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7 October 2025

ASX Limited
Level 22, 39 Martin Place
Sydney NSW 2000

By: e-lodgement

Attention: Company Announcements Office

Lodgement of Target's Statement

Eildon Capital Group (ASX: EDC) (**Eildon** or **Group**) refers to the unsolicited off-market takeover bid for its stapled securities by Samuel Terry Asset Management Pty Ltd as trustee for Samuel Terry Absolute Return Active Fund (**STAM**) announced on 8 September 2025 (**Takeover Offer**).

In accordance with item 14 of section 633(1) of the *Corporations Act 2001* (Cth), enclosed is a copy of the target's statement prepared by Eildon in relation to the Takeover Offer (**Target's Statement**).

The Target's Statement has been sent to STAM and lodged with the Australian Securities and Investments Commission today.

In accordance with section 110D and item 12 of section 633(1) of the Corporations Act, the Target's Statement will be sent to Eildon securityholders today by the following means:

- Eildon securityholders who have nominated an email address for the purposes of receiving electronic communications from Eildon will receive an email with communication providing a link to an electronic copy of the Target's Statement; and

- Eildon securityholders who have not nominated an email address for the purposes of receiving electronic communications from Eildon, and Eildon securityholders who have validly elected to receive hard copies of securityholder communications, will receive a letter from Eildon to their registered postal address, which will contain details of a link to an electronic copy of the Target's Statement.

This announcement has been authorised for release by the Independent Board Committee of the Group.

For further information, please contact:

Varun Sachdev
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vsachdev@eildoncapital.com

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About Eildon Capital Group

Eildon Capital Group (EDC) is an ASX-listed real estate investment and funds management business. Eildon's investment activities cover both credit and equity in real estate.

The Group creates investment opportunities for sophisticated investors which strives to deliver:

- Enhanced returns; and
- Capital protection.

Eildon co-invests alongside its investor clients utilising its $39.3 million (NTA) balance sheet capacity, demonstrating strong alignment of interest.

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Eildon Capital Group
Eildon Capital Limited (ACN 059 092 198) and
Eildon Funds Management Limited (ACN 066 092 028)
as Responsible Entity of Eildon Capital Trust (ARSN 635 077 753)

Target's Statement

This Target's Statement has been issued in response to the off-market takeover bid made by Samuel Terry Asset Management Pty Ltd (ACN 108 611 785) as trustee for Samuel Terry Absolute Return Active Fund (ABN 67 302 926 069) (**STAM**)

The Eildon Independent Board Committee recommends that you

ACCEPT

the Offer by STAM to acquire all of your Eildon Securities for $0.875 cash per Eildon Security, in the absence of a superior proposal

The Independent Expert has concluded that the Offer is fair and reasonable.

This is an important document.

If you are in doubt as to what you should do, you should consult your legal, financial or other professional adviser immediately.

Legal Adviser

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Important Notices

NATURE OF THIS DOCUMENT
This document is a Target's Statement issued by Eildon Capital Limited (ACN 059 092 198) and Eildon Funds Management Limited (ACN 066 092 028) as Responsible Entity of Eildon Capital Trust (ARSN 635 077 753) (collectively, **Eildon**, the **Group** or **EDC**) under Part 6.5 of the Corporations Act in response to the offer by Samuel Terry Asset Management Pty Ltd (ACN 108 611 785) as trustee for Samuel Terry Absolute Return Active Fund (**STAM**) to acquire all of the Eildon Securities on issue pursuant to the bidder's statement dated 8 September 2025 and the supplementary bidder's statement dated 3 October 2025 (together, the **Bidder's Statement**), issued by STAM.

DEFINED TERMS
Capitalised terms used in this Target's Statement are defined in the glossary in Section 8.

Any diagrams, charts, graphs and tables appearing in this Target's Statement are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this document. All numbers are rounded unless otherwise indicated.

All references to time in this Target's Statement are references to the time in Melbourne, Australia.

INVESTMENT DECISIONS
This Target's Statement does not take into account the individual investment objectives, financial or tax situation or particular needs of each securityholder or any other particular person. The IBC encourages you to seek independent financial, tax or other professional advice before making a decision whether or not to accept the Offer.

DISCLAIMER REGARDING FORWARD LOOKING STATEMENTS
This announcement includes certain forward-looking statements, forecasts, estimates, projections and comments about future events and opinions, including expectations about the value and/or performance of the Group (**Forward Looking Statements**).

Forward Looking Statements are subject to uncertainties and contingencies that may affect the future value, operations, financial position, financial performance and results of the Group. Neither the Group and its affiliates, nor any of their respective directors, officers, employees, associates, advisors, agents or contractors make any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any Forward Looking Statement, or any events or results expressed or implied in any Forward Looking Statement, and make no undertaking to subsequently update or revise the Forward Looking Statements made in this announcement to reflect the circumstances or events after the date of this announcement (other than as required by law).

ASIC AND ASX DISCLAIMER
A copy of this Target's Statement has been lodged with ASIC and sent to the ASX. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Target's Statement.

FOREIGN JURISDICTIONS
The release, publication or distribution of this Target's Statement in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws and regulations. This Target's Statement has been prepared solely in accordance with Australian law.

DISCLAIMER AS TO INFORMATION
The information on STAM contained in this Target's Statement has been prepared by Eildon using publicly available information. The information in this Target's Statement concerning STAM has not been independently verified by Eildon. Accordingly, Eildon does not, subject to the Corporations Act and general law, make any representation or warranty (express or implied) as to the accuracy or completeness of such information.

PRIVACY
Eildon has collected your information from its securities register for the purpose of providing you this Target's Statement. The type of information Eildon has collected about you may include your name, contact details and information about your securityholding in Eildon. Without this information, Eildon would be hindered in its ability to issue this Target's Statement. The Corporations Act requires the names and addresses of Eildon Securityholders to be held in a public register. Your information may be disclosed to Eildon and its Related Bodies Corporate, STAM, print and mail service providers, authorised securities brokers, and may be required to be disclosed to regulators such as ASIC and ASX.

Eildon Securityholders have the right to access personal information that has been collected. They should contact Eildon's securityholder registry in the first instance if they wish to exercise this right. A copy of Eildon's Privacy Policy is available on its website.

FURTHER QUESTIONS
If you have any questions about the Offer or any other matter in this Target's Statement, please contact Varun Sachdev, CEO, on +61 403 541 026 or vsachdev@eildoncapital.com between 8.30am and 5.00pm (Melbourne time) Monday to Friday.

EILDON WEBSITE
The content of Eildon's website does not form part of this Target's Statement and Eildon Securityholders should not rely on any such content.

DATE
This Target's Statement is dated 7 October 2025.

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Letter from the Chair of the Eildon Independent Board Committee

7 October 2025

Dear Eildon Securityholder

The Eildon Independent Board Committee recommends that you ACCEPT the Offer for your Eildon Securities, in the absence of a superior proposal

You have recently received a Bidder's Statement from Samuel Terry Asset Management Pty Ltd (ACN 108 611 785) as trustee for Samuel Terry Absolute Return Active Fund (**STAM**), outlining an unsolicited off-market takeover offer to acquire all of the Eildon Securities on issue at $0.875 cash per security (the **Offer**). This Target's Statement sets out Eildon's formal response to the Offer.

The recommendation in this Target's Statement is provided by the Eildon Independent Board Committee (**IBC**), which excludes Mr Frederick Woollard and Mr James Davies.[1]

The IBC appointed Grant Thornton Corporate Finance Pty Ltd as the Independent Expert to prepare an independent expert's report on whether or not the Offer is fair and reasonable to Eildon's securityholders not associated with STAM. The Independent Expert has concluded that the Offer is **fair and reasonable**.

The IBC has carefully assessed the Offer and unanimously recommends that you **ACCEPT** the Offer.

In summary, the IBC believes that the Offer is an opportunity for Eildon Securityholders to realise their value of their investment in EDC and recommends you **ACCEPT** the Offer for the following reasons:

1. The Independent Expert has concluded that the Offer is fair and reasonable.
2. The Offer represents a premium to recent market prices prior to announcement of the Offer including:
   a. a 24% premium to the closing price of Eildon Securities on ASX on the last trading day before the Offer was announced; and
   b. a 15.3% premium to the one month volume weighted average price[2] of $0.759 per Eildon Security prior to the announcement of the Offer.
3. Limited liquidity of Eildon Securities.
4. Certainty of value under the Offer compared to the risks of remaining an Eildon Securityholder.
5. No other superior proposals have been received.
6. Following the close of the Offer, STAM will exert increased influence over EDC and its intentions in relation to EDC's existing Board is unclear and may not be conducive to ongoing value creation for minority Eildon Securityholders.
7. STAM has stated that it intends to procure the removal of EDC from the official list of the ASX as soon as it is able to do so, which may have negative liquidity and possible value implications for continuing Eildon Securityholders.
8. EDC may trade below the Offer Price of $0.875 following the close of the Offer.

I, being a member of the IBC, intend to **ACCEPT** the Offer in respect of all Eildon Securities I own or control. Mr Davies has informed me that he intends to accept the Offer in respect of all Eildon Securities he owns or controls.

I encourage you to read this Target's Statement (including the Independent Expert's Report set out in Appendix 1 of this Target's Statement) and carefully consider the Offer having regard to your own personal risk profile, investment strategy and tax position. You should seek independent financial, legal, taxation or other professional advice if you are in any doubt as to what you should do in response to the Offer.

If you have any questions, please contact Varun Sachdev, CEO, on +61 403 541 026 or vsachdev@eildoncapital.com between 8.30am and 5.00pm (Melbourne time) Monday to Friday.

We thank you for your ongoing support.

Yours sincerely



Matthew Reid
Chair of Eildon Independent Board Committee

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[1] Refer to sections 1.3 and 1.4 of this Target's Statements for the reasons why Mr Woollard and Mr Davies make no recommendation.

[2] The one month volume weighted average price refers to the price at which Eildon Securities were sold on ASX weighted by trading volumes over the trading days in the month prior to the announcement of the Offer, noting that on certain trading days during this period no Eildon Securities were sold and the calculation excludes any off-market trades or special crossings.

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Key Dates

Date of Offer	22 September 2025
Date of this Target's Statement	7 October 2025
Offer Period ends (unless extended or withdrawn)	7:00pm (Sydney time) on 22 October 2025

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1. Recommendation

1.1 Eildon Independent Board Committee recommendation

The IBC unanimously recommends that you **ACCEPT** the Offer, having carefully considered each of the matters in this Target's Statement including the Independent Expert's Report set out in Appendix 1 and in the Bidder's Statement.

The IBC encourages you to:

- read this entire Target's Statement (including the Independent Expert's Report set out in Appendix 1 of this Target's Statement) and the Bidder's Statement;
- have regard to your individual risk profile, portfolio strategy, tax position and financial and other circumstances; and
- consult your legal, financial or other professional adviser.

1.2 Eildon Independent Board Committee reasons for recommendation

In summary, the IBC believes that the Offer is an opportunity for Eildon Securityholders to realise the value of their investment in EDC and recommends you **ACCEPT** the Offer for the following reasons:

1. The Independent Expert has concluded that the Offer is fair and reasonable.
2. The Offer represents a premium to recent market prices prior to announcement of the Offer including:
   a. a 24% premium to the closing price of Eildon Securities on ASX on the last trading day before the Offer was announced; and
   b. a 15.3% premium to the one month volume weighted average price[3] of $0.759 per Eildon Security prior to the announcement of the Offer.
3. Limited liquidity of Eildon Securities.
4. Certainty of value under the Offer compared to the risks of remaining an Eildon Securityholder.
5. No other superior proposals have been received.
6. Following the close of the Offer, STAM will exert increased influence over EDC and its intentions in relation to EDC's existing Board is unclear and may not be conducive to ongoing value creation for minority Eildon Securityholders.
7. STAM has stated that it intends to procure the removal of EDC from the official list of the ASX as soon as it is able to do so, which may have negative liquidity and possible value implications for continuing Eildon Securityholders.
8. EDC may trade below the Offer Price of $0.875 following the close of the Offer.

1.3 Mr Woollard's reasons for not making a recommendation

Mr Frederick Woollard is the Managing Director of STAM and his family trust is the majority shareholder of STAM. For this reason, Mr Woollard has not participated in the consideration of the Offer on behalf of EDC and will not make a recommendation on whether the Offer should be accepted.

1.4 Mr Davies' reasons for not making a recommendation

STAM has previously nominated, or supported the appointment of, Mr James Davies as a director of two other companies in which STAM is a substantial shareholder. For this reason, Mr Davies has not participated in the consideration of the Offer on behalf of EDC and will not make a recommendation on whether the Offer should be accepted.

[3] The one month volume weighted average price refers to the price at which Eildon Securities were sold on ASX weighted by trading volumes over the trading days in the month prior to the announcement of the Offer, noting that on certain trading days during this period no Eildon Securities were sold and the calculation excludes any off-market trades or special crossings.

2. Reasons to ACCEPT the Offer

2.1 The Independent Expert has concluded that the Offer is fair and reasonable

The IBC appointed Grant Thornton Corporate Finance Pty Ltd to prepare an Independent Expert's Report to address the fairness and reasonableness of the Offer.

The IBC notes the Independent Expert has concluded that STAM's Offer is **fair and reasonable** for Eildon Securityholders.

The Independent Expert has assessed the value of Eildon Securities to be in the range of $0.79 to $0.91 per Eildon Security. As the Offer Price is within the range of its estimate of the value of an Eildon Security on a control basis, the Independent Expert has concluded that the Offer is fair. Refer to sections 1.7 to 1.23 of the Independent Expert's Report for a summary of the Independent Expert's fairness assessment.

The Independent Expert has also concluded that the Offer is reasonable because after a consideration of the advantages and disadvantages of the Offer for Eildon Securityholders, on the balance it is reasonable for Eildon Securityholders to accept the Offer. The Independent Expert considers the advantages and disadvantages of the Offer for Eildon Securityholders in full in the Independent Expert's Report (refer sections 1.24 to 1.31).

A copy of the Independent Expert's Report is set out in Appendix 1 of this Target's Statement in full. The IBC recommends that you carefully read the Independent Expert's Report in its entirety before making a decision with respect to the Offer.

2.2 The Offer represents a premium to recent market prices prior to announcement of the Offer

The Offer Price of $0.875 cash per Eildon Security represents a premium of:

- 24% to the last closing price of Eildon Securities on the ASX at the close of trading on 5 September 2025, the last trading day prior to the announcement of the Offer, being $0.705 per Eildon Security; and
- 15.3% to the one month volume weighted average price[4] of Eildon Securities ending on 5 September 2025, the last trading day prior to the announcement of the Offer, being $0.759 per Eildon Security.

2.3 Limited liquidity of Eildon Securities

Although EDC is an ASX listed entity, its top 20 securityholders account for 89% of the register and as a result, the stock is thinly traded. If an Eildon Securityholder wants to exit, they may have to sell their Eildon Securities at a discount or wait for extended periods of time before they are able to trade their Eildon Securities. If STAM substantially increases its majority shareholdings in EDC, the reduction of 'free float' that will occur is likely to lead to a further substantial reduction in the liquidity of Eildon Securities. Depending on the level of acceptances under the Offer, the liquidity of the Eildon Securities may be substantially reduced. This in turn may adversely affect EDC's investment appeal and ultimately the value at which Eildon Securityholders are able to dispose of Eildon Securities in the future.

The Offer enables all Eildon Securityholders to exit their security holdings in an orderly manner at the Offer Price without incurring any brokerage costs.

2.4 Certainty of value under the Offer compared to the risks of remaining an Eildon Securityholder

If you accept the Offer and the Offer becomes unconditional, you will obtain the certainty of receiving the cash payment of $0.875 per Eildon Security.

