mayfield
childcare limited

27 February 2026
ASX Market Release

Financial Results for the Full Year ended 31 December 2025

Mayfield Childcare Limited (ASX:MFD) (**Mayfield** or the **Company**) announces its results for the Full Year ended 31 December 2025 (FY25).

Overview

- **Revenue up** 3.7% to $91.5M (FY24: $88.3M), reflecting contribution from the Precious Cargo acquisition completed in August 2024.
- **Underlying EBITDA**[4] of $2.3M (FY24[3]: $5.8M), reflecting softer H1 FY25 trading and margin compression due to rising input costs. FY24 included a one-off positive EBITDA impact of historic accounting adjustments of $0.9M[3].
- **Underlying Centre EBITDA**[1,2] down 19.6% to $9.6M (FY24[3]: $11.9M). Pleasingly H2 FY25 Centre level earnings were **$6.1M** despite materially lower occupancy across the network.
- **Statutory NPAT**[5] **loss** of $21.4M (FY24: $0.2M profit), including a non-cash goodwill impairment of $19.4M following revised value-in-use assumptions and more conservative forward forecasts.
- **Net debt** reduced to $1.8M drawn at 31 December 2025 (FY24: $6.2M drawn).
- **Precious Cargo integration** was completed during H2 FY25, with positive EBITDA contribution to the Group of $125K H2 FY25 versus a loss of $809k H1 FY25, with revenue of $8.6M H2 FY25 ($6.8M H1 FY25).
- **Group occupancy** strengthened in H2 FY25, with December 2025 spot occupancy[6] reaching 65%. Occupancy grew 2.2% from August to November 2025, outperforming FY24 by 1.6%. While year-to-date occupancy of 54% remains below the prior year (61%), recent momentum reflects improved operational execution and supports continued gains into FY26.
- **Positive turnaround strategy** with improving month-on-month performance in H2 FY25 and February 2026 spot occupancy[6] of 51% vs PCP 52% delivering a stronger and more cost efficient platform to start the year.
- **FY26 Guidance** of Underlying Group EBITDA[1] guidance of $4.7M – $5.3M. Underlying Centre EBITDA[1] guidance of $11.25M - $12.5M.

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.
2. Underlying Centre EBITDA excludes corporate labour and overhead costs of $7.3M from Underlying EBITDA as reported in the Annual Report for the Year ended 31 December 2025.
3. Underlying EBITDA and Underlying Centre EBITDA for FY24 included a one-off increase to EBITDA of $0.9M related to the impact of reducing a previous provision raised in FY23 relating to historical amounts received in CCS funding that Mayfield may not have been entitled to receive (Note 15 of the Financial Report).
4. Underlying EBITDA and 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.
5. Statutory NPAT refers to net profit after tax calculated in accordance with Australian Accounting Standards (AAS) and reported in statutory financial statements, without adjustment.
6. Spot occupancy excludes centres marked for divestment.
7. An NPS score above 20 is considered favourable and above 50 excellent. NPS data is for the week ending 08/02/26.

Operational Review

H1 FY25 was materially impacted by lower occupancy, abnormal corporate expenses and integration challenges within the Precious Cargo portfolio and softer enrolment conversion, resulting in margin compression across the Group.

Following commencement of Daniel Stone as Chief Executive Officer (**CEO**) on 31 March 2025, management intensified its focus on:

- Operational discipline;
- Cost management particularly across key contracted suppliers; and
- Centre-level accountability.

H2 FY25 reflected improved execution, with month-on-month gains in centre performance, tighter labour control and stabilising margins at both centre and group levels.

Occupancy trends strengthened through the second half, supported by improved marketing execution, family engagement and enrolment processes, displaying stronger than PCP occupancy growth of +2.2% Aug 25 – Nov 25 as outlined in the Q4 update. While occupancy remains below prior period levels, it reflects relative improvement throughout the year and recent trading momentum provides greater confidence heading into FY26.

- **Portfolio Underlying Centre EBITDA**[1,2] – While H1 FY25 earnings were impacted by lower occupancy, centre-level initiatives supported progressive improvement through the year. H2 FY25 Underlying Centre EBITDA[1,2] was **$6.1M**, reflecting improved operational discipline and stabilising occupancy.
- **Workforce efficiency** – Agency spend decreased by 29% **year-on-year to $0.34M** (FY24: $0.47M), driven by tighter roster management and workforce initiatives aimed at improving labour stability and reducing reliance on external staffing.
- **Performance Improvement Program** – A defined cohort of underperforming centres remains subject to targeted turnaround initiatives; this cohort is improving with an average spot occupancy[6] improvement versus PCP of 4.5%. As the program continues, one centre has been approved for closure ahead of divestment, which is expected to be **earnings accretive, one additional centre has been approved for divestment**, collectively reducing earnings drag by approximately **$1.3M annually once completed.**
- **Organic Growth** – Management anticipates further year-on-year occupancy gains, through the execution of its marketing plan and activities. Waitlist growth for FY26 continues and enrolments for FY26 are also looking favourable based on enquiries and conversion rates across the portfolio.

