

ASX ANNOUNCEMENT

Chairman's Address

2024 Annual General Meeting

31 October 2024

Good morning, ladies and gentlemen.

My name is Murray Boyte. I am the chairman of Eureka Group Holdings Limited (Eureka). It is my pleasure to welcome you to Eureka's Annual General Meeting for the year ended 30 June 2024.

Financial Review

For the year ended 30 June 2024, Eureka reported a profit after tax of \$13.2 million. This was lower than the \$19.2 million reported for the 2023 year because of lower levels of property revaluations, an increase in finance costs and costs to defend Aspen Group Limited's unsuccessful takeover offer.

The Company delivered an underlying profit of \$15.2 million for the year which was an increase of 20% on 2023. This was driven by strong resident demand, organic growth and acquisitions.

Eureka also delivered an improvement in its underlying EBITDA margin to 36.9%, up from 34.6% in 2023.

Our recently appointed Chief Executive Officer Simon Owen will talk shortly in more depth about the exciting growth prospects for the year ahead. Simon will also talk about the successful institutional component of our recent capital raising.

Some of the key metrics that have driven our performance to 30 June 2024 include:

- **A portfolio value uplift of \$14.1 million** reflecting improved maintainable earnings
- **A stable weighted average capitalisation rate of 8.17%**
- **We progressed our acquisition and development growth strategy with:**
 - the investment in the Eureka Villages WA Fund which was established to acquire six villages comprising 321 units
 - 14 individual unit acquisitions
 - the purchase of land in Gladstone, Qld for greenfield development
 - Brassall development of 51 new standalone units completed and fully leased. The village now has 106 units with a valuation of \$22.4 million at balance date
- **We have a strong balance sheet supported by a capital management plan which provides optionality for future funding requirements as the Company pursues its identified acquisition and development pipeline**

- **We delivered underlying Earnings Per Share of 3.02 cents per share** which was in line with guidance
- **And we achieved a village occupancy rate of 98 per cent as at 30 June 2024**

Dividends

The Company announced a final dividend of 0.7 cents per share.

Dividends paid for the year equated to 32% per cent of the profit after tax.

Directors and Staff

As part of the Eureka Board's commitment to board and executive renewal we recently undertook some key initiatives that provide further strength to our existing senior management and Board.

On 9 September 2024 we were very pleased to announce the appointment of Simon Owen as our new Chief Executive Officer.

Simon is a highly experienced and respected leader with over 25 years' experience in leading property and retirement living businesses, including most recently 14 years as Chief Executive Officer and Managing Director of Ingenia Communities Group Limited.

During his time at Ingenia that company's market capitalisation increased from \$30 million to \$1.7 billion.

Despite only being in the Eureka CEO role for just under two months, Simon played a significant role in our recently announced capital raising.

Simon is also developing a growth strategy and will talk about both initiatives in his CEO address.

Just prior to Simon's appointment, the Board appointed John Whiteman as an Independent Non-Executive Director. John commenced in that role on 2 September 2024.

Later in the meeting shareholders will be asked to reaffirm that appointment.

John is a highly credentialed and experienced executive and director and we are very pleased that he has joined the Eureka Board.

He has the appropriate mix of skills, knowledge and experience through his broad range of funds management experience to help the Company transition to its next growth phase.

John will have the opportunity of addressing shareholders prior to the vote on his confirmation as a director.

As many of you are aware, this is my last shareholder meeting as a director of your Company as it is my intention to retire from the Board in the first half of calendar 2025.

It has been a privilege over the last seven years to chair Eureka.

I would like to thank my fellow directors for their high level of commitment, leadership and contribution to the Company, especially during some challenging times during the past 12 months.

As a Board, we were unanimous in our decision earlier this year to advise shareholders to reject the takeover offer from Aspen Group.

Aspen announced yesterday that its stake in Eureka is expected to reduce from approximately 36 per cent to 13 per cent post the settlement of Eureka's current capital raising and a sell-down of 50 per cent of its holding, including 20.5 million shares to Filetron Pty Ltd (Filetron) which would be subject to shareholder approval.

The Board has since received a request from Filetron to convene a general meeting of shareholders to approve the acquisition pursuant to section 611, item 7 of the Corporations Act. We will advise the date of that meeting in due course.

Our staff have worked tirelessly during challenging social and economic conditions, and I thank them for their invaluable contribution.

Finally, I would like to thank our shareholders for their continued support. This support has been very much appreciated by the board and management.

Thank You.

Ends

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

-Ends-

For further information:

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