If you accept the Offer and the Offer becomes unconditional, you will be sent payment by the earlier of:

- while the Offer is subject to the Conditions, 10 Business Days after the Offer is declared to be or becomes unconditional (or 5 Business Days if you nominate to receive payment by electronic funds transfer in accordance with section 7.9(c)(i) of the Bidder's Statement);

[4] The one month volume weighted average price refers to the price at which Eildon Securities were sold on ASX weighted by trading volumes over the trading days in the month prior to the announcement of the Offer, noting that on certain trading days during this period no Eildon Securities were sold and the calculation excludes any off-market trades or special crossings.

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- if the Offer is declared to be or becomes unconditional, 10 Business Days after the date that you accept the Offer (or 5 Business Days if you nominate to receive payment by electronic funds transfer in accordance with section 7.9(c)(i) of the Bidder's Statement); or
- 21 calendar days after the end of the Offer Period.

The certainty of the Offer should be compared to the risks and uncertainties of remaining a Eildon Securityholder, which is set out in Section 6 below, and the liquidity risk set out in Section 2.3 above. If you accept the Offer, you will cease to be exposed to those risks associated with an investment in EDC.

EDC's NAV as at 30 June 2025 is $0.90 per Eildon Security, which is above the Offer Price. However Eildon Securityholders should take note of the following risks which may lead to a decline in NAV:

- **Risk of further impairments in the following key investments**:

  - **Kings, Newport Village**: EDC provided a mezzanine loan facility of $21.5 million at 76% LVR which was due for repayment on 31 March 2025. The borrower made a partial repayment of $9.8 million in February 2025 and an extension was agreed on the following terms:
    - 6-month extension to 30 September 2025;
    - Interest rate of 16.5% compounding monthly; and
    - $1.5 million repayment to reduce the project debt on or before 30 June 2025.

    The borrower failed to make the $1.5 million repayment and as a result, an expected credit loss provision was booked against this loan facility in the June 2025 accounts. The security for the loan ranks behind another lender that has provided a $20 million loan and there are no guarantees given to support EDC's loan other than the development entity. EDC is now working with the borrower on a pathway to exit the loan facility and a portion of the site over which the loan is secured has been marketed for sale in recent months, however, there is no certainty that a transaction will occur. Also, as announced to ASX on 6 October 2025, EDC has been advised that the borrower has received a default notice under a loan advanced for another one of its projects. The Board is considering various options with respect to its investment in the project.
  - **Malvern Road, Toorak**: EDC has provided a preferred equity facility to the borrower for a 13-apartment residual stock facility, in which 10 out of 13 apartments have been sold. However, the price of the last 3 sales have been below the valuation used by EDC to assess its debt position. An expected credit loss provision was booked against this loan in the June 2025 accounts and if the remaining sales are also below valuation, EDC may have to further impair the loan.
  - **Investment in MNL Property Trust**: EDC is a minority unitholder in, as well as the trustee and investment manager for, the MNL Property Trust, an unlisted property trust comprising of a portfolio of completed and under development childcare assets. EDC has been working with Macarthur National, the majority unitholder and operator of the childcare assets towards an exit, however the parties have not yet agreed on terms. There is a risk that an exit event would be achieved at a discount to book value.

- **Settlement risk**: On 13 August 2025, EDC entered into a Joint Venture Agreement with AAG Investment Management Pty Ltd to form the Dalmil Sugar Land Trust, the purpose of which is to acquire a sandalwood plantation in Burdekin, North Queensland and convert it into a land suitable for sugarcane farming. The contract is due for settlement around mid-October 2025. However, there is a risk that settlement is not completed and the contract is terminated.

2.5 No other superior proposal have been received

As at the date of this Target's Statement, the Directors are not currently in discussions with any third parties in relation to a superior proposal being made for EDC and there is no certainty that a superior proposal will emerge. In light of STAM's 63.08% Relevant Interest in EDC, the IBC consider it highly unlikely that a superior proposal will emerge from the date of this Target's Statement until the end of the Offer Period.

You should note that the IBC's recommendation is subject to the absence of a superior proposal for your Eildon Securities. Should such a proposal arise, the IBC will reconsider their recommendation of the Offer and inform you accordingly.

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2.6 Following the close of the Offer, STAM may exert increased influence over EDC and its intentions in relation to EDC's existing Board is unclear and may not be conducive to ongoing value creation for minority Eildon Securityholders.

There is uncertainty to the composition of the Board following the close of the Offer, as STAM has stated that it has not yet formed any intentions in respect of potential changes to the existing Board. These intentions introduce material uncertainty surrounding the expertise and intentions of STAM in the event a Relevant Interest less than 90.80% is obtained.

In addition, following the completion of the Offer, if STAM acquires a Relevant Interest in 75% or more of Eildon Securities, it will be able to pass a special resolution at a general meeting of EDC. STAM has not indicated an intention to do so, but the ability to pass a special resolution would enable STAM to, among other things, amend EDC's constituent documents.

2.7 STAM has stated that it intends to procure the removal of EDC from the official list of the ASX as soon as it is able to do so, which may have negative liquidity and possible value implications for continuing Eildon Securityholders.

STAM has stated in the Bidder's Statement that it intends to have EDC removed from the official list of the ASX as soon as it is able to do so (subject to the level of acceptance of the Offer, compliance with requirements of the ASX Listing Rules and legal, tax and other considerations at the relevant time). The potential disadvantages of delisting are summarised below:

- EDC's ASX listing provides a benefit for most Eildon Securityholders by providing a means to dispose of their Eildon Securities (irrespective of whether or not that means is used). If EDC is delisted from the ASX, Eildon Securityholders will be deprived of any real opportunity to sell their Eildon Securities. Listing provides Eildon Securityholders with orderly, transparent and timely mechanism for share trading.
- EDC would not be subject to the ASX Listing Rules, including the continuous disclosure requirements. EDC would still be required to disclose material information on its website and to ASIC to the extent it remained a public company following delisting and had at least 100 members, however, the level of reporting to Eildon Securityholders will be significantly diminished.
- The various requirements and protections for minority Eildon Securityholders under the ASX Listing Rules would cease to apply. These include restrictions relating to the issue of new Eildon Securities, certain related party transaction restrictions and requirements to seek Eildon Securityholder approval for significant changes to the nature or scale of activities.
- A delisting may not impact the long term benefit of holding Eildon Securities but in the short term may create a disconnect between fundamental value and price that could impact on the value realised by Eildon Securityholder on exit while EDC is not publicly traded on the ASX.

The potential benefit to Eildon Securityholders from a delisting is a saving of costs and overheads associated with EDC maintaining its status as a listed entity. The level of savings will be dependent on EDC's corporate status and changes to the composition of the Board and management team.

2.8 EDC may trade below the Offer Price of $0.875 following the close of the Offer.

The IBC believes that after the Offer closes, and notwithstanding the confirmation of EDC's underlying value through the Offer and valuation by the Independent Expert, Eildon Securities may trade below the Offer Price in the foreseeable future for the following reasons:

- in the three months prior to the announcement of the Offer, Eildon Securities have traded below the Offer Price of $0.875 cash per Eildon Security;
- a potential reduction in the NAV of EDC if there are further impairments in the Kings, Newport Village and Malvern Road, Toorak investments (see Section 2.4); and
- Eildon Securityholders who want to exit may need to sell their Eildon Securities at a significant discount to NAV given the limited liquidity in Eildon Securities.

2.9 Reasons why Eildon Securityholders may wish to reject the Offer

Notwithstanding the IBC's recommendation to that you **ACCEPT** the Offer, you may wish to reject the Offer for the following reasons:

- **Possible appreciation of Eildon Securities in the future**: The closing price of Eildon Securities on the Last Practicable Date was $0.865. The Offer Price is at a discount to EDC's NAV of $0.90 per Eildon Security as at 30 June 2025 and you may believe that you will be able to sell your Eildon Securities in the future for more valuable consideration than at the Offer Price of $0.875 per security (although the IBC can give no assurances and make no forecast as to whether this will occur).
- **Possibility of superior proposal emerging**: A third party with a superior proposal to the Offer may emerge (although the IBC can give no assurances that this will occur). By accepting the Offer, you will not be able to accept any superior proposal that may be made by a competing bidder, unless the Offer is still conditional and you are able to withdraw your acceptance. As such, you may not be able to obtain any potential benefit associated with any such superior proposal.
- **Taxation consequences of accepting the Eildon Offer**: The taxation consequences of disposing of your Eildon Securities pursuant to the Offer depend on a number of factors and your particular circumstances. You should seek your own specific professional tax advice as to the taxation implications applicable to your circumstances.

2.10 Other matters

Section 6 of this Target's Statement describes a number of risks and other matters that you should also consider in deciding whether or not to accept the Offer. In considering whether to accept the Offer, the IBC encourages you to:

- read both this Target's Statement and the Bidder's Statement in its entirety; and
- obtain professional advice from your broker, legal, financial or other professional adviser.

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3. Frequently Asked Questions

This Target's Statement contains detailed information regarding the Offer. This Section 3 provides summary answers to some questions you may have and will assist you to locate further detailed information in this Target's Statement. It is not intended to address all relevant issues for Eildon Securityholders. This Section 3 should be read together with the Bidder's Statement and this Target's Statement.

	Question	Answer
1.	**Why have I received this document?**	You have received this Target's Statement because you are an Eildon Securityholder. This Target's Statement is EDC's formal response to the Bidder's Statement. It contains important information prepared by the IBC to help you determine whether or not to accept the Offer.
2.	**Who is making the Offer?**	The Offer is being made by Samuel Terry Asset Management Pty Ltd as trustee for the Samuel Terry Absolute Return Active Fund (ABN 67 302 926 069) (**STAM**). Further details on STAM are set out in section 1 of the Bidder's Statement. As at the Last Practicable Date, STAM holds 28,026,734 Eildon Securities, representing a 63.08% interest.
3.	**What is the Offer?**	Under the terms of the Offer, Eildon Securityholders will be entitled to receive $0.875 cash per Eildon Security.
4.	**What is the current price of Eildon Securities?**	The closing price of Eildon Securities on the Last Practicable Date (being 6 October 2025), was $0.865.
5.	**What choices do I have as an Eildon Securityholder?**	As an Eildon Securityholder, you have several choices available to you in relation to how you respond to the Offer. Each of these choices carries certain implications which you should carefully consider in light of your personal circumstances and having regard to any advice you receive from your broker or other professional adviser(s), which advice you are encouraged to seek. As an Eildon Securityholder, you may: • **ACCEPT** the Offer for some or all of your Eildon Securities; • sell all or part of your Eildon Securities to a third party, including on market (unless you have previously accepted the Offer and have not validly withdrawn your acceptance), which as at the Last Practicable Date would be expected to deliver you a lower price for your Eildon Securities than you would obtain through accepting the Offer; or • reject the Offer by doing nothing.
6.	**What does the IBC recommend?**	The IBC recommends that you **ACCEPT** the Offer for the reasons set out in Section 2.
7.	**Who are the members of the IBC?**	The IBC comprises Mr Matthew Reid.
8.	**What do the IBC members intend to do with their Eildon Securities?**	Mr Matthew Reid intends to **ACCEPT** the Offer in respect of the Eildon Securities owned or controlled by him.
9.	**Why is the IBC recommending that I ACCEPT the Offer?**	The reasons for the IBC's recommendation are set out in Section 2.
10.	**What is the opinion of the Independent Expert?**	The IBC has appointed the Independent Expert to prepare an Independent Expert's Report assessing the Offer, and to provide an opinion on whether or not the Offer is fair and reasonable to Eildon Securityholders.

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	Question	Answer
		The Independent Expert has concluded that the Offer is **fair and reasonable** to Eildon Securityholders. Appendix 1 of this Target's Statement includes a copy of the Independent Expert's Report. You should read the report carefully and in its entirety as part of your assessment of the Offer.
11.	**How do I ACCEPT the Offer?**	Details on how to **ACCEPT** the Offer are set out in Section 7.3 of the Bidder's Statement and Section 5.4 of this Target's Statement.
12.	**How do I reject the Offer?**	To reject the Offer, you do not need to do anything.
13.	**What happens if I accept the Offer now and the Offer Price is increased?**	If STAM does improve the Offer Price, all Eildon Securityholders, whether or not they have accepted the Offer before that improvement in the Offer Price, will be entitled to the benefit of that improved Offer Price. You will **not** be entitled to any improved Offer price if you sell your Eildon Securities on-market (refer to question 14).
14.	**What happens if I sell my Eildon Securities on ASX?**	If you sell your Eildon Securities on ASX, you will receive payment on a T+2 basis. You will **not** receive the benefit of any increase in the Offer Price (even if you sell to STAM on-market) and you will not be able to participate in any superior proposal in respect of those Eildon Securities.
15.	**Will STAM increase the Offer Price?**	STAM can vary the Offer by extending the Offer Period or increasing the Offer Price in accordance with the Corporations Act. However, this is a matter for STAM.
16.	**What are the consequences of accepting the Offer now?**	If you accept the Offer, unless withdrawal rights are available (see below), you will give up your right to sell your Eildon Securities on the ASX or otherwise deal with your Eildon Securities while the Offer remains open. You may only withdraw your acceptance if STAM varies the Offer in a way that postpones the time when STAM is required to satisfy its obligations by more than one month. Section 5.6 of this Target's Statement contains further details on withdrawing your acceptance. If you accept the Offer and STAM subsequently raises its Offer Price, you will be entitled to the benefit of that improved Offer Price .
17.	**When does the Offer Period close?**	The Offer Period is currently scheduled to close at 7:00 pm (Sydney time) on 22 October 2025, unless it is extended or withdrawn.
18.	**What are the conditions to the Offer?**	The Offer is subject to the Conditions that, from the date of the Bidder's Statement until the end of the Offer Period: • STAM (together with its Associates) acquires a Relevant Interest in at least 90.80% of the Eildon Securities; and • there are no Prescribed Occurrences. These Prescribed Occurrences are set out in Section 7.6 of the Bidder's Statement.
19.	**What happens if I accept the Offer and the conditions are not satisfied?**	According to Section 7.7 of the Bidder's Statement, if the Conditions described in Section 7.6 is breached or not fulfilled, and the Bidder decides to rely on that breach or non-fulfillment, then any contract resulting acceptance of the Offer will become void at (or, in some cases, shortly after) the end of the Offer Period and the relevant Eildon Securities will be returned to the holder.
20.	**When will I receive the consideration under the Offer?**	According to Section 7.9 of the Bidder's Statement, if you accept the Offer in accordance with the instructions contained in the acceptance form and the Offer becomes unconditional, STAM will pay or provide you the consideration under the Offer by the earlier of:

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Question	Answer
	• while the Offer is subject to the Conditions, 10 Business Days after the Offer is declared to be or becomes unconditional (or 5 Business Days if you nominate to receive payment by electronic funds transfer in accordance with section 7.9(c)(i) of the Bidder's Statement); • if the Offer is declared to be or becomes unconditional, 10 Business Days after the date that you accept the Offer (or 5 Business Days if you nominate to receive payment by electronic funds transfer in accordance with section 7.9(c)(i) of the Bidder's Statement); or • 21 calendar days after the end of the Offer Period.
21. **Can I accept the Offer for only part of my holding?**	Yes. According to Section 7.1 of the Bidder's Statement, you may accept the Offer for part of the Eildon Securities held by you. However, the IBC recommends that you **fair and reasonable** the Offer for all your Eildon Securities.
22. **Will I pay any brokerage or stamp duty if I accept the Offer?**	No stamp duty will be payable. If your Eildon Securities are registered in an Issuer Sponsored Holding in your name, you will not incur any brokerage in connection with your acceptance of the Offer. If your Eildon Securities are registered in a CHESS Holding, or if you are a beneficial owner whose Eildon Securities are registered in the name of a broker, bank, custodian or other nominee, you should ask your Controlling Participant (usually your broker) or that nominee whether it will charge any transaction fees or service charges in connection with acceptance of the Offer.
23. **Can I be forced to sell my Eildon Securities?**	You cannot be forced to sell your Eildon Securities unless STAM proceeds to compulsory acquire your Eildon Securities. STAM will need to hold a Relevant Interest in at least 90.80% of the Eildon Securities in order to exercise compulsory acquisition rights.
24. **What are the tax implications of accepting the Offer?**	A general outline of the tax implications for certain Australian resident Eildon Securityholders of accepting the Offer is set out in Section 5 of the Bidder's Statement. Eildon Securityholders are encouraged to seek their own specific professional advice as to the taxation implications applicable to their circumstances.
25. **Who should I call if I have any questions?**	If you have any questions about the Offer or any other matter in this Target's Statement, please contact Varun Sachdev, CEO, on +61 403 541 026 or vsachdev@eildoncapital.com between 8.30am and 5.00pm (Melbourne time) Monday to Friday. Announcements made to ASX by Eildon and other information relating to the Offer can be obtained from the ASX website at www.asx.com.au (ASX code: EDC).

