

ASX Announcement
23 December 2022

Construction contract entered into for expansion of village in Brassall, Qld

Eureka Group Holdings Limited (ASX:EGH) (Eureka) is pleased to announce it has entered into a building contract to commence the expansion and refurbishment of its independent rental village at Brassall, in South-East Queensland.

The project will entail the construction of 51 premium freestanding 2-bedroom residences with modern amenities including kitchen, bathroom and carparking. The project also includes the refurbishment of the existing communal facilities, including swimming pool, community room and entry statement.

Initially purchased in July 2021, the village comprises 55 existing homes on a 9.8 hectare site, with surplus land available for brownfield development. Key infrastructure is in place with pre-existing civil works (internal roads) and essential services (water, sewer, and power). The expansion project will increase the size of the village to its full potential of 106 homes.

As previously announced, the forecast total development cost for the extension project is \$11M (including contingency) with an expected incremental EBITDA yield on development costs of 8.2%.

On completion of the expansion, the total cost of the village will be \$18.6M (including initial acquisition and development costs).

Verve Construction (QLD) Pty Ltd has been appointed as the builder, with a track record in retirement industry construction.

The development will commence in late January/early February 2023 and will be completed over a four (4) stage construction program, with completion at the end of the 2023 calendar year.

The Brassall expansion represents a compelling development opportunity delivering a quality affordable rental product for seniors, with limited competition in a strong population catchment.

The development remains consistent with Eureka's strategy to grow its core operations through acquisition and build-to-rent development of greenfield and brownfield sites in the seniors' independent rental living sector.

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

For further information, contact Murray Boyte, Executive Chairman on 07 5568 0205.

Important Information and Disclaimer

This announcement may contain forward-looking statements, which include all matters that are not historical facts. Without limitation, indications of, and guidance on, future earnings and financial position and performance are examples of forward-looking statements.

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