



ASX:EDC

Eildon Capital Group

2024 Half Year Results

26 February 2024





HY24 Performance **Indicators** **and Highlights**

Half Year 2024 Key Performance Indicators

Key Metrics

- Net Profit After Tax of \$1.6 million.
- Distributed 3.5 cents per stapled security from Eildon Capital Trust which represents 81% of Group NAV.
- Net Tangible Assets (NTA) and Net Asset Value (NAV) \$1.04 and \$1.11 per stapled security respectively, unchanged versus 30 June 2023.
- Group net assets of \$53 million.
- Zero corporate debt or impairments on balance sheet.
- Current Group cash balance of \$8 million.



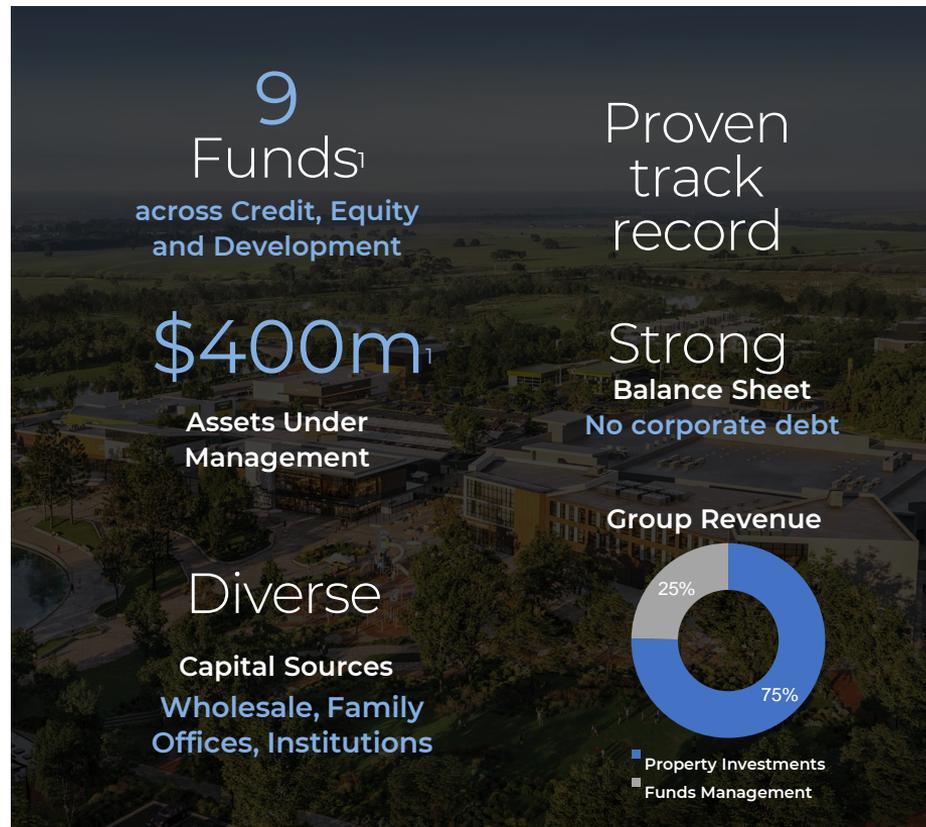
All numbers as at 31 December 2023 excluding current cash balance.

Half Year 2024 Key Highlights

Key Highlights

- Group Assets Under Management were \$334 million as at 31 December 2023, increasing to \$400 million¹ post balance date.
- Investment portfolio running yield increased to 14% from 12% in FY23.
- Implemented on-market buy-back, 1.59 million stapled securities were bought back and cancelled.
- Continued to issue real estate credit investment opportunities within the Eildon Debt Fund with good investor demand.
- Distribution yield of 7.7% based on 31 December 2023 closing price.