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4. Information about EDC

4.1 Overview of EDC

EDC is an ASX-listed real estate investment and funds management business with $85 million in assets under management as at 30 June 2025. EDC is a stapled group comprising Eildon Capital Limited (**ECL**) and Eildon Funds Management Limited (**EFM**) as responsible entity for Eildon Capital Trust (**ECT**). The Group positions itself as a low cost, listed investment platform which aims to maximise long term value for securityholders by enhancing returns, maintaining disciplined capital allocation and providing transparency to securityholders. EDC co-invests alongside its investor clients utilising its $39.3 million (net assets) balance sheet capacity, demonstrating strong alignment of interest.

ECL listed on the ASX in 2017 as a real estate focussed listed investment company. In November 2020, Eildon undertook a process to internalise the manager of the listed investment company, EFM, which transformed the entity from being purely a listed investment company to a real estate investor with an emerging funds management platform.

In July 2023, STAM successfully acquired a controlling stake in the Group and undertook a general and strategic review of the operations of the business. The review was completed in August 2025 and the Group provided the following Operating Model update:

- **Investment focus**: EDC will concentrate on a select number of investment opportunities in Australia, primarily sourced through third party investment managers, maintaining a strong focus on real estate.
- **Targeted return**: the Group will seek investments that are expected to deliver returns in excess of the prevailing cash rate by at least 10%.
- **Listed entity**: EDC will offer Eildon Securityholders access to a listed vehicle focused on smaller-scale private market opportunities with defined investment terms which will be held to maturity or exited via structured processes.
- **Portfolio composition**: EDC's portfolio will comprise a combination of yield and capital growth-focused assets, with an emphasis on total return.
- **Deal origination**: EDC will continue to leverage its extensive network of investors and investment managers to originate high-quality opportunities.

As at 30 June 2025, EDC's platform comprises 3 employees, (including 1 part time employee) located across Sydney and Melbourne, with its headquarters and registered office in Melbourne, Australia. EDC has a market capitalisation of $38.43 million as at the close of trading on the ASX on the Last Practicable Date.

Key Business Segments	Key Focus
Property Investment Portfolio	EDC's investment portfolio comprised of 3 debt and 3 equity investments representing 68% of net assets as at 30 June 2025. The investments are across Victoria and Queensland.
Eildon Funds Management (EFM)	EFM is a specialist real estate fund manager within Australia's Commercial Real Estate market. EFM has undertaken a number of investments across credit funds, property income funds, opportunity funds. However, there have been no new settled investments written through EFM since September 2024.

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4.2 Eildon Net Asset Breakdown

EDC Balance Sheet (30 June 2025)	Value ($m)	NAV per security ($)	Description
Burnley Maltings – equity	1.8	0.04	Equity Investment in Burnley Maltings for the construction of a 56-apartment development
Malvern Rd – preferred equity	4.8	0.11	Preferred equity investment in Malvern Road, a 13-apartment residual stock facility. 10 apartments sold to date and 3 available for sale.
Health and Education Fund – equity	2.3	0.05	Investment in MNL Property Trust, a portfolio of childcare assets
Kings, Newport Village - debt	8.0	0.18	Mezzanine debt investment
Malvern Rd – debt	7.0	0.16	Senior debt investment in Malvern Road
Hamilton, Qld - debt	2.9	0.07	Senior debt investment in Hamilton, Qld
Group Cash	13.5	0.31	Higher cash reserves on account of Burdekin
Other Assets & Liabilities	(1.3)	(0.03)	Includes accrual for distribution payable of $1.1 million
Group Net Tangible Assets Per Security	**39.0**	**0.89**	
Eildon Funds Management - Goodwill	0.3	0.01	
Group NAV Per Security	**39.3**	**0.90**	

Further to the above, the Burdekin transaction is not included in the above table as the contract for the transaction was signed on 13 August 2025 and settlement is scheduled for mid-October. The increased cash reserves as at 30 June 2025 were in readiness for contract signing and subsequent settlement of the transaction.

4.3 Funds Management (EFM)

EFM is a specialist real estate fund manager in Australia's Commercial Real Estate market. EFM operates across real estate equity and credit sectors creating investment opportunities for sophisticated investors which strive to deliver enhanced returns and capital protection. EDC co-invests alongside its investor clients utilising its $39.3 million (net assets) balance sheet capacity, demonstrating a strong alignment of interest.

Group Assets Under Management (AUM) was $85 million as at 30 June 2025.

4.4 Historical financial information

The selected income statement, balance sheet and statement of cash flows information contained below for EDC is extracted from the audited consolidated financial statements of EDC for the years ended 30 June 2023, 30 June 2024 and 30 June 2025.

The financial information has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, and the Corporations Act. The financial information also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial information presented in the tables below does not represent complete financial statements and should therefore be read in conjunction with the financial statements for the respective periods, including the description of accounting policies contained in those financial statements and the notes to those financial statements.

Complete copies of EDC's audited and reviewed consolidated financial statements can be viewed on ASX's website at www.asx.com.au.

4.4.1 Historical Statement of Profit and Loss

Profit & Loss Statement			
A$	FY23A	FY24A	FY25A
CONTINUING OPERATIONS			
Interest income	4,788,437	6,689,956	5,591,983
Fee income	3,745,910	1,115,787	434,543
Distribution income	598,496	182,744	41,583
Net (loss)/gain on financial assets at fair value through profit or loss	(72,047)		
Total income	**9,060,796**	**7,988,487**	**6,068,109**
Share of net profit of associate accounted for using the equity method	**230,525**	**0**	**0**
Expenses			
Accountancy	30,154	38,853	37,730
Commission	114,847	66,828	20,575
Employee and director costs	4,092,331	1,808,076	1,094,318
Insurance	200,223	203,733	137,335
Interest expenses	918,222	1,424,125	940,684
Impairment on financial assets at amortised cost	0	431,429	5,940,351
Loss on financial assets at fair value through profit of loss		48,170	73,123
Investment disposal costs	97,223	16,983	353,559
Impairment on goodwill			1,674,810
Legal fees	107,021	97,096	39,296
Publications and subscriptions	105,735	121,588	73,551
Management and consultancy fees	384,921	235,724	292,010
Takeover cost	492,086		
Share registry	111,390	70,220	72,876
Other expenses	544,904	581,096	556,882
Total expenses	**7,199,057**	**5,143,921**	**11,307,100**
Profit before income tax	**2,092,264**	**2,844,566**	**-5,238,991**
Income tax expense	9,589	(296,061)	202,935
Net profit after tax	2,082,675	3,140,627	-5,441,926
DISCONTINUED OPERATIONS			
(Loss)/profit from discontinued operations	0	(822,124)	(303,283)
Profit for the year	2,082,675	2,318,503	(5,745,209)
Net profit after tax attributable to:			
Owners of the Company	(874,973)	(694,141)	(1,953,769)
Owners of the Trust	2,680,850	2,647,788	(3,791,440)
Non-controlling interests	276,798	364,856	
Net profit after tax	2,082,675	2,318,503	(5,745,209)
Basic earnings per company share/ trust unit (cents)	*(1.85)*	*(0.38)*	*(3.54)*
Diluted earnings per company share/ trust unit (cents)	*(1.85)*	*(1.45)*	*(4.19)*

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Profit & Loss Statement			
A$	FY23A	FY24A	FY25A
CONTINUING OPERATIONS			
Basic earnings per stapled security (cents)	*3.81*	*5.79*	*(11.68)*
Diluted earnings per stapled security (cents)	*3.81*	*4.08*	*(12.33)*

4.4.2 Historical Statement of Financial Position

Statement of Financial Position			
A$	30-Jun-23	30-Jun-24	31-June-25
Current Assets			
Cash and cash equivalents	6,639,807	9,916,873	13,524,773
Financial assets at amortised cost	20,857,955	23,294,337	23,080,344
Financial assets at fair value through profit or loss	4,589,593	1,130,000	
Other assets	96,462	86,697	59,600
Current tax assets	40,023	-	
Assets classified as held for sale	8,536,058	5,396,945	
Total current assets	**40,759,898**	**39,824,852**	**36,664,717**
Non-current Assets			
Financial assets at amortised cost	16,502,282	14,986,215	8,028,203
Financial assets at fair value through profit or loss	7,085,773	4,343,514	4,056,488
Intangible assets	3,460,077	1,960,077	285,267
Right-of-use asses	115,515	32,344	
Plant and Equipment	16,250	4,442	799
Deferred tax assets	187,740	148,358	93,727
Total non-current assets	**27,367,637**	**21,474,950**	**12,464,484**
Total Assets	**68,127,535**	**61,299,802**	**49,129,201**
Current Liabilities			
Trade and other payables	2,269,987	3,353,504	1,502,108
Lease liabilities	84,990	32,813	
Provisions	136,167	125,690	110,012
Other liabilities	9,639,956	453,762	8,120,112
Current tax liabilities			10,504
Total current liabilities	**12,131,100**	**3,965,769**	**9,742,736**
Non-current Liabilities			
Lease liabilities	32,812		
Provisions	32,828	70,845	41,661
Other liabilities	0	5,898,582	
Deferred tax liabilities	1,463,490		
Total non-current liabilities	**1,529,130**	**5,969,427**	**41,661**
Total Liabilities	**13,660,230**	**9,935,196**	**9,784,397**
Net Assets	**54,467,305**	**51,364,606**	**39,344,804**
Equity			
Contributed equity	8,443,890	8,155,826	7,670,319
Retained earnings	2,046,624	1,352,483	(2,195,204)
Other reserves			
Equity attributable to shareholders/unitholders	10,490,514	9,508,309	5,475,115
Non-controlling interests			
Trust unitholders	43,976,888	41,856,394	33,869,689

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Statement of Financial Position			
A$	30-Jun-23	30-Jun-24	31-June-25
Other non-controlling interests	(97)	(97)	
	43,976,791	41,856,297	33,869,689
Total Equity	**54,467,305**	**51,364,606**	**39,344,804**

4.4.3 Historical Cash Flow Statement

Cash Flow Statement			
A$	FY23A	FY24A	FY25A
Cash flows from operating activities			
Cash receipts in the course of operations	5,233,157	2,679,624	793,683
Cash payments in the course of operations	(5,729,303)	(4,567,472)	(3,938,674)
Distribution received	586,572	228,130	69,204
Loans repaid	24,351,433	30,918,874	26,435,723
Loans provided	(42,551,507)	(30,851,721)	(19,995,000)
Interest and fee income received	8,374,020	5,678,008	794,747
Interest paid	(557,505)	(1,710,581)	(57,091)
Income tax paid	778,536	(1,211,726)	(32,776)
Net cash (used in)/provided by operating activities	**(9,514,597)**	**1,163,136**	**4,069,816**
Cash flows from investing activities			
Payments for financial assets at fair value through profit or loss	(2,930,187)	(3,912,098)	
Proceeds from financial assets at fair value through profit or loss	5,243,530	13,523,448	6,741,091
Payments for plant and equipment	(7,097)		
Net cash (provided by) investing activities	**2,306,246**	**9,611,350**	**6,741,091**
Cash flows from financing activities			
Dividends paid	(3,008,954)	(2,900,576)	(3,830,335)
Proceeds for stapled security/unit issued	36,309		
Payment for stapled security/unit buyback		(1,505,603)	(3,310,968)
Payment for stapled security/unit buyback transaction costs		(5,095)	(28,891)
Principal elements of lease payments	(83,794)	(84,989)	(32,813)
Proceeds from borrowings	19,311,155	12,005,843	
Payment of borrowings	(10,587,000)	(15,007,000)	
Net cash provided by/(used in) financing activities	**5,667,716**	**(7,497,420)**	**(7,203,007)**
Cash and cash equivalents at the beginning of the financial year	8,180,442	6,639,807	9,916,873
Net (decrease)/increase in cash and cash equivalents	(1,540,635)	3,277,066	3,607,900
Cash and cash equivalents at the end of the financial year	6,639,807	9,916,873	13,524,773

4.5 Board and senior management of EDC

The directors and key management personnel of the Group as at the date of this Target's Statement are set out below.

4.5.1 Board of Directors

Mr James Davies	
Independent, Non-Executive Director of Eildon Capital Limited *Independent, Non-Executive Director of Eildon Funds Management Limited*	**BSC (Comp) (UNE), MBA (LBS), GAICD**

Skills and Experience

Mr Davies has over 30 years' experience in investment management across real estate, private equity, infrastructure, natural resources and distressed asset management. Most recently he was Head of Funds

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Management at New Forests Asset Management. Prior to that he held Director roles at Hastings Funds Management Limited and Royal Bank of Scotland's Strategic Investments Group. He has been appointed on numerous Investment Committees and Boards including as Chairman of Timberlink Australia, Forico and Airport Rail Link.

Mr Frederick Woollard

Non-Executive Director of Eildon Capital Limited **B Ec. (USYD)**
Non-Executive Director of Eildon Funds Management Limited

Skills and Experience
Mr Woollard has worked in financial markets since 1981. Prior to founding STAM in 2003, Mr Woollard worked for Hunter Hall International Limited, a European family office and various stockbroking firms in Australia and the UK.

Mr Matthew Reid

Independent, Non-Executive Director of Eildon Capital Limited **B Ec. (Monash), CA ANZ**
Independent, Non-Executive Director of Eildon Funds Management Limited

Skills and Experience
Mr Reid has had a 30-year career spanning across a number of industries both in Australia and overseas. His key fields of specialty are corporate finance and property. He spent many years at PwC in both Corporate Finance and as Partner in Real Estate Advisory. His experience also includes working on many corporate and private equity transactions for global clients, at PwC and as a Director of Corporate Finance for Austock and later for Becton Property Group managing end to end equity raising, IPOs and M&A processes. Mr Reid has over 10 years Board of Directors experience working with small and emerging businesses such as Grill'd Group, Arrow Funds Management, Bayley Stuart Capital and now Eildon Capital Group. Both Arrow and Bayley Stuart are unlisted fund managers that manage unlisted property funds in the agri-infrastructure and office sectors, respectively. He is also a member of the Brighton Grammar School Council and various sub committees including the property sub-committee.

4.5.2 Key Management

Mr Varun Sachdev

Chief Executive Officer and Joint Company Secretary of Eildon Capital Limited and Eildon Funds Management Limited **Master of Finance (UOM), CPA**

Skills and Experience
Mr Sachdev is a seasoned Corporate Finance professional with extensive experience across financial services specialising in property developments. Prior to joining EDC, Mr Sachdev worked at MaxCap Group, leading their Finance team as a Financial Controller. He has also held various senior accounting positions at the Winslow Group in their property development division.

