



ASX:EDC

Eildon Capital Group

2023 Full Year Results

24 August 2023





FY23 Performance **Indicators** **and Highlights**

Full Year 2023 Key Performance Indicators

Key Metrics

- Net Profit After Tax of \$2.1 million, after adjusting for one-off transaction costs Operating Profit After Tax was \$3.3 million.
- Distributed 6.0 cents per stapled security from Eildon Capital Trust which represents 83% of Group NAV.
- Net Tangible Assets (NTA) and Net Asset Value (NAV) \$1.04 and \$1.11 per stapled security respectively.
- Average capital deployment of 85% throughout FY23.
- Group net assets of \$54 million.
- Zero corporate debt or impairments on balance sheet.
- Current Group cash balance of \$15 million post sale of interest in 79 Logan Road, Woolloongabba.



All numbers as at 30 June 2023 excluding current cash balance.

Full Year 2023 Key Highlights

Key Highlights

- Group Assets Under Management \$352 million¹.
- Successful launch of the Eildon Harpley Town Centre Property Fund with end value of \$80 million.
- Sale of interest in 79 Logan Road, Woolloongabba for \$8.5 million or 17 cents per stapled security. Sale price was in line with 30 June 2023 book value and consistent with strategy of recycling of non-core investments and deploying into higher returning investments.
- Investment portfolio running yield increased to 12% from 9.2% in FY22.
- Redeployed invested capital into floating rate debt investments from fixed as investments mature.
- Successfully repaid in excess of \$100 million of investor funds during the period resulting in 15%+ IRR returns for investors.

All numbers as at 30 June 2023.

¹ Includes balance sheet and third-party AUM and Harpley Town Centre “on completion” valuation.





Artist's Impression of Harpley Town Centre

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	\$14 million	\$7.4 million	\$3.5 million ²
Assets Under Management	\$73 million	\$254 million ¹	\$19 million	\$352 million ³
Funds Under Management	1	5	2	8
Group AUM \$352 million				

As at 30 June 2023. 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 \$352 million includes Balance Sheet assets of Eildon Capital.

Artist's Impression of Harpley Town Centre.



Image: Harpley Town Centre



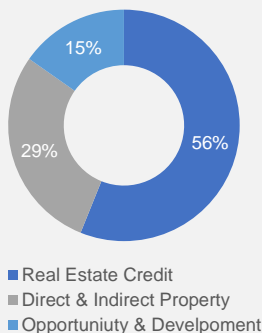
EDC Investment Portfolio

Eildon Capital Balance Sheet Investment Portfolio

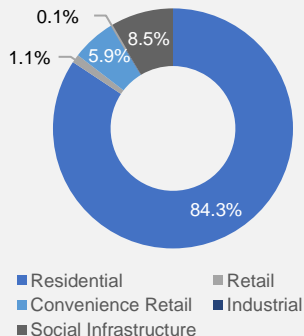
Well positioned portfolio in current real estate market

- EDC's balance sheet investment portfolio generated \$4.5 million in income.
- Returns from credit investments average 12% (weighted) up from 9.2% in FY22.
- EDC co-investments across EFM product lines totalled \$32 million.
- Zero impairments and arrears.
- 100% eastern seaboard investment portfolio.

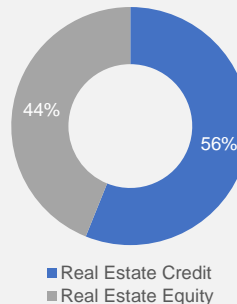
Investment by strategy



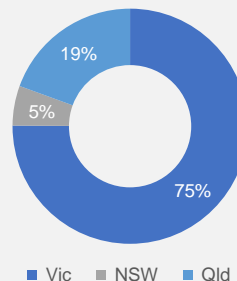
FY23 Sector Diversification



Investment by Type



Geographic Diversification



Net Tangible Assets
Per Security

\$1.04

\$54m

Net Assets
(Zero Corporate Debt)

Average Net
Assets Deployed in FY23

85%

12%¹
Weighted Average
Income Yield

Note: All figures as at 30 June 2023.

¹ Real estate credit investments.



Eildon Funds Management (EFM)

Overview

- Fully integrated and experienced platform with proven track record.
- Eildon Funds Management has grown Assets Under Management to \$352 million since November 2020.
- EFM provides the Group with a diverse range of capital sources to partner with across real estate credit and equity which enhance returns for the Group which include:
 - Wholesale Investors
 - Family Offices
 - Institutions
- Eildon Funds Management provides the Group with high 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 real estate market.