1. As at 06 February 2024, includes balance sheet and third-party AUM and Harpley Town Centre "on completion" valuation.



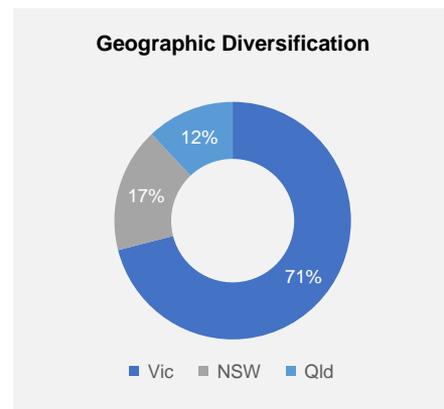
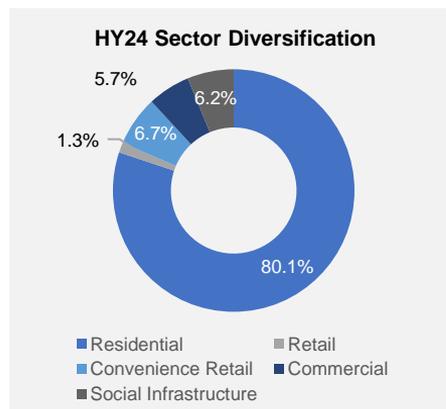
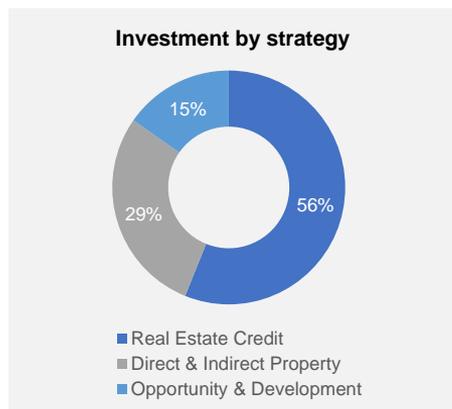
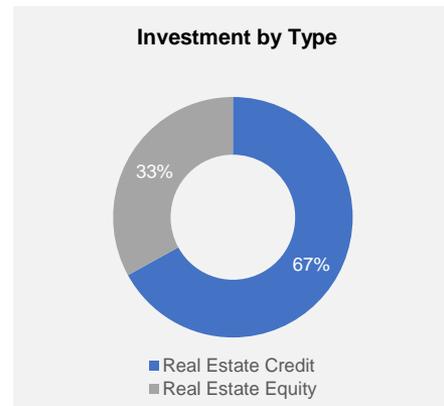


EDC Investment Portfolio

Eildon Capital Balance Sheet Investment Portfolio

Well positioned portfolio in current real estate market

- EDC's balance sheet investment portfolio generated \$4.5 million in income.
- Returns from credit investments average 14% (weighted) up from 12% in FY23.
- EDC co-investments across EFM product lines totalled \$33 million.
- Zero impairments and arrears.
- 100% eastern seaboard investment portfolio.



Net Tangible Assets Per Security

\$1.04

\$53m Net Assets (Zero Corporate Debt)

Average Net Assets Deployed in HY24

75%

14%¹ Weighted Average Income Yield

Note: All figures as at 31 December 2023.

¹ Real estate credit investments.



Artist's Impression of Harpley Town Centre



EILDON
CAPITAL GROUP

Eildon Capital Group Group Overview

Real Estate Investor and Fund Manager

	Real Estate Credit	Direct & Indirect Property	Opportunistic & Development	Funds Management
Description	<ul style="list-style-type: none"> Portfolio of commercial loans secured by registered first and second mortgages via the Eildon Debt Fund (EDF) 	<ul style="list-style-type: none"> Direct property investments Indirect investments in EFM unlisted direct property funds 	<ul style="list-style-type: none"> Agnostic multi sector strategies which include core-plus, value-add, development and repositioning 	<ul style="list-style-type: none"> Utilising third-party capital to enhance Group ROE HNW / Family Office / Institutional capital sources
Balance Sheet Investment	\$27 million	\$5.6 million	\$7.6 million	\$3.5 million ²
Assets Under Management	\$59 million	\$244 million ¹	\$89 million	\$400 million ³
Number of Funds	1	5	3	9

Group AUM \$400 million

As at February 2024. 1.Includes EDC co-investments and Eildon Asset Management Pty Ltd as trustee for Eildon Asset Management Trust (EAM) managed funds (EFM owns 50% of EAM)
 2.Goodwill 3. Group AUM of \$400 million includes Balance Sheet assets of Eildon Capital and includes Officer Joint Venture announced on 6 February 2024.

Artist's Impression of Harpley Town Centre.



Artist's Impression of Burnley Maltings.



Eildon Funds Management **(EFM)**

Eildon Funds Management (EFM)

Overview

- Eildon Funds Management has grown Assets Under Management to \$400 million since November 2020.
- Fully integrated and experienced platform with proven track record.
- EFM provides the Group with a diverse range of capital sources across real estate credit and equity which enhance returns for the Group, including:
 - Wholesale Investors
 - Family Offices
 - Institutions
- Eildon Funds Management provides the Group with an attractive return on equity, generating recurring and transactional fees which include:
 - Base management fees
 - Establishment fees
 - Margin on loans written
 - Project & development management
- EFM is well-positioned to identify, analyse and execute on credit and equity opportunities in the current Australian real estate market.



