

Eureka Group Holdings Limited
ASX Code: EGH
14 March 2018

Eureka acquires 5 villages in Tasmania

Eureka Group Holdings Limited (EGH) is pleased to announce the acquisition of five seniors rental villages in Tasmania. Two villages are located in Hobart, two in Launceston and one in Devonport.

The portfolio has been acquired through a joint venture (50/50) with a group of private investors already invested in the industry and with whom EGH has existing management contracts in place. EGH has a proven successful business relationship with the investment group and has entered into a management agreement with the Joint Venture to manage the Tasmanian portfolio.

The acquisition from Ingenia Ltd is at a total cost of \$18 million. The EBITDA return is in EGH's targeted range and will be earnings accretive from year one. The transaction is due for settlement in April 2018. While EGH has debt funded the acquisition, the realisation of proceeds over the next 12 months from the sale of non-core assets will be used to strengthen the balance sheet and fund further targeted acquisitions.

EGH is well represented in South Australia and Victoria. This acquisition will add 254 units to the EGH portfolio which now comprises 32 owned villages and 9 villages under management. The acquisition strengthens EGH's position in the Southern States, leveraging its operating base in the region and generating additional property management fees.

EGH CEO, Jeff Weigh commented "EGH clients enjoy quality affordable accommodation and meal packages within the scope of the age pension and location allowances. Mr Weigh reaffirmed that EGH's "prime objective is to aggregate assets in the growing retirement sector and achieve increased returns from a profitable growth platform."

For further information, contact Jeff Weigh (CEO) on 07 5568 0205.