Ms Tiffany McLean

General Counsel and Joint Company Secretary of Eildon Capital Limited and Eildon Funds Management Limited **LLB (Bond University), GDLP (GU), GAICD**

Skills and Experience
Ms McLean is a corporate lawyer and graduate of the Australian Institute of Company Directors with over 15 years' experience in corporate governance, compliance and corporate transactions and has held roles in private practice in Australia and in-house legal in the UK. She has provided legal services to EDC since 2018, including on transformational projects (including the internalisation of EFM and the restructure to a stapled structure).

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5. Information about the Offer

5.1 The Offer

STAM lodged its bidder's statement on 8 September 2025 and supplementary bidder's statement on 3 October 2025 (together, the **Bidder's Statement**) which sets out the terms of the Offer. A copy of the Bidder's Statement has been sent to all Eildon Securityholders by post and is also available on the ASX website at www.asx.com.au.

5.2 Consideration payable to Eildon Securityholders who accept the Offer

The consideration being offered by STAM under the Offer is $0.875 cash per Eildon Security. The closing price of Eildon Securities on the Last Practicable Date was $0.865.

However, Eildon Securityholders will not receive payment for Eildon Securities tendered into the Offer until the Offer becomes unconditional. If the Offer becomes unconditional, Eildon Securityholders will be paid or provided the consideration by the earlier of:

- while the Offer is subject to the Conditions, 10 Business Days after the Offer is declared to be or becomes unconditional (or 5 Business Days if you nominate to receive payment by electronic funds transfer in accordance with section 7.9(c)(i) of the Bidder's Statement);
- if the Offer is declared to be or becomes unconditional, 10 Business Days after the date that you accept the Offer(or 5 Business Days if you nominate to receive payment by electronic funds transfer in accordance with section 7.9(c)(i) of the Bidder's Statement); or
- 21 calendar days after the end of the Offer Period.

5.3 Conditions of the Offer

The Offer is subject to the Conditions in Section 7.6 of the Bidder's Statement being satisfied or waived. In summary, the Conditions are that, until the end of the Offer Period:

- STAM (together with its Associates) acquires a Relevant Interest in at least 90.80% of the Eildon Securities; and
- no 'Prescribed Occurrence' occurs.

STAM may choose to waive the Conditions in accordance with the Offer.

STAM has set 15 October 2025 as the date on which it will give Eildon Securityholders and ASX the notice required under section 630(3) of the Corporations Act on the status of the Conditions (subject to an extension in accordance with section 630(2) of the Corporations Act). STAM may free the Offer, and any contract resulting from its acceptance, from the Conditions by giving notice to Eildon and ASX in accordance with section 650F of the Corporations Act not later than three Business Days after the end of the Offer Period (i.e. by 27 October 2025).

5.4 Offer Period and acceptance

Unless the Offer is extended or withdrawn by STAM, the Offer will be open for acceptance until 7.00pm (Sydney time) on 22 October 2025. If you accept the Offer, your acceptance must be received by STAM before the end of the Offer Period. Instructions on how to accept the Offer are set out in Section 7.3 of the Bidder's Statement. If you wish to accept STAM's Offer, you should follow these instructions carefully to ensure that your acceptance is valid.

STAM may extend the Offer Period at any time before giving the notice of status of the Conditions (referred to in Section 5.3 above) while the Offer is subject to the Conditions. However, if the Offer is unconditional, STAM may extend the Offer Period at any time before the end of the Offer Period.

If, within the last 7 days of the Offer Period, STAM improves the Offer Price, then the Offer Period will be automatically extended so that it ends 14 days after the relevant event occurs.

Under the Corporations Act, the Offer Period may not be extended so that it lasts for more than 12 months.

STAM may not withdraw the Offer if you have already accepted it. Before you accept the Offer, STAM may withdraw the Offer with the written consent of ASIC and subject to the conditions (if any) specified in such consent.

5.5 Effect of acceptance

The effect of acceptance of the Offer is set out in Sections 7.4 and 7.5 of the Bidder's Statement. Eildon Securityholders should read those provisions in full to understand the effect that acceptance will have on their ability to exercise the rights attaching to their Eildon Securities and the representations and warranties which they give by accepting the Offer.

5.6 Your ability to withdraw your acceptance

If you accept the Offer, you only have limited rights to withdraw your acceptance of the Offer.

You may only withdraw your acceptance of the Offer if STAM varies the Offer in a way that postpones, for more than one month, the time when STAM needs to meet its obligations under the Offer. This will occur if STAM extends the Offer Period by more than one month and the Offer is still subject to the Conditions.

5.7 Compulsory acquisition

STAM will be able to compulsorily acquire any outstanding Eildon Securities for which it has not received acceptances on the same terms as the Offer if during, or at the end of, the Offer Period STAM (taken together with its Associates):

- has a Relevant Interest in at least 90% (by number) of the Eildon Securities; and
- has acquired at least 75% (by number) of the Eildon Securities for which it has made the Offer.

We note that due to the second limb set out above, and in accordance with the Conditions of the Offer in section 7.6 of the Bidder's Statement, STAM will not be able to compulsorily acquire outstanding Eildon Securities unless STAM (together with its Associates) acquires a Relevant Interest in at least 90.80% of the Eildon Securities.

If these thresholds are met, STAM will have one month from the end of the Offer Period within which to give compulsory acquisition notices to Eildon Securityholders who have not accepted the Offer. The consideration payable by STAM will be the Offer price last offered under the Offer.

Eildon Securityholders may challenge any compulsory acquisition but this would require the relevant Eildon Securityholder to establish to the satisfaction of a court that the terms of the Offer do not represent fair value for their Eildon Securities.

If Eildon Securities are compulsorily acquired, Eildon Securityholders are not likely to receive payment until at least one month after the compulsory acquisition notices are sent.

Alternatively, if STAM does not become entitled to compulsorily acquire Eildon Securities at the end of the Offer Period, in accordance with the above procedures, it may nevertheless subsequently become entitled to acquisition rights under Part 6A.2 Division 1 of the Corporations Act after the end of the Offer Period.

5.8 Effect of an improvement in Offer Price on Eildon Securityholders who have already accepted the Offer

If STAM improves the Offer Price, all Eildon Securityholders, whether or not they have accepted the Offer before that improvement, will be entitled to the benefit of that improved Offer Price.

Eildon Securityholders should note that they will **not** receive any improved offer price, or be able to participate in any superior proposal, if they sell their Eildon Securities on-market.

5.9 Taxation Considerations for Eildon Securityholders

Acceptance of the Offer by you is likely to have tax consequences. You may incur a capital gain or loss if you accept the Offer. Your tax consequences will depend on your individual circumstances.

Section 5 of the Bidder's Statement sets out a general overview of the Australian tax implications of an Eildon Securityholder accepting the Offer and disposing of their Eildon Securities to STAM. You should not rely on it as advice on your own affairs. It does not deal with the position of all Eildon Securityholders. You should seek your own independent financial and taxation advice, which takes into account your individual circumstances, before making a decision as to whether or not to accept the Offer for your Eildon Securities.

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6. Risks

6.1 Introduction

In considering the Offer, Eildon Securityholders should be aware that there are a number of risk factors associated with either accepting the Offer or rejecting the Offer and continuing to hold Eildon Securities.

In deciding whether to accept the Offer, Eildon Securityholders should read this Target's Statement and the Bidder's Statement carefully and consider these risks. While some of these risks can be mitigated, some are outside the control of EDC and the IBC and cannot be mitigated.

The risks set out in this Section 6 do not take into account the individual investment objectives, financial situation, position or particular needs of Eildon Securities. These risks are general in nature only and do not cover every risk that may be associated with an investment in Eildon now or in the future.

6.2 Risks associated with accepting the Offer

There are risks associated with accepting the Offer, including those described below.

- **Possibility of superior proposal emerging**

  A third party with a superior proposal to the Offer may emerge (although the IBC can give no assurances that this will occur).

  By accepting the Offer, you will not be able to accept any superior proposal that may be made by a competing bidder, unless the Offer is still conditional and you withdraw your acceptance. As such, you may not be able to obtain any potential benefit associated with any such superior proposal.

- **Possible appreciation of Eildon Securities in the future**

  The closing price of Eildon Securities on the Last Practicable Date was $0.865. You may be able to sell your Eildon Securities in the future for more valuable consideration than at the Offer Price of $0.875 per security (although the IBC can give no assurances and make no forecast as to whether this will occur).

- **Taxation consequences of accepting the Eildon Offer**

  The taxation consequences of disposing of your Eildon Securities pursuant to the Offer depend on a number of factors and your particular circumstances. You should seek your own specific professional tax advice as to the taxation implications applicable to your circumstances.

6.3 Risks associated with rejecting the Offer

Rejecting the Offer and maintaining your investment in Eildon may have the following risks, depending on the outcome of the Offer:

- **Compulsory acquisition**

  If you choose not to accept the Offer and STAM subsequently exercises compulsory acquisition rights and exercises those rights, you will be compelled to sell your Eildon Securities to STAM but may not receive the consideration for some time.

- **Minority ownership consequences**

  If you choose not to accept the Offer and STAM acquires additional Eildon Securities, but is not entitled to exercise its compulsory acquisition rights (as discussed in Section 5.7), any remaining Eildon Securityholders will continue to be minority securityholders. As at the Last Practicable Date, STAM holds 63.08% of the Eildon Securities, and even if it does not reach the threshold requirements to exercise it compulsory acquisition rights, it will continue to hold significant influence over Eildon.

  STAM's intentions in relation to Eildon in various scenarios where STAM acquires different levels of relevant interests in Eildon are set out in Section 3 of the Bidder's Statement. This has a number of possible implications for remaining Eildon Securityholders.

- **Eildon Security price may fall and liquidity may be reduced**

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It is possible that when the Offer closes, the price of Eildon Securities may fall to levels below the Offer Price, and there may be reduced liquidity for Eildon Securities.

- **Risks in relation to the NAV**

  As set out in Section 2.3, there are certain risks that may lead to a decline in EDC's NAV per Eildon Security, which may affect the price at which Eildon Securities trade on ASX.

6.4 Key risks associated with an investment in EDC

There are various risks associated with an investment in EDC that Eildon Securityholders should be aware of before deciding whether or not to accept the Offer.

6.4.1 Geographical risk

The Group has an extremely high exposure to the Melbourne real estate market with 89% of the investment portfolio (by net asset value) being concentrated in Melbourne. Since the COVID pandemic, the Melbourne real estate market, particularly apartments and townhouses, have struggled to gain momentum with slower than expected velocity of sales. The Group's exposure to the Melbourne residential real estate market has resulted in material write downs, notwithstanding the investments are in good quality assets for medium to long term value realisation.

6.4.2 Credit and default risk

Credit risk is the risk that one or more assets in which the Group's monies have been invested may decline in price or fail to pay interest or principal when due because the credit counterparty or borrower experiences a decline in its financial status. Losses may occur because the value of the asset is affected by the creditworthiness of the borrower or by general economic and specific industry conditions.

While all debt assets are subject to credit risk, to the extent the Group invests in sub-investment grade and un-rated debt, it will be exposed to a greater amount of credit risk than an investment in investment grade rated credit assets. The prices of lower grade debt instruments are more sensitive to negative developments, such as a decline in the borrower's cash earnings or a general economic downturn, than are the prices of higher-grade debt instruments. Debt instruments of sub-investment grade quality are higher risk with respect to the counterpart's capacity to pay interest and repay principal when due and therefore involve a greater risk of default.

Default risk is the risk that a borrower defaults on their obligations, for instance by failing to make a payment due or to return the principal. The taking of security or the provision of third party guarantees may not fully mitigate the risk of credit loss.

6.4.3 Realisation of existing assets

The Group's assets represent arm's length loan facilities and investments in respect of property development projects. These investments are subject to term periods which will see a return of capital and additional income to the Group. These funds may then be deployed onto additional projects within the bounds of the Group's investment mandate. There is a risk that these investments may become distressed, by which the principal and income components due may not be forthcoming. Any change in the payment schedule of principal or income may adversely affect the Group and its ability to engage in transactions. If the existing investments fall in value, become distressed or become in default of the terms, the options available to the Group are to seek a recovery of any costs or losses through the courts, or to engage in a sale of the security or loan facility to another party.

6.4.4 Unforeseen events or circumstances may cause a breach of debt covenants

In the event that the Group undertakes to fund a project or operation by way of debt funding, it is possible that some unforeseen circumstance or event may cause the covenants imposed by the Group to become in breach. Any breach in the debt covenants imposed by the Group may result in the requirement to enforce security over the relevant assets. A breach in covenants may result in the need to sell the assets at an earlier time to enable a repayment of the facility. This sale may be at a price lower than the optimal sale price. There may be further consequences as a result of any default which are not specifically mentioned in this Target's Statement.

6.4.5 Availability of suitable investment opportunities

The performance of the Group is tied to the real estate sector due to its investment mandate. The opportunities available to the Group are to a large extent dependent on the Group sourcing and identifying suitable investment opportunities. The availability of these opportunities is tied to market conditions and other market factors outside

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of the Group's control. Any failure by the Group to identify and/or source appropriate transactions and opportunities will adversely affect any returns available to Eildon Securityholders.

6.4.6 Investment strategy risk

There is a risk that the Group's failure to deliver or effectively execute its stated investment strategy, or its failure to redefine its strategy to meet changing conditions, could result in a decline in the trading price of the Eildon Securities and/or distributions paid to Eildon Securityholders.

The investment strategy to be used by the Group includes inherent risks. These include, but are not limited to, the following:

- the Group's success and profitability is reliant upon the ability of the Group to devise and maintain a portfolio that achieves the Group's investment strategy and guidelines within its mandate and the law;
- the ability of the Group to continue to manage its portfolio in accordance with its mandate and the law which may be compromised by such events as the loss of its licence or registrations; and
- the Group's portfolio may not be as diversified as other comparable investment entities.

There is no guarantee that the investment strategy of the Group will be managed successfully or will meet its objectives. Failure to do so could negatively impact the performance of the Group.

EFM may not manage the Group in a manner that consistently meets the Group's investment strategy over time. In addition a key employee of EFM may leave, requiring EFM to find an alternative replacement employee to assist in managing the Group and continue to meet the Group's investment strategy, which may affect the Group's success and profitability.

6.4.7 Capital values

The day-to-day value of an asset is influenced by the market and any changes in market conditions, including supply and demand movements and fluctuations. There are no guarantees on the generation of profits of any investment on its repayment, realisation or sale, or that the investments value will not fall as a result of unfavourable conditions outside of the control of the Group.

6.4.8 Income returns

Any payment to Eildon Securityholders will include some degree of reliance upon the income return achieved in connection with the investments made by the Group. There is a risk that a contract entered into as part of an investment may fall into default, which could result in a reduced amount of income and associated expenditure with any cost recovery action required. Any default may have adverse effects on income earnings, the capacity of the Group to pay distributions to Eildon Securityholders, the capacity to service any debt facilities engaged, the capital value of investments as well as potentially affecting the net asset values of the members of the Group and the trading price of the Eildon Securities.

6.4.9 Risk profile

The Group undertakes property investments which can be considered specialised in nature based on the structure and type of investments. The specialisation referred to includes providing debt finance to levels that may exceed loan to value ratios of 50% and/or investments by the Group where the investment is subordinated by other debt capital. The Group seeks to mitigate the risks from its investments by actively managing each investment and/or influencing its investments (including by way of contractual provisions in the relevant investment documentation, board appointments and project group participation (where applicable)), and seeking appropriate registered security collateral security arrangements for certain investments. The security arrangements may comprise a combination of mortgages, general security agreements, guarantees and indemnities and or priority agreements with other secured parties. Whilst the Group and each of its members' boards have experience in the procurement and management of investments of this nature, that experience is no guarantee of the Group's future financial performance.

