

For immediate release to the market

Eureka Group Holdings Limited

ASX Code EGH

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### **Eureka continues to future-proof growth options**

- **Settles 41 unit Wynnum village for \$4 million (with balance land for up to a further 30 units)**
- **Goes unconditional on 80 unit Terranora village for \$7 million (with balance land of 5 hectares)**
- **Issues First Tranche of \$10.35m institutional placement shares**

Eureka Group Holdings Limited (“Eureka” or “the Company”) is pleased to announce that it has settled on the Wynnum village, which is the company’s 14<sup>th</sup> freehold village acquisition, and has gone unconditional on its 15<sup>th</sup> freehold village acquisition, being Terranora Village at Tweed Heads with both villages offering significant in-fill or brown-field development opportunities for Eureka in the future.

The Wynnum village is seen as a key acquisition on the outskirts of Brisbane and is full with a waiting list. The Wynnum village is expected to contribute Revenue of \$740,000 and EBITDA of \$470,000 with vacant land to build at least 18 and possibly up to 30 new units, subject to development approval.

Eureka has also paid \$7 million for the 80 unit Terranora seniors’ rental village located in Tweed Heads which includes 5 hectares of vacant land. The Terranora village, which is 100 percent occupied, has views over and is 7 km’s from Tweed Heads.

As Eureka continues to future proof its growth ambition of being the largest “Rental Only” Retirement Village operator in Australia, the acquisition of the Wynnum and Terranora villages will add another 121 units to the Company’s existing 764 owned units. Post-completion, Eureka will manage a total of 1,656 units on the regional East Coast of Australia.

Eureka Executive Chairman Robin Levison commented, “Both the Wynnum and Terranora acquisitions really complement our existing portfolio of owned villages. They are both fully occupied, have waiting lists and are ideally situated to be very stable asset backed, reliable income earning assets.”

Wynnum is a major retirement suburb in the greater Brisbane area and the Tweed Shire is generally recognised as one of the leading retirement areas in Australia with virtually no seniors’ rental accommodation currently available. Given the village at Wynnum has the ability to add another 18-30 units, the Terranora property has approximately 5 hectares of balance land that, subject to development approval, can hold significant further seniors’ units and along with the around 250 existing brown field future unit development opportunities, these two acquisitions ensure Eureka can continue to grow its units under ownership and management, whilst increasing the yields on its existing villages. Both the Wynnum and Terranora units to be acquired are also larger and/or of higher standard than previous village acquisitions.

Settlement of the Wynnum village and the soon to settle Terranora villages continues to provide the extra economies of scale Eureka is seeking to maximise the return from the Company's growing clusters of regional villages. Eureka continues to increase its scale in the following regions:

- North Queensland - 303 units
- Central Queensland - 210 units
- South East Queensland/Northern New South Wales - 560 units
- South Australia - 365 units
- Victoria/New South Wales Border Region - 218 units

Post-completion of the above villages, Eureka will own 885 units comprising 15 villages, whilst managing a total of 1,656 units and have brown field development opportunities for around 250 units (excluding the Terranora village's 5 hectares of balance land) or the equivalent of another 5 villages. The Company is currently undertaking due diligence on acquisition opportunities 16 through 22, and has a clear line of sight on a further 5 village acquisition opportunities beyond those acquisitions.

Also occurring last week was the issue of the first tranche of shares from the recent institutional placement where Eureka raised \$10 million net of fees to be used to continue the acceleration of its goal to be the largest rental only retirement village operator in Australia.

For further information, contact:

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