: Darren Michael Misquitta

Email: darren@sprintcapitalpartners.com

(c) will be taken to be duly given or made:

(i) in the case of delivery in person, when delivered;

(ii) in the case of delivery by post, two Business Days after the date of posting (if posted to an address in the same country) or seven Business Days after the date of posting (if posted to an address in another country); and

(iii) in the case of email, on the day of transmission, provided that the sender does not receive an automated notice generated by the sender's or the recipient's email server that the email was not delivered,

but if the result is that a Notice would be taken to be given or made on a day that is not a business day in the place to which the Notice is sent or is later than 4pm (local time) it will be taken to have been duly given or made at the commencement of business on the next business day in that place.

6 General

6.1 Governing law

This Deed is governed by the laws of Victoria. Each party irrevocably accepts the non-exclusive jurisdiction of courts with jurisdiction there and waives any right to object to the venue on any ground.

6.2 Further assurances

Each party agrees to do all things and execute all deeds, instruments, transfers or other documents as may be necessary or desirable to give full effect to the provisions of this Deed and the transactions contemplated by it.

6.3 Waiver and exercise of rights

(a) No failure to exercise nor any delay in exercising any right, power or remedy by a party operates as a waiver. A single or partial exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver is not valid or binding on the party granting that waiver unless made in writing.

(b) A party may exercise a right or remedy or give or refuse its consent in any way it considers appropriate (including by imposing conditions), unless this Deed expressly states otherwise.

6.4 Entire agreement

This Deed contains the entire agreement of the parties with respect to its subject matter. It sets out the only conduct on relied on by the parties and supersedes all earlier conduct by the parties with respect to its subject matter.

6.5 Amendment

This Deed may be amended only by another deed executed by all the parties.

6.6 Severability

Any provision of this Deed which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this Deed enforceable, unless this would materially change the intended effect of this Deed.

6.7 Counterparts

This Deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

6.8 Costs

Each party must pay its own costs of negotiating, preparing and executing this Deed.

Executed and delivered as a Deed

Executed as a deed by **Genius Education Holdings Pty Ltd** ACN 653 363 636 in accordance with section 127(1) of the Corporations Act 2001 (Cth):

Sole Director and Sole Company Secretary

Name of Director
BLOCK LETTERS

Director

Name of Director
BLOCK LETTERS

~~_____
*Director/*Company Secretary~~

~~_____
Name of *Director/*Company Secretary
BLOCK LETTERS
*please strike out as appropriate~~

Executed as a deed by **Mayfield Childcare Limited** ACN 604 970 390 in accordance with section 127(1) of the Corporations Act 2001 (Cth):

Director

Name of Director
BLOCK LETTERS

Dean Clarke

Name of Director
BLOCK LETTERS

**Director/*Company Secretary*

Name of *Director/*Company Secretary
BLOCK LETTERS
*please strike out as appropriate

Michael Clarke

Name of *Director/*Company Secretary
BLOCK LETTERS
*please strike out as appropriate