30 October 2026
ASX Market Release

Quarterly Activities Report

Quarterly Highlights

- **Revenue of $22.8m**, down **3.8%** on the pcp (Q3 FY25: **$23.7m**), reflecting lower occupancy partly offset by fee increases.
- **Underlying Centre EBITDA[1] up 6.6% to $3.2m** (Q3 FY25: **$3.0m**), with Centre EBITDA margin expanding **140 basis points** to **14.2%** (Q3 FY25: **12.8%**).
- **Underlying Group EBITDA[1] of $1.2m**, in line with the pcp, with momentum building through the quarter as September Underlying Group EBITDA[1] rose **80%** to **$0.71m** (September 2025: **$0.39m**).
- **Spot occupancy[2] of 55.6%** for the week beginning 16 October 2026 (pcp: **59.6%**), up from **54.2%** in early July.
- **Centre wage-to-revenue ratio improved to 57.2%** (Q3 FY25: **60.0%**) and to **56.2%** in September (September 2025: **60.5%**).
- **Net operating cash inflow of $1.9m** (Q2 FY26: **$1.3m**), driven by higher cash receipts and continued labour cost efficiencies.
- **Head office restructure completed**, expected to deliver approximately **$1.5m** in annualised savings with the full monthly benefit from November 2026.
- **Entitlement offer completed**, raising $3.0m with net proceeds of approximately $2.8m after costs to fund working capital and support the operational turnaround.
- **Balance sheet strengthened,** with cash of $1.1m at quarter end (Q2 FY26: $0.2m), facility drawings reduced to $4.3m (Q2 FY26: $5.4m) and $4.5m available under the working capital facility.
- **FY26 guidance** announced on 15 October 2026 is unchanged, with Q3 trading in line with the plan underpinning it.

Operations Update

The third quarter was about converting the operating changes made earlier in the year into results. Centre-level accountability for enrolments and rostering, a completed head office restructure and a strengthened balance sheet following the entitlement offer have combined to lift earnings and cash generation through the quarter, even as occupancy remains below the prior year. The key developments are set out below.

Occupancy

Spot occupancy[2] lifted through the quarter, from **54.2%** in early July to **55.6%** for the week beginning 16 October 2026, as centres took direct accountability for enrolments and investment in marketing, enquiry generation and conversion continued. Occupancy remains below the pcp of **59.6%**, and lower occupancy across the Group was the principal driver of the revenue decline, partly offset by fee increases implemented during the year.

1. Underlying Centre EBITDA and Underlying Group EBITDA are non-statutory financial concepts 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. Underlying Centre EBITDA and Underlying Group EBITDA reported in the Quarter ended 30 September 2026 are unaudited numbers.
2. Spot Occupancy excludes centres marked for divestment. Centres marked for divestment are also removed from the comparative period on a like for like basis.

Earnings momentum

Earnings strengthened as the quarter progressed. Underlying Group EBITDA[1] for August and September combined rose **48%** to **$1.09m** (pcp: **$0.74m**), and September Underlying Centre EBITDA[1] rose **65%** to **$1.45m** (September 2025: **$0.88m**). These gains reflect improved rostering discipline and wage management against lower attendances and were delivered before any benefit from the head office restructure.

Wage efficiency despite award increases

The improvement in the Centre wage-to-revenue ratio reflects rostering discipline, centre-level accountability and the return of operational controls to centre leaders and was achieved despite award wage increases and continued workforce cost pressure across the sector. The ratio has improved sequentially, from **59.8%** in Q2 FY26 to **57.2%** in Q3 FY26 and **56.2%** in September.

Restructure completed

The head office restructure was completed during the quarter, creating a simpler, leaner organisation that puts resources where they matter most, in centres. The annualised saving of approximately **$1.5m** includes on-costs, of which approximately $0.5m is expected to be realised in FY26 as savings accrue progressively post the quarter, with the full monthly run-rate from November 2026. One-off restructuring costs of approximately **$0.2m** will be incurred as a result of the restructure.