Utilising third-party capital to enhance Group ROE

\$400m

Group Assets Under Management

1. Real Estate Credit
2. Direct Property
3. Opportunity & Development

Proven track record

Officer Joint Venture

- Eildon Capital Group announced that it has entered into a joint venture, the Officer South Landholding Trust (**Joint Venture**), in relation to the acquisition of a property located at 90 Handford Lane, Officer for \$62 million (excluding stamp duty, fees and costs) on 6 February 2024. EDC will co-invest 15% of the capital for the Transaction over the next 4 years alongside Joint Venture partners
- EDC will act as the investment manager of the Joint Venture and will receive an acquisition fee and a funds management fee (administration services only) and may also receive a performance fee, payable upon sale of the Property exceeding the hurdle rate of return.
- The Property comprises a total land area of approximately 83 hectares, is currently in the Urban Growth Zone and is subject to the Officer South Employment Precinct Structure Plan which is on the Victorian Planning Authority priority list.
- On a high-level basis, a rezoning outcome may deliver approval for the eventual development of approximately 35 hectares of employment space.



Eildon's strategy is to secure funds management investment opportunities and commit to transactions utilising the Group's balance sheet for co-investment.

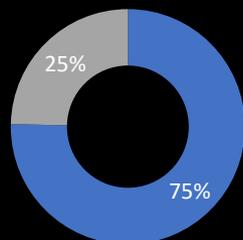


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Financials and Outlook

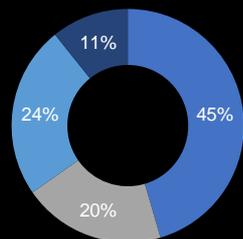
Eildon Capital Group – Half Year Results – Profit and Loss

EDC Group Revenue



■ Property Investments
■ Funds Management

EFM Profit Before Tax



■ Fund Management Fees
■ Facility Fees
■ Project Management Fees
■ Admin & Other

PROFIT & LOSS	31-Dec-23	31-Dec-22
Eildon Capital Group	'000	'000
Property Investment Income	2,396	2,119
Fund Management Fees ¹	456	701
Facility Fees ¹	199	528
Project Management Fees	240	240
Admin & Other	111	405
Total Revenue	3,402	3,994
Corporate Overheads	(1,792)	(2,229)
Profit Before Tax	1,610	1,765
Income Tax Benefit	25	243
Net Profit After Tax	1,635	2,008
EPS per Security (Diluted)	3.0	4.0

Balance Sheet Property Investments
ECT / ECL

Funds Management Revenue

Headcount reduction

1. Management fees and facility fees totalling \$395K (31 Dec 2022: \$203K) are not included in the current period Profit & Loss Statement as they are being amortised over the life of the underlying loans and will be recorded in future periods instead of being recognized upfront, as EDC has assessed that they exercise control in those classes of units within the Eildon Debt Fund due to a higher than 20% co-investment stake.

Eildon Capital Group – Half Year Results – Balance Sheet



\$1.11

**Net Asset Value
per security**

(FY23: \$1.11)



Zero

**Balance Sheet
gearing**

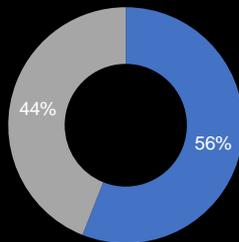
**Eildon Balance
Sheet Investments**



\$8m

**Cash on Hand as at 25
February 2024**

Supporting growth initiatives



■ Real Estate Credit
■ Real Estate Equity

EDC BALANCE SHEET	ECT	ECL	EDC	EDC
ASSETS			31- Dec-23	30-Jun-23
Real Estate Equity Investments	5,620	1,813	7,433	15,622
Real Estate Credit Investments	33,506	-	33,506	32,612
Goodwill (Eildon Funds Management - EFM)	-	3,460	3,460	3,460
Cash	5,983	5,689	11,672	6,026
Other assets	55	382	437	229
Total assets	45,164	11,344	56,508	57,949
LIABILITIES				
Trade and other payables	1,658	776	2,434	2,206
Other liabilities	-	1,210	1,210	1,275
Total liabilities	1,658	1,986	3,645	3,482
Net assets	43,507	9,358	52,864	54,467

Note: The assets and liabilities in the balance sheet reflect the net positions and have not been grossed-up for the minority positions as per the Statutory Accounts.

Outlook and Key Focus

Key Metrics

- Global real estate markets continue to remain volatile due to interest rates, inflation and credit availability which will continue to impact real estate valuations and transaction volumes.
- The Group will continue to focus on short duration debt investments via the Eildon Debt Fund and look for attractive investment opportunities that may present given the market outlook.
- The Group's business model, strong balance sheet and cash reserves provides the ability to capitalise on growth initiatives and new strategies within the Australian Real Estate market across credit and equity, consistent with the recently announced Officer South Joint Venture.

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