



**MACARTHUR  
NATIONAL  
LIMITED**

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4 April 2022

Dear Shareholder,

### **FY22 Quarter 3 update**

During the quarter Macarthur continued to grow its social infrastructure business in Australia.

#### **Long Day Care**

- 1) **Continued** the build out of the Montessori Beginnings long day care business achieving the highest weekly child enrolments since Montessori Beginnings was established in 2018. The ongoing growth is being driven by the opening of 3 new centres in 2021.
- 2) **Completed the acquisition** of an established 103 place long day care business in Geelong, Victoria. This service in conjunction with the Montessori Beginnings long day care business platform increases the number of long day care businesses operated by the Company to 8.
- 3) **Continued** refurbishment and expansion of the Macarthur owned Swan Hill childcare centre re-development. Works are scheduled to complete in FY2022 re-establishing a new 72 place long day care centre in the heart of the Swan Hill township. Upon completion Directors anticipate there will be a significant increase in the value of the property over cost and generate long term rental and business income for the Company through operating the centre under the Montessori Beginnings brand.



Long day care centre expansion site: Swan Hill at Mar-22



## Land lease communities

- 4) **Completed** civil works for stage 1 of ZEST Living Yarrowonga which provides the infrastructure for the first 60 homes to be built and the community centre.



- 5) **Entered** into a contract to acquire a future ZEST Living community site in Fyansford, Victoria approximately 4km from the Geelong city centre. The requisite permits to develop the site into a land lease community are currently being sought. If the permits can be attained the Fyansford development will become the 2nd ZEST Living community.



Fyansford site imagery



## **Macarthur's future**

Your Director's plan for the Company is to continue to expand the operations of both of its divisions. Since Macarthur acquired Montessori Beginnings long day care business platform it has grown the number of services operating to 8 with a further 3 pipeline services contracted to open as the requisite building works are completed. Directors intend to continue to pursue the strategy to grow the value and number of Montessori centres the Company owns in a steady and meaningful way.

In addition, Macarthur intends to continue its program to expand its lifestyle division through the development of ZEST Living Yarrowonga and other communities. This business compliments the Company's asset mix and further marks Macarthur as a social infrastructure owner operator. The combination of assets allows Macarthur to capitalize on expected long term growth in both the childcare industry and new opportunities in the ever-expanding retirement living sector. Australia's projected population growth to over 35 million by 2050 and other relevant demographics at opposite ends of the age spectrum support the value proposition and growth plans.

To support the expansion of operations Macarthur undertook a placement to institutional shareholders and raised \$3.05 million in late 2021/early 2022 at \$0.20 per share. In conjunction with the placement Macarthur is preparing a prospectus to be provided to shareholders this financial year which will provide existing Shareholders the opportunity to subscribe for further shares in Macarthur at \$0.20 per share through a rights issue and top up offer. Funds raised under the prospectus will be utilised to fund Macarthur growth opportunities.

Please do not hesitate to contact me if you have any queries.

Yours faithfully

**Macarthur National Ltd**



Henry Townsing  
Chairman