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Outlook and Trading Update

Trading Update:

Following a focused period of investment in customer acquisition throughout 2025, aimed at strengthening our starting position for FY26 and mitigating the 8% decline from January to February 2025, we can report occupancy has been stabilised and spot occupancy[6] was **51% vs 52% PCP for the week commencing 16 February 2026.**

We are pleased with strong indicators of customer satisfaction and engagement. Across the Group, the average days of care per family has increased from **2.9 to 3.3 days per week** - a meaningful improvement that reflects growing trust, utilisation, and perceived value aligned to the Company's family's first strategy.

Value for Money and Cost of Living:

Across the sector, many are seeking to explain declining occupancy levels. At Mayfield, we remain firmly focused on delivering meaningful new experiences, diversifying revenue opportunities, and driving innovation across child outcomes, safety, and team capability.

Our **Net Promoter Score (NPS)**[7] **of +81** is a world-class result within the childcare sector and reflects our continued commitment to delivering exceptional outcomes for Mayfield families.

We view current sector headwinds not as constraints, but an opportunity to reset and refine our approach. Families are increasingly seeking more than standardised programs delivered by the same teams in newer buildings.

While sessional kindergarten models present competitive challenges, they also reinforce the need for innovation. Providers who can deliver transformative, real-life outcomes will differentiate themselves meaningfully.

Strategic Initiatives and Earnings Opportunities:

Mayfield has commenced implementation of a structured fee adjustment program to better align revenue with input cost inflation while continuing to support family affordability, flexibility and value for money.

We are also pleased with the engagement of our leasing partners who have been supportive of Mayfield and are providing relief commencing FY26 to ensure the success of both their asset and the company.

Mayfield 360 a new Allied Health vertical is positioned to scale across the network with completion due end of 3Q26. Mayfield 360 is expected to be EBITDA[4] positive to the group delivering earnings of $1m to the group once scale is achieved.

FY26 Guidance:

The company provides FY26 Underlying Group EBITDA[1] guidance of $4.7M – $5.3M and Underlying Centre EBITDA[1] for FY26 guidance of $11.25M - $12.5M.

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Closing Remarks

CEO, Daniel Stone, said: *"2025 represented a year of reset for Mayfield, a change in key personnel and direction. Our focus is now clear, execute our plan with discipline and financial rigour, restore occupancy and profitability to strong and sustainable levels, and actively manage the portfolio in a way that aligns capital allocation, family satisfaction, and shareholder support.*

We have a high-quality childcare offering, validated through our market leading Net Promoter Score of 81 from families and a National Quality Score (NQS) from the regulator, with 96% of centres Meeting or Exceeding standards, which demonstrates trust and provides a great foundation to build on.

We are committed to rebuilding momentum and positioning the business to exceed expectations across all key measures. Importantly, we are well underway in the turnaround. We look forward to continuing to update the market on our progress as we advance through the next phase of Mayfield's turnaround and deliver on our long-term strategy."

This announcement has been approved for release by the Board.

For further information please contact:

Daniel Stone	Andrew Angus
Chief Executive Officer	Investor Relations
dstone@mayfield.com.au	andrewangus@overlandadvisers.com.au
	+61 402 823 757

About Mayfield
Mayfield own and operate 45 childcare centres with over 4,000 registered childcare places across Victoria, Queensland, and South Australia. Our goal at 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.

Forward looking statements
Neither Mayfield nor any other person warrants or guarantees the future performance of Mayfield shares or any return on any investment made in Mayfield shares. This announcement may contain certain 'forward-looking statements'. The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'guidance', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, financial position and performance are also forward-looking statements. The FY26 Guidance is an example of forward-looking statements. These statements are based on an assessment of present economic and operating conditions and on a number of best estimate assumptions regarding future events and actions that, at the date of this announcement, are expected to take place. Any forecasts or other forward-looking statements contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Mayfield that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. You are cautioned not to place undue reliance on forward looking statements. Except as required by law or regulation (including the ASX Listing Rules), Mayfield undertakes no obligation to update these forward-looking statements.

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