6.4.10 Liquidity

If a circumstance or circumstances arise resulting in a need for the Group to dispose of an asset for a defined purpose, there is a risk that the Group may not be able to realise the assets in either a timely manner, or at an optimised sale price. A transaction of this nature may adversely affect the net asset values of the members of the Group and the trading price of the Eildon Securities.

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The investments of the Group are generally not liquid investments compared to other exchange traded instruments, as the investments that the Group is exposed to may be long dated and not traded in the public domain. The ability of the Group to realise an investment will depend on market liquidity for unlisted loans and property investments, and the terms including, in relation to loans, the maturity date of the loans. The liquidity of the investments in the Group will also be dependent on borrowers' ability to repay loans, and the underlying value of the security in relation to both loans and direct property investments.

6.4.11 Trading price of Eildon Securities

The market price of Eildon Securities will be exposed to fluctuations due to a range of factors including but not limited to general movements in interest rates and borrowing conditions, the Australian and international general investment markets, economic conditions, global geopolitical events and hostilities, investor perceptions and other unidentified factors that may have some impact on the financial performance of Eildon or the Eildon Securities. The trading price of Eildon Securities is tied to the share market and any factors influencing the market. This includes any potential rerating of the Eildon Securities or other property investments, either listed or unlisted being rerated.

There is a risk that the Eildon Securities may continue to trade on ASX at a discount to the Group's NAV. There can be no guarantee that the total number of buyers multiplied by the number of Eildon Securities that each buyer wants to buy at any point in time in the market will match or exceed the total number of sellers multiplied by the number of Eildon Securities each seller wants to sell, or that Eildon Securityholders will be able to buy or sell Eildon Securities for a price which they believe fairly reflects the value of their Eildon Securities. In addition, the net asset value per Eildon Security will fluctuate with changes in the value of the underlying investments held by the Group.

6.4.12 Due diligence risk

There is a possibility that some investments may be made on limited due diligence conducted only with the records made available. This has the potential to increase the risk of individual investments and could lead to an adverse impact on the investment that may be material.

6.4.13 Refinancing risk and gearing

The capacity of the Group to raise funds, either through debt or equity financing is tied to a number of factors, including but not limited to, general economic conditions, political, capital and credit market conditions and the reputation and performance of the Group. Any movement or change in these factors could increase the cost of providing funding to the Group, or reduce the available funding sources to which the Group has access. If a debt facility is utilised by the Group, there is a risk that any potential refinancing of the facility could require the Group to realise assets at a price that is not optimal, or less than their fair value, which could impact the net asset value of the Group.

6.4.14 Ranking on a winding up

In the event of a winding up of Eildon, Eildon Securityholders will rank behind secured and unsecured creditors of Eildon (as applicable). If there is a shortfall of available funds upon winding up, there is a risk that Eildon Securityholders will receive less than the net asset value per Eildon Security.

6.4.15 Investment manager risk

EFM is responsible for sourcing opportunities and recommending investments to the Board and on behalf of the Eildon. As a result, the performance and profitability of the Group is in part dependent on the expertise and investment recommendations of EFM and EFM's expertise in sourcing, recommending and managing property investments that increase in value over time. There is no guarantee that EFM will be able to source appropriate investments for the Group or that any property investments made by the Group will generate returns. The success and performance of the Group is also in part dependent on the holding of an AFSL by EFM to facilitate the property investments of the Group and the retention by EFM of key personnel that are responsible for managing property investments of the Group.

As a consequence, if EFM ceased to be the responsible entity for the Eildon Capital Trust, if EFM ceased to hold its AFSL, or if EFM ceased to retain key personnel, this could have a material adverse impact on the management and the financial performance of the Group. There can be no guarantee that the Group will be able to identify an appropriately qualified replacement for EFM or, if such person or entity is appointed, that they will be able to perform their duties to the standard required by the Group or to a level that matches or exceeds the performance of EFM.

6.4.16 Force majeure

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There are risks of events beyond the control of EFM including fire, flood, earthquakes and other natural events, civil unrest, terrorist attacks, epidemics, pandemics and war which may reduce the earnings of the Group.

6.4.17 Reliance on third party service providers

There is a risk that third party service providers engaged in connection with the management of the Group do not perform their contractual obligations, including the benchmark returns, which may affect the value of, and returns from, an investment in the Group.

6.4.18 Conflict of interest risk

Mr Frederick Woollard is a director of ECL, a director of EFM and is also the Managing Director of STAM and his family trust is the majority shareholder of STAM. This creates a potential for conflicts of interest to arise. The potential conflicts of interest include but are not limited to, the:

- assessment and procurement of investment opportunities; and
- allocation of co-participation in investments between the Group and STAM.

EFM is required to have in place certain policies and procedures to identify, manage and mitigate conflicts of interest. EFM also has an obligation to operate efficiently, honestly and fairly. These statutory duties are in addition to the fiduciary duties owed by EFM to the members of the Eildon Capital Trust in its role as trustee. EFM has implemented policies and procedures to comply with its statutory and fiduciary obligations.

For investment opportunities presented by EFM to the Group, the Group adopts the following process to control and avoid conflicts of interest:

- the Group maintains a detailed conflicts register to:
    - identify potential conflicts to help avoid conflicts occurring in the first instance; and
    - assess and evaluate the nature and scope of potential conflicts between EFM and the Group; and
- given EFM's role is to make investment recommendations to the Group, the board of Eildon Capital Limited are required to approve any investment transactions undertaken by Eildon Capital Trust.

Despite these policies and procedures, it is possible that EFM may, in the course of its business, have potential conflicts of interest which may not be managed effectively and may be detrimental to the Group.

6.4.19 Dilution due to capital raising

Future capital raising and equity-funded acquisitions made by the Group may create a form of dilution to the holdings of Eildon Securityholders. In the normal course of management, EFM will seek to increase distributable income to Eildon Securityholders and provide the potential for capital growth. In order to make this growth available, capital raisings may be required to undertake property investments. In some circumstances, a capital raising may be required in order to reduce debt levels to allow the Group to maintain its compliance with any imposed debt covenants.

6.4.20 Distribution may vary

The ability of the Group to pay distributions is dependent upon the Group having the available cash and retained profits. While a degree of certainty can be placed on the income to be received from the investments, any failure to meet repayment deadlines may result in a position where the available cash to pay a distribution is not sufficient.

The Group's ability to pay a distribution is contingent on the income it earns from its loan investments. No guarantee can be given concerning the future earnings of the Group or the return on an Eildon Securityholder's investment. EFM may make poor investment decisions which may result in the Group's return being inadequate to pay distributions to Eildon Securityholders.

Payment of distributions is at the discretion of the Directors. Eildon Securityholders should be aware that while the present intention of the Directors is to pay quarterly distributions, distributions will only be paid having regard to the financial circumstances of the Group and there is no guarantee that any or all distributions will be paid.

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6.4.21 Natural phenomena

There is a risk that natural phenomena may affect an investment. There are certain events for which insurance cover is not available or for which the Group does not have cover. If the Group is affected by an event for which it has no insurance cover, this would result in a loss of capital and a reduction to the Group's net asset values and returns to investors. This could also result in an increase in insurance premiums applicable to other areas of cover.

6.4.22 Property contamination

Property income, distributions or property valuations could be adversely affected by discovery of environmental contamination or incorrect assessment of costs associated with environmental contamination or with property preservation. This risk may occur irrespective of whether the contamination was caused by the Group or prior owners.

6.4.23 Concentration of investments

The Group will concentrate on a select number of property investments comprising of a combination of yield and capital growth-focused assets, with an emphasis on total return. The lower the number of investments the higher the concentration and, in turn, the higher the potential volatility. The strategy of the Group's management team is to actively manage investments to reduce the risk of a decrease in value of an individual investment that could have an impact on the portfolio as a whole.

6.4.24 Utilisation risk

The Group will invest in both drawn and undrawn loans that may be drawn up and down by the borrower over time. Returns will vary depending on the utilisation of such loan facilities and amounts drawn by borrowers.

6.4.25 Investment risk

The value of an investment in the Group and/or the Group's investments may fall over the short or long term for a number of reasons, which means an investor may receive less than their original investment when the Eildon Securities are sold. The price of an individual financial instrument may fluctuate or underperform other asset classes over time. An investor is exposed to these risks through the life of their holding of Eildon Securities in the Group and through the Group's investment strategy.

6.4.26 Performance of other asset classes

Good performance (or anticipated performance) in other asset classes can encourage individuals to divert money away from listed investments such as the Group. This may have a negative impact on any trading of the Eildon Securities.

6.4.27 Insurance

Although the Group will hold insurance over certain of its assets, the extent of any insurance coverage will be limited to the terms and conditions of the insurance policy. Any losses that are incurred by the Group due to uninsured risks may have an adverse effect on the performance of the Group. Any increase in insurance premiums to mitigate an identified risk may also have a negative impact on the Group's performance. An increase in insurance premiums may arise from a claim being made by the Group for any significant loss. Any failure on the part of the Group or companies providing insurance may adversely affect the capacity of the Group to make a claim to recover losses under its policy. All insurance policies have a minimum excess.

6.4.28 Litigation

Whilst under ordinary operation, the Group may become involved in disputes or potential litigation. While the extent of any possible disputes and litigation cannot be ascertained at this time, it is possible that any disputes or litigation may be costly and may adversely affect the income of the Group or the value of its assets.

6.4.29 Compliance risk

EFM as responsible entity for ECT is subject to strict regulatory and compliance arrangements under the Corporations Act and ASIC policy intended to protect investors. EFM is required to, among other things, have in place adequate arrangements for the management of conflicts of interest and operate efficiently, honesty and fairly. Non-compliance by EFM may affect the value of the Eildon Securities. If EFM fails and another replacement responsible entity cannot be found there is a risk of a court ordered wind up of Eildon Capital Trust.

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6.4.30 Cyber risk

There is a risk of fraud, data loss, business disruption or damage to the information of the Group or Eildon Securityholders' personal information as a result of a threat or failure to protect this information or data.

6.4.31 Interest Rates

If the Group provides floating rate loans, as the underlying base rate of these investments rises and falls, the relative attractiveness to other instruments may change. There is a strong correlation between the RBA cash rate and the base rates upon which loans are priced. Absolute returns on loans therefore rise and fall largely in correlation with the RBA cash rate.

To the extent that the Group uses leverage to fund investments, unfavourable movements in interest rates could lead to increased interest expense, to the extent that interest rates are not hedged. This could impact the level of distributions available to Eildon Securityholders.

6.5 General risks

There are a number of general risks applicable to an investment in EDC that are generally applicable to any ASX-listed entity, including those set out below.

6.5.1 General fundamental risks

Underlying risks in the Group's investments may include: Australian and international economic conditions, inflation, interest rates, equity market conditions, environmental concerns, regulatory and compliance issues, geopolitical instability or investor sentiment.

6.5.2 Economy and market conditions

There is a risk that any change or movement in economic or market conditions may have an effect on the returns and values of the Group's investments which may affect the value of Eildon Securities. The performance of the Eildon Securities may be impacted by changing economic or property market conditions. These changes may include movements in interest rates, exchange rates, securities, markets, inflation, consumer spending, employment and the performance of localised economies at a domestic level, as well as an international level.

6.5.3 Tax

There is a risk that taxation treatment of companies or trusts in general could change. Any change in the general treatment of companies or trusts for taxation purposes may impact on investors' returns. There is also a risk that the taxation treatment of the Group in particular may change, which could in turn impact on the treatment of distributions for income tax purposes and the taxation treatment of capital gains to investors.

6.5.4 Legal and other regulatory matters

There is a risk that any changes in law, regulation or government policy affecting the operation of the Group (which may or may not be enforced retrospectively) will have an impact on the investment portfolio of the Group and/or its performance. This may include changes to the tax system.

6.5.5 Accounting Standards

The Accounting Standards to which the Group will adhere to are set by the Australian Accounting Standards Board (AASB) and are consequently outside the control of the Group. Changes to Accounting Standards issued by the AASB or changes to the commonly held interpretation of those standards could materially adversely affect the financial performance and position reported in the Group's financial statements.

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7. Additional information

7.1 Capital structure

As at the Last Practicable Date, EDC's total issued securities consisted of 44,429,247 Eildon Securities.

7.2 Substantial holders of Eildon Securities

As at the Last Practicable Date, and based on information available to EDC, the substantial holders of Eildon Securities, the number of Eildon Securities in which they had a Relevant Interest and their voting power in Eildon is as set out below:

Substantial holder	Number of Eildon Securities	Voting power
Samuel Terry Asset Management Pty Ltd (ACN 108 611 785) as trustee for Samuel Terry Absolute Return Active Fund (ABN 67 302 926 069)	28,026,734	63.08%
Chemical Overseas Limited (ARBN 637 569 085)	3,069,377	6.91%

7.3 Interests of Directors in Eildon Securities

As at the date of this Target's Statement, the Directors had the following Relevant Interests in Eildon Securities.

Name of Director	Number of Eildon Securities
James Davies	51,500
Frederick Woollard	28,026,734[5]
Matthew Reid	6,029
TOTAL	28,084,263

As at the date of this Target's Statement, no Director held any interest in any Performance Rights.

7.4 Dealings by Directors in Eildon Securities

In the 4 month period ending on the date immediately before the date of this Target's Statement, STAM acquired 816,312 Eildon Securities and Mr Davies acquired 1,500 Eildon Securities under the Dividend and Distribution Reinvestment Plan on 22 July 2025.[6]

Other than this dealing, no Director has acquired or disposed of a Relevant Interest in any Eildon Securities in the four month period ending on the date immediately before the date of this Target's Statement.

7.5 Interests and dealings in STAM

As at the date of this Target's Statement, no Director has a Relevant Interest in any STAM Securities, other than Frederick Woollard.[7]

[5] Held by STAM based on Form 604 'Notice of change of interests of substantial holder' filed by EDC with the ASX on 22 September 2025 and Appendix 3Y for Mr Woollard filed by EDC with the ASX on 23 July 2025. Mr Woollard is the Managing Director of STAM and his family trust is the majority shareholder of STAM which owns 28,026,734 Eildon Securities.

[6] Based on Form 604 'Notice of change of interests of substantial holder' filed by EDC with the ASX on 22 September 2025 and Appendix 3Y for Mr Woollard filed by EDC with the ASX on 23 July 2025, and the Appendix 3Y for Mr Davies lodged with the ASX on 23 July 2025. Mr Woollard is the Managing Director of STAM and his family trust is the majority shareholder of STAM which owns 28,026,734 Eildon Securities.

[7] Mr Woollard is the Managing Director of STAM and his family trust is the majority shareholder of STAM.

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7.6 Benefits to Directors

As a result of the Offer, no benefit (other than a benefit which can be given without member approval under the Corporations Act) has been paid or will be paid to any person in connection with the retirement of that person, or someone else, from a board or managerial office of EDC or its related bodies corporate.

There are no agreements made between any Director and any other person in connection with, or conditional upon, the outcome of the Offer other than in their capacity as a holder of Eildon Securities.

None of the Directors have agreed to receive, or are entitled to receive, any benefit from STAM which is conditional on, or is related to, the Offer, other than in their capacity as a holder of Eildon Securities.

None of the Directors (other than Mr Woollard) has any interest in any contract entered into by STAM. Refer to Section 1.3 for further information.

7.7 Material litigation

As at the Last Practicable Date, EDC is not aware of any material disputes or litigation being undertaken, commenced or threatened against EDC or any of its Related Bodies Corporate

7.8 Consents to be named

Jones Day has given and has not, before the lodgement of this Target's Statement with ASIC, withdrawn its written consent to be named in this Target's Statement in the form and context in which it is named as the legal adviser to EDC. Jones Day has not caused or authorised the issue of this Target's Statement, does not make or purport to make any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based and takes no responsibility for any part of this Target's Statement other than any reference to its name and to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding and takes no responsibility for any part of this Target's Statement, other than a reference to its name.

