



ASX:EDC

Eildon Capital Group

2024 Full Year Results

26 August 2024





763 Malvern Road, Toorak



FY24 Key Performance **Indicators** **and Highlights**

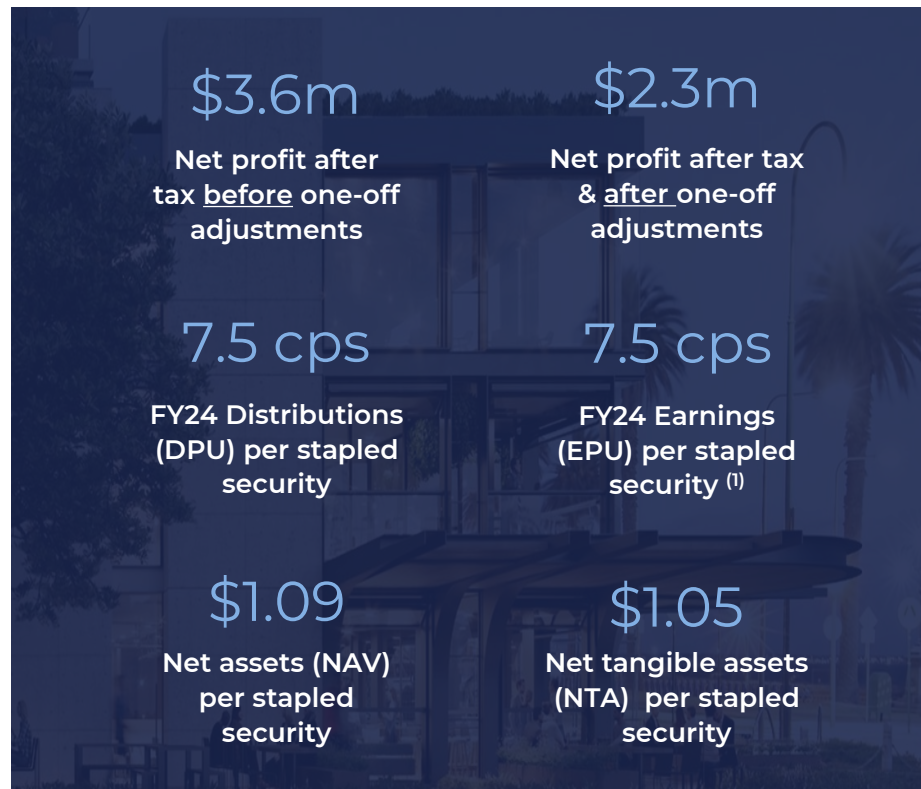
Full Year FY24 Key Performance Indicators

Key Metrics

- Net Profit After Tax of \$3.6 million before one-off adjustments
- Distributed 7.5 cents per stapled security
 - Representing a yield of 8.6% on 30 June 2024 closing price
- Net Asset Value (NAV) and Net Tangible Assets (NTA) of \$1.09 and \$1.05 per stapled security, respectively
- Group net assets of \$51.4 million
- Zero corporate debt on balance sheet
- Group cash balance of \$9.9 million

One off Adjustments (related to Trilogy transaction)

- \$1.2 million of impairments:
 - \$0.8 million reduction in carrying value of Goodwill
 - \$0.4 million reduction in co-investment units
- **Net Profit After Tax of \$2.3 million after one-off adjustments**



All numbers as at 30 June 2024.

(1) Before one off adjustments

FY24 has been a transformative year

Specific Highlights

During FY24

- **Officer:** entered into a Joint Venture agreement to acquire an 83-hectare parcel of land in Officer South, Victoria for \$62 million. The Group will co-invest 15% of the capital for the transaction over the next 4 years
- **Burnley:** signed a Heads of Agreement for the sale of its shares in the Burnley Maltings project for \$1.8 million subject to satisfactory due diligence
- **Buyback:** implemented an on-market buy-back of 1.69 million stapled securities

Post 30 June 2024

- **Trilogy:** entered into a binding agreement with the Trilogy Group in July 2024 for the sale of direct co-investment stakes and the associated management rights in the property income funds for \$3.6 million
- **Outsourced:** sub-contracted the management and administration of the Eildon Debt Fund to Benchmark Property Group in July 2024
- **Malvern Road:** committed to fund a \$21 million (including 3rd party capital) first mortgage residual apartment stock loan with a forecast IRR of 15.2% in Malvern Road (Clendon)
- **Reduced cost base:** 60% reduction in employee cost base with additional savings to be achieved through reduction in insurance and occupancy costs

Reshaping the business...

- Simplifying the business model and reducing the cost base
- Focusing on a smaller number of higher yielding investments:
 - 7 debt and 3 equity investments in Aug-24 (reduced from 13 debt investments and 6 equity investments in Dec-23); and
 - Switching to higher returning direct investments such as Kings Apartment, Malvern Road (Clendon) and Officer.

