

ASX ANNOUNCEMENT

8 April 2024

Eureka provides FY24 earnings guidance

Eureka Group Holdings Limited (ASX:EGH) (“**Eureka**” or the “**Company**”) today announces it expects to report FY24 Underlying EBITDA¹ in the range of \$15.0-\$15.3 million, representing growth of 19-21% over the prior year (FY23: \$12.6 million) and midpoint FY24 underlying earnings per share (“**EPS**”)² of 3.00 cents.

The guidance implies midpoint 2H24 underlying EPS of 1.56 cents which is 8.3% higher than 1H24 underlying EPS of 1.44 cents.

This guidance of 3.00 cents is also 7.1% higher than the estimate in Aspen Group Holdings Limited’s (“**Aspen**”) Bidder’s Statement dated 15 March 2024 relating to its unsolicited, all-scrip takeover offer to acquire all of Eureka’s shares that it does not already own for 0.26 Aspen securities for every one Eureka share (“**Offer**”).

This guidance includes the positive impact in 2H24 of the Brassall development, which was completed in February 2024, and the investment in the Eureka Villages WA Fund, which occurred in December 2023. The annualised impact of these items (i.e. assuming they both occurred on 1 July 2023), would result in a pro-forma midpoint FY24 underlying EPS of 3.07 cents which is 9.6% higher than the estimate in Aspen’s Bidder’s Statement.

Eureka’s Executive Chairman Mr Murray Boyte said “Eureka’s guidance reflects continued strong organic growth from existing villages, as well as the contribution from acquisitions, developments and investments.”

“Eureka continues to benefit from high occupancy, strong demand and rental growth which are underpinned by inflation-indexed Government payments.”

FY24 profit after tax will include fair value adjustments in property valuations and one-off transaction costs relating to the Aspen Offer.

Aspen Offer

Eureka’s Target’s Statement relating to the Aspen Offer will be released and despatched to shareholders today.

The Target’s Statement includes the Independent Expert’s Report by Lonergan Edwards & Associates Limited which has concluded the Offer is **neither fair nor reasonable** for Eureka shareholders not associated with Aspen.

¹ Underlying EBITDA is an unaudited non-IFRS measure that represents the operating performance of Eureka and excludes valuation adjustments, asset disposals and certain non-core or non-recurring transactions.

² Underlying EPS is underlying profit before tax (comprising Underlying EBITDA less interest, depreciation, and amortisation) divided by the weighted average number of shares on issue.

After careful consideration, the Directors have concluded the Offer is inadequate, materially undervalues Eureka shares and is not in the best interests of Eureka shareholders.

The Directors unanimously recommend that shareholders **REJECT THE OFFER** and **IGNORE ALL DOCUMENTS** sent to them by Aspen.

Eureka has an attractive future as the only listed pure-play provider of affordable seniors' rental accommodation in Australia. The Company will remain focused on pursuing opportunities that are aligned with Eureka's business model to deliver future earnings and net asset growth for all shareholders in FY24 and beyond.

This announcement was approved and authorised for release by Eureka's Board of Directors.

-Ends-

For further information:

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