Grant Thornton Corporate Finance Pty Ltd (**Grant Thornton**) has given, and not withdrawn before the lodgement of this Target's Statement with ASIC, its written consent to be named in this Target's Statement in the form and context in which it is named as the Independent Expert and to the inclusion of the Independent Expert's Report, as set out in Appendix 1 to this Target's Statement. Grant Thornton has not authorised or caused the issue or preparation of this Target's Statement and, to the maximum extent permitted by law, expressly disclaims, and takes no responsibility for, any part of this Target's Statement other than the references specified above.

7.9 Legislative relief

As permitted by *ASIC Corporations Takeover (Takeover Bids) Instrument 2023/683* (***ASIC Instrument 2023/683***), this Target's Statement contains statements which are made, or based on statements made, in documents lodged by STAM with ASIC or given to the ASX. Pursuant to *ASIC Instrument 2023/683* , the consent of STAM is not required for the inclusion of such statements in this Target's Statement. As required by *ASIC Instrument 2023/683*, any Eildon Securityholder who would like to receive a copy of any of those documents (or relevant extracts from those documents) may obtain a copy (free of charge) during the Offer Period by contacting Varun Sachdev, CEO, on +61 403 541 026 or vsachdev@eildoncapital.com between 8.30am and 5.00pm (Melbourne time) Monday to Friday.

7.10 Continuous disclosure

EDC is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed entity, EDC is subject to the ASX Listing Rules which require continuous disclosure of any information Eildon has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities (subject to certain exceptions).

Copies of the documents filed with ASX by EDC may be obtained from the ASX website at www.asx.com.au (ASX code: EDC) or from the Eildon website at www.eildoncapital.com. EDC's ASX announcements between the announcement of the Offer on 8 September 2025 and the Last Practicable Date are listed in Appendix 2.

7.11 Other material information

This Target's Statement is required to include all the information that Eildon Securityholders and their professional advisers would reasonably require to make an informed assessment of whether to accept the Offer, but:

- only to the extent to which it is reasonable for Eildon Securityholders and their professional advisers to expect to find this information in this Target's Statement; and
- only if the information is actually known to any Director.

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The Board is of the opinion that the information that Eildon Securityholders and their professional advisers would reasonably require to make an informed assessment whether to reject the Offer is:

- the information contained in the Bidder's Statement;
- the information contained in this Target's Statement; and
- the information contained in Eildon's releases to the ASX prior to the date of this Target's Statement.

The Board has assumed, for the purposes of preparing this Target's Statement, that the information in the Bidder's Statement is accurate. However, the Directors do not take any responsibility for the contents of the Bidder's Statement and are not taken to be endorsing, in any way, any or all of the statements contained in it.

In deciding what information should be included in this Target's Statement, the Directors have had regard to:

- the nature of the Eildon Securities;
- the matters that Eildon Securityholders may reasonably be expected to know;
- the fact that certain matters may reasonably be expected to be known to Eildon Securityholders' professional advisers; and
- the time available to EDC to prepare this Target's Statement.

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8. Glossary and interpretation

8.1 Glossary

The meanings of the following capitalised terms used in the Target's Statement are as follows:

AFSL means Australian Financial Services Licence.

ASIC means Australian Securities and Investments Commission.

Associate has the meaning given to it in section 12 of the Corporations Act.

ASX means ASX Limited (ABN 98 008 624 691) and, where the context requires, the securities exchange operated by it.

ASX Listing Rules means the Listing Rules of the ASX.

ASX Settlement Rules means the operating rules of the settlement facility provided by ASX Settlement, such rules being known as the 'ASX Settlement Operating Rules' as at the date of the Bidder's Statement.

Bidder's Statement means the:

- bidder's statement prepared by STAM dated 8 September 2025; and
- supplementary bidder's statement prepared by STAM dated 3 October 2025.

Board means the board of Directors of ECL and EFM.

Business Day means any day that is each of the following:

- a 'Trading Day' within the meaning of the ASX Listing Rules; and
- a day that is not a Saturday, Sunday or a public holiday or bank holiday in Sydney, New South Wales.

Controlling Participant has the meaning given in the ASX Settlement Rules. Usually your Controlling Participant is a person, such as a broker, with whom you have a sponsorship agreement (within the meaning of the ASX Settlement Rules).

Corporations Act means *Corporations Act 2001* (Cth).

Director means a director of ECL and EFM.

ECL means Eildon Capital Limited ACN 059 092 198.

ECT means Eildon Capital Trust ARSN 635 077 753.

EFM means Eildon Funds Management Limited (ACN 066 092 028).

Eildon, EDC or Group means the stapled group comprising ECL and ECT.

Eildon Security means a fully paid stapled security comprising a fully paid ordinary share in ECL and a fully paid ordinary unit in ECT.

Eildon Securityholder means a person who is registered as a holder of Eildon Securities from time to time.

IBC or **Eildon Independent Board Committee** means the independent board committee of Eildon formed to consider the Offer on behalf of Eildon Securityholders, comprising Mr Matthew Reid.

Independent Expert means Grant Thornton Corporate Finance Pty Ltd.

Independent Expert's Report means the independent expert's report prepared by the Independent Expert contained in Appendix 1 to this Target's Statement.

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Last Practicable Date means 6 October 2025.

NAV means net asset value.

Offer means the off-market takeover offer by STAM to acquire all Eildon Securities, under Chapter 6 of the Corporations Act on the terms and conditions set out in the Bidder's Statement.

Offer Period means the period during which the Offer will remain open for acceptance in accordance with Section 7.2 of the Bidder's Statement.

Offer Price means the consideration offered under the Offer, being $0.875 cash for each Eildon Security.

Performance Rights means performance rights convertible into Eildon Securities.

Prescribed Occurrence has the meaning given in the Bidder's Statement.

Register Date means the date set by STAM under section 633(2) of the Corporations Act as the date for determining the persons to whom the Bidder's Statement and the Target's Statement will be sent, being 8.00am (Sydney time) on 9 September 2025.

Related Body Corporate has the meaning given to it in the Corporations Act.

Relevant Interest has the meaning given to it in sections 608 and 609 of the Corporations Act.

STAM means Samuel Terry Asset Management Pty Ltd (ACN 108 611 785) as trustee for Samuel Terry Absolute Return Active Fund (ABN 67 302 926 069).

STAM Securities means the securities of:

- Samuel Terry Asset Management Pty Ltd (ACN 108 611 785); or
- Samuel Terry Absolute Return Active Fund.

Target's Statement means this document.

8.2 Interpretation

In this Target's Statement, unless the context otherwise requires:

- headings and bold type used in this Target's Statement are inserted for convenience and do not affect the interpretation of this Target's Statement;
- words or phrases defined in the Corporations Act have the same meaning in this Target's Statement;
- a reference to a Section is a reference to a section of this Target's Statement;
- a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- the singular includes the plural and vice versa;
- the word "person" includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any government agency;
- words of any gender include all genders;
- a reference to time is a reference to Sydney, Australia time; and
- Australian dollars, dollars, A$, $ or cents is a reference to the lawful currency of Australia.

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9. Authorisation

This Target's Statement has been approved by a resolution passed by the Board of Eildon Capital Limited and Eildon Funds Management Limited.

Signed for and on behalf of Eildon Capital Limited and Eildon Funds Management Limited as responsible entity for Eildon Capital Trust:



Matthew Reid
Chair of the Eildon Independent Board Committee
7 October 2025

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Appendix 1 – Independent Expert's Report

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Eildon Capital Group

Independent Expert's Report and Financial Services Guide

7 October 2025

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Grant Thornton

Independent Board Committee
Eildon Capital Group
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7 October 2025

Introduction

All capitalised items in this report are defined in the glossary included in Appendix D.

1.1 Eildon Capital Group is an ASX-listed specialist real estate investment business with investment activity that covers both credit and equity exposure to real estate and development assets. EDC is a stapled group formed by Eildon Capital Limited (ECL) and Eildon Capital Trust (ECT). As at 30 June 2025, the Group's investment portfolio totalled approximately A$26.8 million, with NTA per EDC Stapled Security of A$0.90. The Group is internally managed by Eildon Funds Management Limited (EFM), which is the fund manager for EDC and the responsible entity for ECT. EFM has historically provided funds management services to external investors, however, as at the time of writing EFM no longer has material external funds management operations.

1.2 Samuel Terry Asset Management Pty Ltd, as trustee for the Samuel Terry Absolute Return Active Fund (STAM), is a boutique investment management company based in Sydney and was established in April 2004. On 8 September 2025, STAM announced that it would be undertaking an off-market takeover offer to acquire all of the fully paid ordinary EDC Stapled Securities on issue that it did not already own at a price of A$0.80 per EDC Stapled Security. On 3 October 2025, STAM released a Supplementary Bidder's Statement that announced in increase in the Offer Price to A$0.875.[1] The Supplementary Bidder's Statement did not include any other material changes to the Offer. Immediately prior to announcing the Offer, STAM was EDC's largest Securityholder and owned approximately 63.08% of EDC Stapled Securities on issue. The Offer is subject only to the Bidder (together with its Associates), during at the end of the Offer Period, acquiring a relevant interest in at least 90.80% of the EDC Stapled Securities, and no prescribed occurrences in relation to EDC before the end of the Offer Period (see the Bidder Statement for further detail).

1.3 The Group has formed an IBC comprising independent, non-executive director Matthew Reid to evaluate and respond to the Offer. Subject to no superior proposal emerging and an Independent Expert concluding and continuing to conclude that the Offer is fair and reasonable to EDC Independent Securityholders, the IBC recommends that Independent Securityholders accept the Offer. Subject to the same qualifications, Mr

[1] Any reference to the "Offer Price" herein will refer to the increased cash consideration of A$0.875 per EDC Stapled Security announced in the Supplementary Bidder's Statement.

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Reid (being the sole member of the IBC) intends to accept the Offer with respect to all the EDC Stapled Securities held or controlled by him at the time of the Offer.

Purpose of the Report

1.4 The Independent Board Committee has engaged Grant Thornton Corporate Finance to prepare an Independent Expert's Report to assist Independent Securityholders to assess the merits of the Offer, and whether the Offer is fair and reasonable to Independent Securityholders for the purposes of Section 640 of the Corporations Act.

1.5 When preparing this IER, Grant Thornton Corporate Finance has had regard to the Australian Securities and Investment Commission's Regulatory Guide 111 Contents of expert reports and Regulatory Guide 112 Independence of experts. The IER also includes other information and disclosures as required by ASIC.

Summary of opinion

1.6 **Grant Thornton Corporate Finance has concluded that the Offer is FAIR AND REASONABLE to the Independent Securityholders in the absence of a superior alternative proposal emerging.**

Fairness Assessment

1.7 In accordance with the requirements of the RG 111, in forming our opinion in relation to the fairness of the Offer to Independent Securityholders, Grant Thornton Corporate Finance has compared the value per EDC Stapled Security before the Offer on a control basis to the Offer Price.

Figure 1 - Fairness assessment

Fairness assessment A$ per EDC Stapled Security (unless otherwise stated)	*Section reference*	Low	High
Fair market value of EDC Stapled Security (control basis)	7	0.788	0.906
Cash consideration per Stapled Security	2	0.875	0.875
Premium/(discount)		**0.087**	**(0.031)**
Premium/(discount) (%)		11.0%	(3.4%)
FAIRNESS ASSESSMENT		**FAIR**	

Source: GTCF analysis.

1.8 The Offer Price of A$0.875 per EDC Stapled Security is within the range of fair market values for EDC on a control basis. Accordingly, we conclude that that Offer Price is FAIR to EDC Independent Securityholders.

1.9 Independent Securityholders should be aware that our assessment of the value of EDC should not be considered to reflect the price at which EDC will trade on the ASX if the Offer lapses. The price at which EDC will ultimately trade depends on a range of factors, including the available public market for the EDC Stapled Securities, macroeconomic conditions, and the performance of the business.

Valuation of EDC prior to the Offer on a control basis

1.10 In assessing the value of EDC we have considered the market value of the business in an orderly realisation of the assets, which has included consideration of the market value of EDC's property investments, as well as the market value of other net assets and liabilities as at August 2025 on an orderly

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realisation basis, including a review and adjustment (where applicable) of the carrying value of EDC's credit investment portfolio and EDC's direct equity investments. In our valuation on an orderly basis, we have included an allowance for the expenses that are likely to be occurred to realise the Group's assets.

1.11 The following table sets out a summary of our valuation assessment.

Figure 2 – Summary of our valuation assessment

Fair market value assessment of EDC (control basis) A$ '000 (unless otherwise stated)	*Section reference*	Low	High
Eildon credit investments			
Kings/Newport Village	*7.5*	3,006	8,255
Malvern Road, Toorak (Senior facility)	*7.11*	7,075	7,075
Malvern Road, Toorak (Preference equity)	*7.11*	4,834	4,834
Hamilton Queensland	*7.13*	3,016	3,016
Eildon equity investments			
Eildon Health & Education Fund	*7.16*	1,699	1,699
Burnley Maltings	*7.21*	1,450	1,450
Burdekin	*7.24*	9,720	9,720
Total EDC property investments		**30,799**	**36,048**
Add: other assets and liabilities	*7.27*	3,004	3,004
Less: expenses incurred in orderly realisation[1]	*7.32*	1,207	1,207
Fair market value of EDC Stapled Securities		**35,010**	**40,259**
Ordinary Stapled Securities on issue		44,429	44,429
Fair market value per EDC Stapled Security (A$)(control basis)		**0.788**	**0.906**

Source: Management information, audited financial statements, GTCF analysis
Notes: (1) Expenses occurred in an orderly realisation have been calculated on a post-tax basis.

EDC's credit investments

1.12 We have undertaken a detailed assessment of the balance sheet value for EDC's loan portfolio and have adopted a market value in line with the balance sheet carrying values for the Malvern Road senior debt loan and the Hamilton Queensland loan. With respect to the Kings/Newport Village loan and Malvern Road (preference equity) loans, we have made the following adjustments:

- *Kings/Newport Village* - The carrying value of EDC's loan in Kings/Newport Village as at 30 June 2025 was approximately A$8.2 million, which was based on the outstanding balance of the loan of A$12.6 million net of a provision of approximately A$4.4 million. NAB is the senior lender on the asset and it ranks ahead of EDC's mezzanine facility. The loan was originally due to mature in November 2024, before being extended to March 2025, and then extended again to September 2025 in order to allow time to explore a sale process. As part of the September extension agreement, the borrower agreed to make a A$1.5 million repayment by 30 June 2025, which, at the date of this Report, has not occurred and the borrower has indicated that it is not in a position to make this payment in the near-term.

  As part of the process of preparing the FY25 financial accounts, EDC undertook an assessment of the potential impairment of the EDC mezzanine loan under various property valuations, ranging between the most recent valuation at the low-end and the FY24 valuation at the high-end. To estimate the provision, the Group applied a probability weightings approach with approximately equal weightings attributed to each valuation scenario.

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In our valuation assessment, at the high-end of our range we have maintained the carrying value adopted in the FY25 audited accounts. At the low end of our range, we have recalculated the potential provision that would be required if, using Management's own provision calculations, we applied a 100% probability weighting to the most recent valuation. We consider it appropriate to incorporate a reduction in the value of the property at the low-end of our range, considering: 1) The recent depressed real estate markets for this type of development in Melbourne; and 2) EDC's loan to the borrower does not include any personal guarantees with the borrower or directors of legal entities associated with the borrower; 3) The recent valuation report notes that the existing development plans would be unfeasible in the current economic environment, and development would require new planning approvals to replace the apartment component of the asset with townhouses, which we understand the current developer is also pursuing; 4) As at the time of writing, the borrower remains unable to make to partial repayment of A$1.5 million agreed to as part of the most recent loan extension to September 2025; and 5) Management have also engaged sales agents on an informal basis to gauge the agents' opinions on what sales price would likely be achieved if the parcel of land was sold in its current state. We understand that the feedback was supportive of a sales price in line with the recent valuation. Further, outcomes from the expression of interest campaign to date appear to reaffirm that any hypothetical sale price achieved is likely to be in line with the recent valuation.