Utilising third-party capital to enhance Group ROE

\$352m

Group Assets Under
Management

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

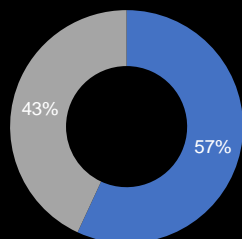
Proven track
record



Financials and Outlook

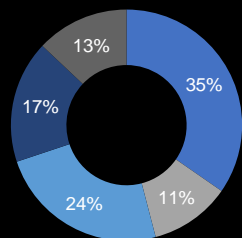
Eildon Capital Group – Full Year Results – Profit and Loss

EDC Group Revenue



■ Property Investments
■ Funds Management

EFM Profit Before Tax



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

PROFIT & LOSS	30-Jun-23	30-Jun-22
Eildon Capital Group	'000	'000
Property Investment Income	4,545	4,022
Fund Management Fees	1,192	1,530
Fund Establishment Fees	388	246
Facility Fees	824	1,365
Project Management Fees	590	575
Admin & Other	446	288
Total Revenue	7,987	8,027
Corporate Overheads	(4,638)	(4,218)
Profit Before Tax	3,349	3,809
Income Tax Benefit/ (Expense)	(9)	(663)
Operating Profit After Tax	3,340	3,146
Takeover costs / Mark to market revaluations	(492)	3,081
Performance rights	(764)	(23)
Net Profit After Tax	2,083	6,204
EPS per Security (Diluted)	3.8	12.9

Balance Sheet Property Investments
ECT / ECL

Funds Management Revenue

Eildon Capital Group – Full Year Results – Balance Sheet



\$1.11

**Net Asset Value
per security**

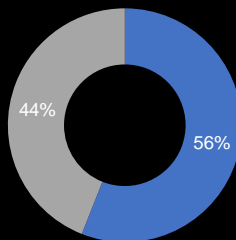
(FY22: \$1.16)



Zero

**Balance Sheet
gearing**

**Eildon Balance
Sheet Investments**



■ Real Estate Credit
■ Real Estate Equity



\$15m¹

Cash on Hand

Supporting growth initiatives

EDC BALANCE SHEET	ECT	ECL	EDC	EDC
ASSETS			30-Jun-23	30-Jun-22
Real Estate Equity Investments	5,272	10,349	15,622	14,301
Real Estate Credit Investments	32,612	-	32,612	30,528
Goodwill (Eildon Funds Management - EFM)	-	3,460	3,460	3,460
Cash	3,162	2,864	6,026	8,180
Other assets	-	229	229	2,515
Total assets	41,046	16,903	57,949	59,984
LIABILITIES				
Trade and other payables	906	1,300	2,206	555
Other liabilities	-	1,275	1,275	3,708
Total liabilities	906	2,576	3,482	4,263
Net assets	40,140	14,237	54,467	54,721

Strategic Review Underway

- Following the close of its off-market takeover bid for the Group, Samuel Terry Asset Management as trustee for the Samuel Terry Absolute Return Active Fund is currently undertaking a general strategic and operational review of the Group.
- Once this review is complete, the Group will update the market if any outcomes are material.
- The Group would also like to advise that it will not be providing earnings/distribution guidance for FY24.
- In addition, the Group will be moving from quarterly to semi-annual distribution payments.

Current Key Focus

- Simplifying group investment portfolio by focussing on debt investments via Eildon Debt Fund.
- Redeploy capital invested within Eildon Capital Trust into floating rate debt investments from fixed as investments mature.
- The Group's strong balance sheet and cash reserves provides the ability to fund growth initiatives and new strategies within the Australian Real Estate market across credit and equity.



Appendix

Eildon Funds Management product Summary

Real Estate Credit and Equity Funds

Fund name	Investment type	Sector	Assets Under Management	Structure
EFM Harpley Town Centre Property Trust	Equity	Equity	\$80m	Close-ended
EAM Elara Village Property Fund	Equity	Equity	\$64m	Close-ended
EAM Caboolture Property Fund	Equity	Equity	\$60m	Close-ended
EAM Berwick Motor Trust	Equity	Equity	\$19m	Close-ended
EFM Health & Education Fund	Equity	Equity	\$25m	Close-ended
Eildon Debt Fund	Debt	Multi-sector strategies	\$73m	Open-ended
EFM Opportunity Fund (Harpley Town Centre)	Equity	Convenience Retail	\$6m	Close-ended
EFM Opportunity Fund (Big Fish Retail & Commercial Centre)	Equity	Convenience Retail	\$5m	Close-ended
Cash and other direct investments			\$20m	
Total			\$352m	

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