...while retaining valuable aspects of the EDC platform

- AFSL permitting management of retail and wholesale investor products
- ASX-Listed stapled security which can be leveraged for growth;
- \$49 million of net tangible asset backing
- Cash balance of approximately \$10 million
- Low ongoing cost base



Kings – Newport Village

Eildon Capital Group Group Overview

Business Snapshot - 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 investmentsIndirect 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 ROEHNW / Family Office / Institutional capital sources
Balance Sheet Investment	\$32.5 million	\$7.0 million	\$2.0 million	\$9.7 million

ESTABLISHED PLATFORM IN PLACE FOR REAL ESTATE CREDIT & EQUITY INVESTMENT AND FUNDS MANAGEMENT

AFSL LICENCE

ASX LISTED

STAPLED
STRUCTURE

TRACK
RECORD

ESTABLISHED
GOVERNANCE
PROCESSES

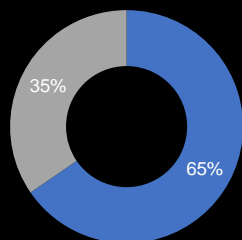


19 Hercules Street, Hamilton

Financials and Outlook

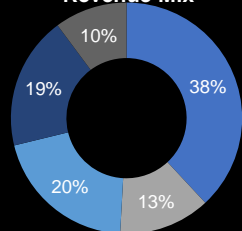
Full Year Results – Profit and Loss

EDC Group Revenue



■ Property Investments
■ Funds Management

Funds Management (EFM) Revenue Mix



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

PROFIT & LOSS \$'000	FY24	FY23
Property Investment Income	4,570	4,545
Fund Management Fees	940	1,192
Fund Establishment Fees	316	388
Facility Fees	502	824
Project Management Fees	460	590
Admin & Other	355	446
Total Revenue	7,143	7,987
Corporate Overheads	(3,767)	(4,638)
Profit Before Tax	3,376	3,349
Income Tax Benefit/ (Expense)	176	(9)
Operating Profit After Tax	3,551	3,340
One-off adjustments	(1,233)	(1,257)
Net Profit After Tax	2,318	2,083
EPS per Security	4.1	3.8

Property Investments (ECT / ECL)

Funds Management Revenue (EFM)

FY24 One-off adjustments relate to a goodwill impairment and write down of co-investment stakes due to Trilogy sale

FY23 One-off adjustments relate to STAM takeover costs and the Performance Rights triggered by the takeover

Full Year Results – Balance Sheet



\$1.09

**Net Asset Value
per security**

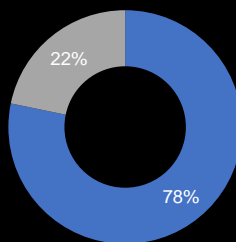
(FY23: \$1.11)



Zero

**Balance Sheet
gearing**

**Eildon Balance
Sheet Investments**



■ Real Estate Credit
■ Real Estate Equity



\$9.5m

Cash balance

BALANCE SHEET \$'000

ASSETS	30- Jun-24	30-Jun-23
Cash	9,569	6,026
Real Estate Equity Investments	9,040	15,622
Real Estate Credit Investments	32,506	32,612
Goodwill (Eildon Funds Management - EFM)	2,660	3,460
Other assets	832	229
Total assets	54,607	57,949
LIABILITIES		
Trade and other payables	1,317	2,206
Other liabilities	1,927	1,275
Total liabilities	3,244	3,482
Net assets	51,364	54,467
Closing securities on issue	47,231	48,917
NAV per security	1.09	1.11
NTA per security	1.05	1.04

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.

Looking to FY25 - Focus on fewer and higher yielding investments

EDC Composition of Investments	#	Average Investment by EDC
DEBT	30 June-24	30- Jun-24
- Direct investments	4	\$8.9 million
- Pooled investments	4	\$1.2 million
EQUITY		
- Funds	4	\$0.7 million
- Joint Venture	3	\$2.0 million
Total Investments	15	\$2.8 million

**Transition to
fewer & higher
yielding
investments**

#	Average Investment by EDC
By H2 2025	By H2 2025
3	\$11.8 million
2	\$1.6 million
0	-
3	\$2.4 million
8	\$5.7 million

Investments maturing in H1 FY25...

A number of investments will crystallise to cash in H1 FY25 such as:

- Co-investment stakes and associated management rights from the sale of property income funds to Trilogy (\$3.6m)
- Credit investments in Bundalong, Cronulla, Kilmore and Harpley are forecast to mature by Dec-24 (\$3.5m)

Composition of the balance sheet investments by H2 2025 FY25

Debt - Direct	\$	LVR
Kings – Mezz	\$20.7m	77.5%
Malvern Rd – Senior	\$8.0m	76%
Malvern Rd – Pref equity	\$6.5m	N/A

Debt - Pooled	\$	LVR
Hamilton	\$2.6m	35%
Orchard Hills	\$0.5m	49%

Equity - JV	\$
Officer South	\$3.0m
Burnley	\$1.8m
MNL Property Trust	\$2.4m

Key investments in FY25

KINGS

Townhouses & Apartments

Mezzanine Debt

MALVERN
ROAD

Apartments

Senior Debt & Pref Equity



HAMILTON

Apartments

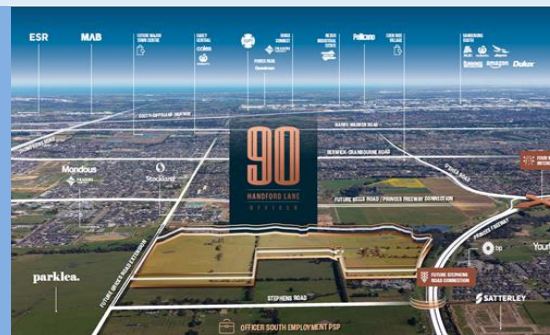
Senior Debt



OFFICER

Industrial
Land

JV Equity



Key Focus

- Reallocating cash to higher returning debt and equity investments
- Look for opportunities to partner with investors and asset owners to leverage our funds management platform and track record
- Continued focus on enhancing profit through cost control measures implemented across the Group

Distributions and guidance

- The Group will not be providing earnings or distribution guidance for FY2025
- The Group will continue semi-annual distribution payments in FY2025 subject to earnings performance and availability of cash

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