We note that on 6 October 2025 EDC released an announcement on the ASX with an update on the Kings/Newport Village loan facility. The Group noted that the borrower on the facility (Kings Investment Partnership) had informed the Group that it has been issued a notice of default due to non-payment of interest and land tax in relation to the stage 1 townhouses completed on the Kings/Newport Village site. Importantly, we note that EDC is not a lender on the stage 1 townhouses project. Further, the underlying security for the default is not part EDC's mezzanine loan facility. Although EDC is not a lender on the loan in default, and the underlying security is not a security on any of EDC's loans, we consider this recent announcement further support that a valuation for the nearby Kings/Newport Village property that is part of EDC's loan portfolio is warranted at the low end of the range.

- *Malvern Road (preference equity)* - At both the high and low end of our range, we have reviewed Management's calculations for the future settlement of four recently sold apartments, as well as hypothetical sale scenarios for the three apartments that remain unsold as at the date of this Report. These calculations assume that the remaining apartment sales will occur at an average discount to the most recent apartment valuations of c. 10%. We consider this assumed discount to valuation appropriate, particularly given the four most recent actual sales occurred at or below valuation by, on average, a similar discount.

EDC's equity investments

1.13 As part of our valuation assessment, we have considered the following adjustments to EDC's equity investments:

- *Eildon Health & Education Fund* - We have adopted a market value of c. A$1.7 million of EDC's investment in the MNL Property Trust. This represents EDC's 19.9% entitlement to the net assets of the trust, with a discount for lack of control. We consider it reasonable to apply a discount for lack of control given EDC is a genuine minority equity partner in the trust and does not have any special rights or obligations for equal control or voting power. If EDC were to market their equity stake in the MNL Property Trust on a standalone basis, we consider that a pool of potential purchasers would apply a discount to the net asset position of the fund to reflect this minority position.

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- *Burnley Maltings* - We have adopted a market value of c. A$1.5 million for EDC's investment in the Burnley Maltings development. This represents EDC's 16.1% entitlement to the net assets of the underlying corporate entity that owns the development. We note that we have adjusted the underlying NTA of the company by updating the property valuation from the cost basis at which it is carried, to the most recent market valuation of the land on an 'as is' basis at March 2025. We have also applied a minority discount to this asset to reflect EDC's minority position in the investment, for the same reasons as discussed for the Eildon Health & Education Fund above.

  The Group carries this asset on the balance sheet based on the cost of the investment to date. These costs were incurred over the period 2018 to 2021. We consider it appropriate to update the value of the property from the carrying value, considering a more contemporaneous market valuation of the property is available, and the amount of time that has passed since the investment costs were incurred.

- *Burdekin* - We have adopted a market value of approximately A$9.7 million, which reflects EDC's 90% stake in the net equity value of the property, being A$10.8 million, which is due to settle imminently. This investment did not appear in the Group's most recent audited financial accounts as the purchase occurred post June 2025. The purchase is due for settlement at the end of October 2025, which is the time of writing, and as such, we have adopted the actual total proceeds assumed to be paid on settlement for the purposes of our valuation. We note that the proceeds to fund the settlement will come from the Group's cash balance which has been reduced accordingly.

1.14 Other assets and liabilities consist primarily of cash of A$1.9 million (net of the cash payment owing on settlement of the Burdekin purchase in late October 2025), and a financial asset of approximately A$1.1 million that represents the loan EDC has extended to AAG to pay for their 10% equity portion of the Burdekin transaction upfront. Other assets and liabilities consist of assets and liabilities typically incurred in the ordinary course of business, such as trade payables and receivables, that would be paid or received in an orderly realisation of the assets of the Group.

1.15 As part of our valuation assessment on an orderly realisation basis, we have included an allowance for expenses that are likely to be incurred during the orderly realisation of assets. We have assumed orderly realisation would occur over a period of 12 months. The adopted expenses include an estimate for run-off insurance (which would allow EDC to maintain their insurance for any claims that may arise from past business activity), legal and accounting fees and salaries and other employee payments that would be incurred in maintaining staff required for the orderly realisation of assets.

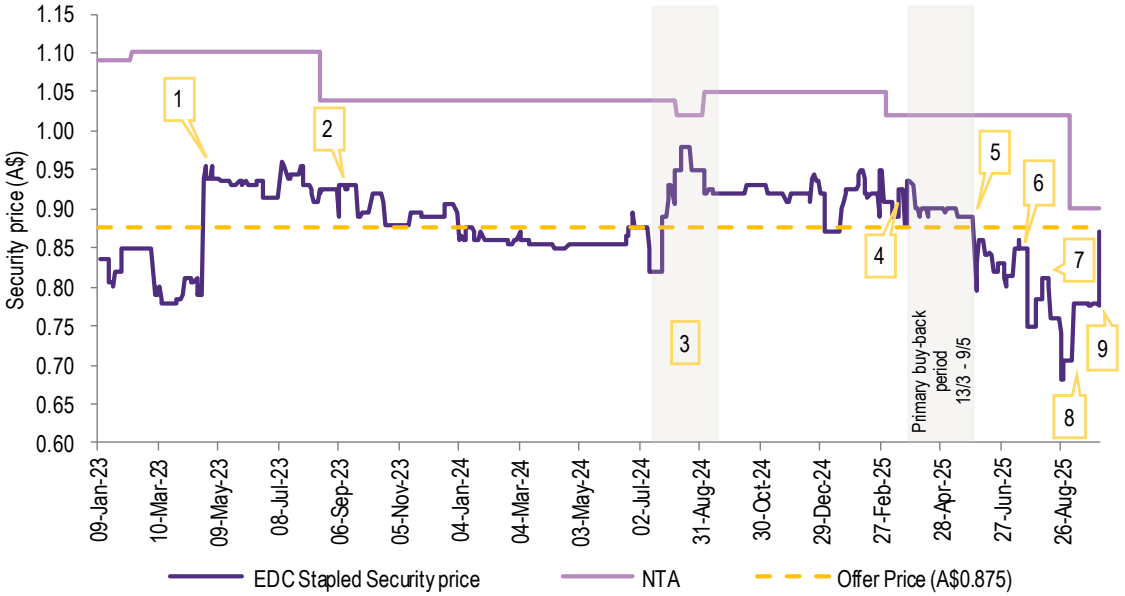
Analysis of EDC's trading prices

1.16 To support our conclusion, we have also reviewed the trading prices on the ASX. Whilst, we have concluded that there is limited liquidity for EDC Stapled Securities given the relatively low level of free float and the infrequency of trading, we are of the opinion that the analysis below is still beneficial for the Independent Securityholders.

1.17 Trading prices have been volatile over the three-to-four-month period before the announcement of the Offer, although there has been a clear and sustained decline which is likely to reflect the market reaction to the significant structural change that has occurred in the Group over the last twelve months. We have presented below an analysis of the trading prices of EDC Stapled Securities January 2023, prior to the first STAM off-market takeover bid, alongside the reported NTA over the same period, as well as the Offer Price.

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Figure 3 – EDC Stapled Security historical trading prices compared to NTA and the Offer Price



Source: S&P Capital, GTCF analysis
Notes: (1) 24 April 2023: First STAM off-market takeover bid at A$0.93 per security. (2) 24 August 2023: FY23 results announced. (3) 24 June 2024 to 26 August 2024: Management changes announced, media speculation on potential transactions with Trilogy, FY24 results announced. (4) 25 February 25: H1 FY25 results announced. (5) 2 June 2025: the start of the persistent decline in trading prices. (6) 1 July 2025: update on Kings, with potential provisions announced. (7) 13 August 2025: Operational update and structural changes, Burdekin purchase announced. (8) 8 September 2025: Bidder Statement released (Offer announced). (9) 3 October 2025: Supplementary Bidder Statement released (Offer Price increased to A$0.875. We note that the reference price for 3 October 2025 in this chart was observed at 3:10pm, before the daily close of trading on the ASX. As such, the closing price on the day may differ to the figure reference in this chart.

1.18 As the chart above demonstrates, EDC Stapled Securities traded within a relatively narrow range of A$0.90 to A$0.95 over the period 27 August 2024 (the day the FY24 results were released), and 2 June 2025. During this period, and more specifically between the March 2025 and early May 2025, Management undertook the majority of the buying that resulted in 3.66 million EDC Stapled Securities being bought back during FY25 for an average price of approximately A$0.90 per EDC Stapled Security. We understand that Management's primary reasons for undertaking the buyback activity, among others, were to enhance the Group's ability to return capital to Securityholders in an efficient manner and create an extended period of liquidity for Securityholders.

1.19 Early June marked the beginning of a gradual decline in trading prices for EDC Stapled Securities, when trading prices dropped from c. A$0.89 to A$0.80. Trading prices generally continued to decline up to 1 July 2025, when the Group released an update on provisions for the Kings/Newport Village project and other Melbourne based assets in the FY25 accounts. Mid-July to mid-August 2025 saw a period of relatively volatile price activity, with trading prices further decreasing between A$0.75 and A$0.85.

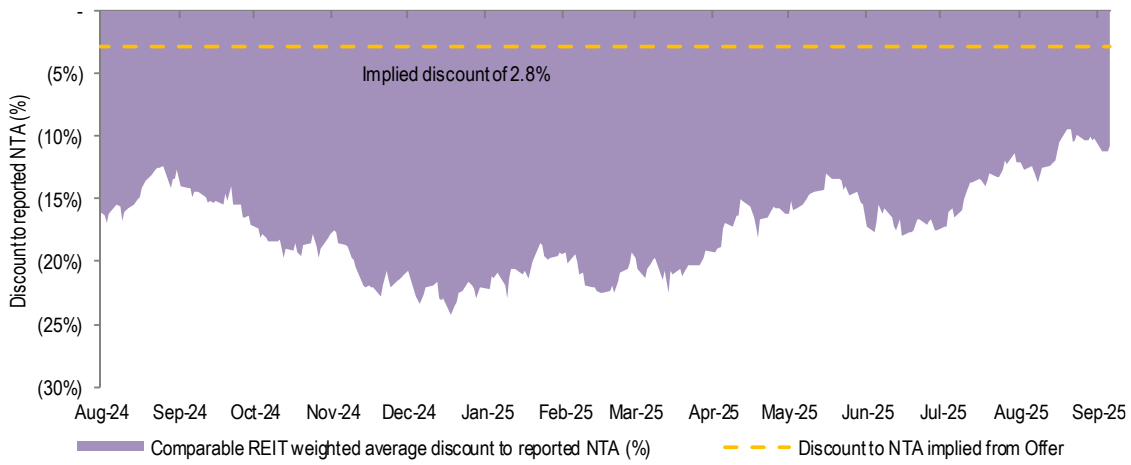
1.20 Then, on 13 August 2025, the Group released an announcement informing the market of the purchase of the Burdekin asset, as well as an operational update that that would reposition the Group as a low cost, listed investment platform that focused on smaller scale, primarily third-party sourced investment opportunities. The Group announced that the lighter operating model would result in a material reduction in the scale of the business. The market reacted negatively to this news with trading prices declining 5.0% on the day. In our view, it is likely that, as a result of this announcement, the market began to anticipate a significant reduction in NTA. On 26 August 2025, the Group released the FY25 financial results, which reported a reduction in NTA from A$1.05 to A$0.90 per EDC Stapled Security. After the announcement, trading prices declined from A$0.74 to A$0.68, where prices generally remained up until the release of the Bidder Statement on 8 September 2025.

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1.21 In our view, although trading prices have been somewhat volatile over the three-to-four-month period before the announcement of the Offer, and notwithstanding the low level of liquidity, there has been a clear and sustained decline in trading prices that is likely to reflect the market reaction to the significant structural change that has occurred over the last 12 months, as opposed to temporary dislocation. Although prices appear to remain stable up to June 2025, we consider it likely that this was driven by investors waiting for news or updates from the Group with respect to the strategy to redeploy the proceeds from previous asset sales and the support from the on-market buyback. When the new strategy and changes in the operating structure of the business were announced, a volatile but persistent decline in trading prices occurred.

1.22 Having considered the recent nature of the decline in trading prices, we note that the Offer Price is at a sizeable premium to trading prices before the announcement of the Offer of approximately 24%. Given the low level of liquidity, there could be limited opportunities for Independent Securityholders to exit at such premiums in the future. Moreover, as can be seen in the chart below, while the Offer is at a small discount to NTA, this discount is materially narrower than the trading discount to NTA observed in a group of listed comparable REITs.

Figure 4 – Analysis of EDC discount to NTA against REIT peers



Source: S&P Global, GTCF analysis.
Notes (1): The comparable REIT average discount to NTA is based on the discount to NTA of select peers, proportionally weighted by the size of the respective market capitalisations to the total market capitalisation of the peers. The group includes Centuria Industrial REIT, Centuria Office REIT, Garda Property Group, Growthpoint Properties Australia, BWP Trust, Carindale Property Trust, Charter Hall Retail REIT, HomeCo Daily Needs REIT, Dexus Industria REIT and HealthCo Healthcare & Wellness REIT, which are discussed in further detail in Appendix B.

1.23 In our opinion, the above analysis supports our fairness assessment.

Reasonableness Assessment

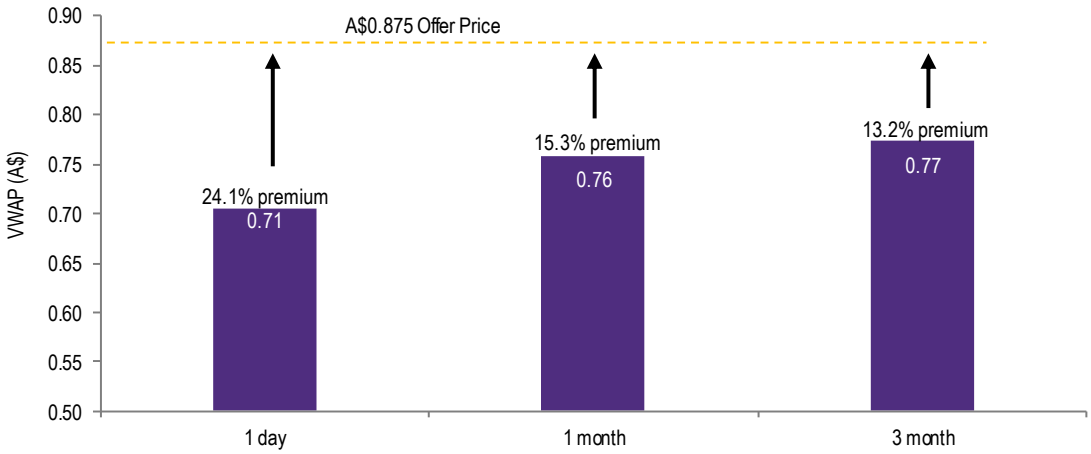
Advantages

Premium to trading prices before announcement of the Offer

1.24 The Offer is at a premium to recent trading prices before the announcement. The following graph shows the implied premium to one day, one-month, and three-month volume weighted average trading prices before 29 August 2025 (the last day with trading volume prior to announcement of the Offer).

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Figure 5 – GT assessed value per EDC Stapled Security (control basis) and implied premium for control



Source: S&P Global, GTCF analysis.
Note (1): As at 7 September 2025.

1.25 Given the limited liquidity in the trading prices and the controlling interest already held by STAM, it is unlikely that the Independent Securityholders may be able to exit their investments at a premium to the trading prices. Further, the premium to 1 day trading prices immediately prior to announcement of the Offer is broadly in line with observed premiums for control on successful takeovers in Australia, which are frequently in the range of 20% to 40%, despite STAM already owning a controlling stake in the Group. As such, EDC Independent Securityholders are effectively being paid a premium for control despite their collective minority ownership of the Group.