Entitlement offer and facility

During the quarter the Company completed a non-renounceable pro rata entitlement offer of two Shares for every five Shares held at an issue price of **$0.10** per Share. Funds received from the issue totalled **$3.0m**, less **$0.2m** of costs incurred and will be used to fund working capital requirements to support Mayfield's ongoing operational turnaround.

Cashflows for the Quarter

Net operating cash inflows were **$1.9m** (Q2: **$1.3m**), with higher cash receipts as occupancy improved sequentially through the quarter accompanied by further improvements to rostering and labour cost efficiencies. The cash outflow from investing activities was **$0.2m**, comprising centre capital works and equipment purchases driven primarily by compliance and maintenance requirements of ageing centres.

Net cash outflows from financing activities of **$0.7m** were primarily driven by lease principal payments of **$2.3m** and net repayments to the working capital and premium funding facilities of **$1.2m**, offset by **$2.8m** net funds received from the capital raise completed during the quarter.

At the end of the quarter the Group had **$1.1m** (Q2: **$0.2m**) of cash and cash equivalents and **$4.3m** (Q2: **$5.4m**) drawn down on its borrowing facilities. The Group had **$4.5m** available under its working capital redraw facility at the quarter end.

Market commentary

Operating conditions across the early learning sector remained challenging during the quarter. Three factors continue to weigh on occupancy and margins:

Supply challenges: Oversupply in certain catchments continues to weigh on occupancy, particularly in competitive metropolitan markets. Rising construction costs and heavier regulatory requirements are now slowing new developments and contributing to the exit of single-centre operators. As supply rationalises, this should support established operators such as Mayfield.

Cost of living pressures: Household budgets remain stretched, which continues to affect enrolment decisions, the number of days booked and the conversion of enquiries. Affordability remains a key influence on family demand across the sector.

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2. Spot Occupancy excludes centres marked for divestment, as at the week commencing 5 October 2026.

Direct cost pressures: Wages, property, food, utilities and insurance costs continue to rise, alongside growing compliance and child safety requirements. Government wage-support funding helps offset wage growth, but it caps fee increases and requires providers to fund employment costs ahead of reimbursement, adding to working capital pressure.

Outlook and Market Conditions

Mayfield is continuing to execute its FY26 plan. The improvement in earnings, wage efficiency and occupancy through Q3 shows the plan is working, and the focus for the balance of the year is on the following.

- **Occupancy recovery:** Continued investment in marketing, enquiry generation and conversion, with centres now directly accountable for enrolments. The pace of further recovery will depend on family demand and affordability.
- **Child safety and compliance:** Child safety remains the Group's first operating priority. Investment to meet heightened regulatory expectations will continue and remains a near-term cost while fee growth is constrained under the current ECEC grant settings**.**
- **Cost discipline:** Rostering discipline and centre-level accountability will be maintained to hold the wage-to-revenue gains achieved in Q3, with the full head office restructure saving of approximately **$1.5m** annualised flowing from November 2026.
- **Family experience and revenue recovery:** Continued investment in family support, billing accuracy and debt management to lift retention, reduce leakage and improve cash collection.
- **FY26 guidance:** Guidance is unchanged. Monthly results should not be annualised given seasonal trading patterns and ongoing sector challenges.

ASX Additional Information

Payments to Related Parties during the period as detailed in Section 6.1 of the Appendix 4C consisted of Director fees (including superannuation) of **$0.07m**.

This announcement has been approved for release by the Board.

For further information please contact:

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About Mayfield

Mayfield owns and operates **45** childcare centres with over **4,000** registered childcare places across Victoria, Queensland, and South Australia. Our goal is to deliver exceptional, high-quality services to families by continuously improving our centres and surpassing National Quality Standards. We believe that providing the best education and care will create a positive impact on the lives of families we serve.

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