Certainty of cash consideration

1.26 Independent Securityholders have the opportunity to receive a fixed cash consideration at a premium to the trading price of EDC before announcement of the Offer, and at a premium to the price that EDC Stapled Securities may trade in the short term in the absence of the Offer or an alternative transaction. If Independent Securityholders accept the cash consideration, they are no longer exposed to the risks associated with holding an investment in EDC which include, but are not limited to:

- *Revenue and asset realisation risk* - EDC reported a FY25 net loss of c. A$5.7 million, including a c. A$5.9 million provision against loans and A$0.4 million in disposal costs from the Trilogy Funds transaction. The sale of four platform funds to Trilogy Funds Group removes a significant income stream and introduces uncertainty around future funds management revenue. This transaction included the sale of management rights and co-investment stakes in the Berwick Motor Trust, Elara Village Property Fund, Caboolture Property Fund and Harpley Town Centre Property Trust. Similarly, the outsourcing agreement to externalise management of the Eildon Debt Fund to Benchmark Property Group further limited the earnings streams available to EDC. This agreement is set to expire at the end of October 2025, at this stage, it is uncertain whether EDC will renew this outsourcing agreement. If the outsourcing agreement is not renewed, the increase in EDC earnings from the funds management platform (by no longer having to pay a fixed monthly fee to the external funds manager) would not be material. Additionally, several of the Group's credit loans are due to mature in the short term, however, it appears several of those may be extended to allow sufficient time for the borrowers to recapitalise or sell the underlying assets to repay creditors, which presents a potential timing risk for EDC with respect to recovery of the current investment portfolio.

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- *Control of a major shareholder* - Samuel Terry Asset Management (STAM) is EDC's major shareholder who, at the time of the Offer, owns 63.08% of the outstanding EDC Stapled Securities. This controlling interest reduces the takeover contestability of the Group as a change of control transaction will not occur without the agreement of STAM. If Independent Securityholders do not accept the Offer, there is no guarantee that minority Independent Securityholders will have a similar opportunity to exit their investment at a premium to trading prices going forward, and any further reduction in free float (as STAM increase their ownership position as a result of the Offer) may result in further reduced liquidity for Independent Securityholders, with an adverse impact on the trading prices. Accepting the certainty of the cash consideration under the Offer mitigates this risk for Independent Securityholders.

- *Potential increased regulatory risk* - In light of the private creditor sector's growing exposure to higher-risk property and development loans, a recent report by ASIC has raised significant concerns about private credit real estate lending. The report indicates that the sector currently operates below international standards, particularly in relation to portfolio transparency and loan valuation practices, highlighting the need for consistent and independent loan valuations, regular disclosure of fund composition, and greater transparency around mezzanine debt, equity holdings, and related-party transactions. As a result, the sector is expected to face a level of regulatory oversight not previously experienced, particularly in relation to improved investor disclosure. Less "red tape" is often seen as an advantage of current non-bank lenders compared to traditional bank lenders, therefore increasing regulation has the potential to diminish part of the sector's current competitive advantage. Further, this increased level of regulatory oversight is likely to lead to increased expenses related to regulatory requirements for private real estate credit lenders. EDC Independent Securityholders that accept the Offer will receive certainty of cash consideration and will not face the risks of increased sector regulation that will be faced by shareholders and securityholders in the industry going forward.

- *Lack of depth in the Management team* - The business has undergone substantial transformation over the past two years and is currently led by the CEO with limited additional C-Suite support and supervised by a Board comprising three non-executive directors. While this structure has enabled agility, the limited depth in the executive may present strategic challenges given the breadth and complexity of the Group's asset portfolio. The portfolio spans residential, agriculture, childcare and commercial sectors, and includes both private credit and direct equity investments. Each of these sectors and investment strategies requires specialised expertise, and the current resourcing model may constrain the Group's ability to fully leverage opportunities or respond to emerging risks across its diverse holdings.

No brokerage costs

1.27 EDC Independent Securityholders will be able to realise their investment in EDC without incurring any brokerage or stamp duty costs.

Disadvantages

Lack of participation in future potential growth of the business

1.28 Notwithstanding the discussion above, by accepting the Offer, Independent Securityholders forgo their exposure to any future growth and value creation. EDC recently invested in the A$20.8 million Burdekin joint venture, and holds equity in Burnley Maltings, a residential development due for completion in 2027. These initiatives, alongside its repositioning as a low-cost listed investment platform targeting high-yielding private market opportunities, may potentially create value for EDC Securityholders.

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1.29 Further, EDC remains invested (via credit financing or direct equity interest) in several large development projects that are in the early stages of development, such as the Kings/Newport Village and Burnley Maltings developments. It is possible that such early-stage development projects may still represent significant opportunities for the business, and, with patient capital partners, funding and a favourable economic environment going forward, may yet generate significant profits to investors.

Lack of recognition of value for the funds management platform

1.30 As part of our valuation assessment, we have not attributed any value to the funds management platform, which has undergone significant consolidation over the past two years reducing FUM from A$387 million in June 2024 to c. A$76 million in August 2025, with half of the FUM relating to EDC's own co-investments. The balance of the FUM generates recurring management fee of only c. A$0.1 million derived primarily from three assets being the Eildon Health & Education Funds, Kings/Newport Village, and Hamilton. Two of them are expected to mature in the near-term which will leave the Group with effectively nil recurring funds management fees. Therefore, while the funds management platform remains operational, we do not consider that investors, or a pool of potential purchasers, will attribute any value to the funds management business going forward.

Other factors

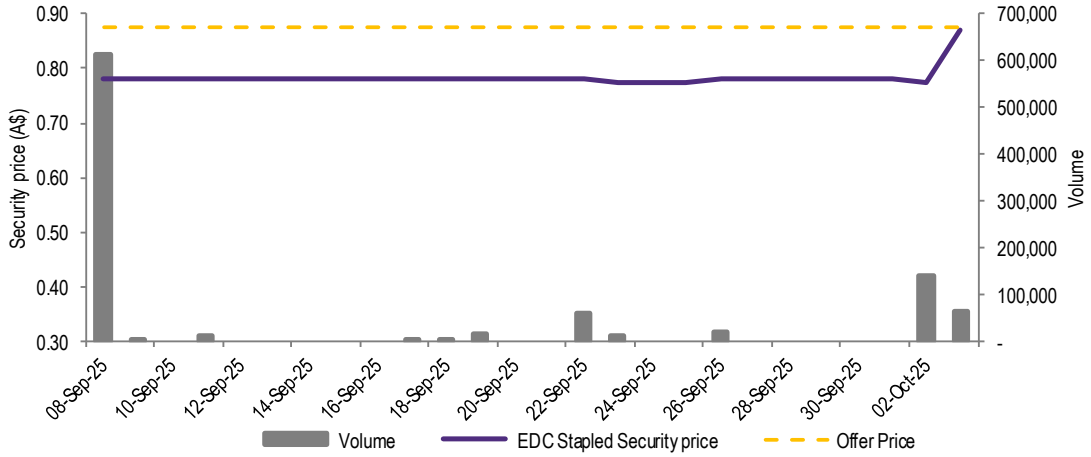
EDC Stapled Security price after the announcement

1.31 Following the announcement of the Offer on 8 September 2025, the trading price of EDC Stapled Securities increased by approximately 14.7% to A$0.78. Between 8 September and 3 October, EDC Stapled Securities traded marginally below the Offer Price, which is usually indication of general support from investors, a perceived low risk of the Offer not becoming unconditional, and limited expectations for a superior proposal. On 3 October the EDC Stapled Security price increased to A$0.87[2] to reflect the announcement of the increase in the Offer Price, an even smaller discount to the newly announced Offer Price, indicating strong sentiment among market participants that the Offer will become unconditional.

[2] As at 3:11pm on 3 October 2025, which we note is prior to the close of daily trading on the ASX. The observed closing price on 3 October 2025 may ultimately differ from this figure.

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Figure 6 – The Group's trading price after the announcement of the Offer



Source: S&P Global, GTCF analysis.

Prospects of a superior offer

1.32 Whilst there is no legal impediment to an alternative proposal being submitted by potentially interested parties, this is difficult to actually eventuate given the significant majority ownership position of the Bidder (63.08%). We note that as announced in the Supplementary Bidder Statement, STAM have increased the Offer Price from A$0.80 to A$0.875. This subsequent increase in the Offer Price to only a small discount to EDC NTA at the time of the Offer significantly diminishes the likelihood of any further improvement of the Offer Price from STAM.

Tax implications

1.33 Acceptance of the Offer may trigger a capital gains tax liability for EDC Securityholders. Tax outcomes will vary based on individual circumstances and other factors. Securityholders should review the tax overview in the Target's Statement and seek independent financial and tax advice.

Conclusion on the reasonableness

1.34 Based on the qualitative factors identified above, it is our opinion that the **Offer is REASONABLE**.

Other matters

1.35 Grant Thornton Corporate Finance has prepared a Financial Services Guide in accordance with the Corporations Act. The Financial Services Guide is set out in the following section.

1.36 In preparing this Report, we have considered the interests of Independent Securityholders as a whole. Accordingly, this Report only contains general financial advice and does not consider the personal objectives, financial situations, or requirements of individual Independent Securityholders.

Yours faithfully

GRANT THORNTON CORPORATE FINANCE PTY LTD



ANDREA DE CIAN

Director



MARK BUTTERFIELD

Director

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Financial Services Guide

Grant Thornton Corporate Finance Pty Ltd

Grant Thornton Corporate Finance carries on a business, and has a registered office, at Level 26, 225 George Street, Sydney NSW 2000. Grant Thornton Corporate Finance holds Australian Financial Services Licence No 247140 authorising it to provide financial product advice in relation to securities and superannuation funds to wholesale and retail clients.

Grant Thornton Corporate Finance has been engaged by EDC to provide general financial product advice in the form of an Independent Expert's Report in relation to the Offer. This report is included in the Target's Statement.

Financial Services Guide

This Financial Services Guide has been prepared in accordance with the Corporations Act, 2001 and provides important information to help retail clients make a decision as to their use of general financial product advice in a report, the services we provide, information about us, our dispute resolution process and how we are remunerated.

General financial product advice

In our Report, we provide general financial product advice. The advice in a report does not take into account your personal objectives, financial situation or needs.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal retail financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

Remuneration

When providing the Report, Grant Thornton Corporate Finance's client is the Company. Grant Thornton Corporate Finance receives its remuneration from the Company. In respect of the Report, Grant Thornton Corporate Finance will receive from the Group a fixed fee of A$75,000 (plus GST) which is based on commercial rates, plus reimbursement of out-of-pocket expenses for the preparation of the report. Our directors and employees providing financial services receive an annual salary, a performance bonus or profit share depending on their level of seniority.

Except for the fees referred to above, no related body corporate of Grant Thornton Corporate Finance, or any of the directors or employees of Grant Thornton Corporate Finance or any of those related bodies or any associate receives any other remuneration or other benefit attributable to the preparation of and provision of this report.

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Independence

Grant Thornton Corporate Finance is required to be independent of the Group in order to provide this report. The guidelines for independence in the preparation of independent expert's reports are set out in Regulatory Guide 112 Independence of expert issued by the Australian Securities and Investments Commission ("ASIC"). The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

"Grant Thornton Corporate Finance and its related entities do not have at the date of this Report, and have not had within the previous two years, any shareholding in or other relationship with EFM and EDC (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Offer.

Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Offer, other than the preparation of this Report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this Report. This fee is not contingent on the outcome of the Offer. Grant Thornton Corporate Finance's out of pocket expenses in relation to the preparation of the Report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this Report.

In relation to our engagement, we note that Grant Thornton is the external auditor of STAM.

Grant Thornton Corporate Finance considers itself to be independent in terms of Regulatory Guide 112 "Independence of expert" issued by the ASIC."

Complaints process

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Australian Financial Compliance Authority (membership no. 11800). All complaints must be in writing and addressed to the Chief Executive Officer at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to the Australian Financial Compliance Authority who can be contacted at:

Australian Financial Compliance Authority
GPO Box 3
Melbourne, VIC 3001
Telephone: 1800 931 678

Grant Thornton Corporate Finance is only responsible for this Report and FSG. Complaints or questions about the Proposed Transactions should not be directed to Grant Thornton Corporate Finance. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

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Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

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2. Overview of the Offer

Key terms of the Offer

2.1 On 8 September 2025, STAM announced an off-market takeover offer for all the ordinary EDC Stapled Securities that it did not already own, at a price of A$0.80 cash per Security. On 3 October 2025 STAM released a Supplementary Bidder's Statement, announcing an increase in the cash consideration to A$0.875. There were no other material changes to the key terms and conditions of the Offer as part of the Supplementary Bidder's Statement. At the time of the Offer, STAM (and its associates) already owned c. 63.08% of the outstanding Securities in EDC. The date of the Offer was 8 September 2025, and the Offer will remain capable of acceptance until the end of the Offer Period, being 7:00pm AEST on 22 October 2025.

2.2 The Offer is subject only to:

- STAM (together with its associates), during or by the end of the Offer Period, acquiring a relevant interest in at least 90.8% of the outstanding EDC Stapled Securities on issue; and
- No prescribed occurrences occurring in relation to EDC before the end of the Offer Period.

2.3 Refer to the Bidder's Statement and Target's Statement for further details.

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3. Purpose

Section 640 of the Corporations Act

3.1 Section 640 of the Corporations Act requires that a target's statement made in response to a takeover offer for securities in an Australia publicly listed company must be accompanied by an independent expert's report if:

- The bidder's voting power in the target is 30% or more;
- The bidder is a director of the target company (where the bidder is, or includes an individual); or
- A director of the bidder is also a director of the target (if the bidder is a body corporate).

3.2 The independent expert's report must state whether, in the opinion of the independent expert, the takeover offer is fair and reasonable to the target company's independent securityholders and provide the reasons for forming that opinion.

3.3 As of the date that STAM announced the Offer, STAM (together with its associates) owned approximately 63.08% of the outstanding ordinary Securities on issue of EDC, resulting in voting power in the target in excess of 30%, triggering the requirement for an independent expert's report under Section 640 of the Corporations Act. Additionally, Mr Frederick Woollard is a director of both STAM and EDC, also triggering the requirement for an independent expert's report under section 640 of the Corporations Act.

3.4 Based on the above, the IBC have engaged Grant Thornton Corporate Finance to prepare an Independent Expert's Report stating whether, in its opinion, the Offer is fair and reasonable to Independent Securityholders for the purposes of Section 640 of the Corporations Act.

Basis of assessment

3.5 The Corporations Act does not define the meaning of "fair and reasonable". In preparing this Report, Grant Thornton Corporate Finance has had regard to relevant Regulatory Guides issued by the ASIC, particularly including RG 111 which establishes certain guidelines in respect of independent expert's reports prepared for the purposes of the Corporations Act.

3.6 Accordingly, we have assessed the Offer with reference to Section 640 of the Corporations Act. RG 111 states that:

- An offer is considered fair if the value of the consideration is equal to or greater than the value of the securities that are the subject of the offer. The comparison should be made assuming 100% ownership of the target company irrespective of whether the consideration offered is scrip or cash and without consideration of the percentage holding of the offeror or its associates in the target company.
- RG 111 considers an offer to be "reasonable" if it is fair. An offer may also be reasonable if, despite not being "fair" but after considering other significant factors, the expert believes that there are sufficient reasons for shareholders to accept the offer in the absence of any higher bid before the close of the offer.

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3.7 ASIC has identified the following factors which an expert might consider when determining whether an offer is reasonable:

- The offeror's voting power in securities of the target company.
- Other significant shareholding blocks in the target company.
- The liquidity of the market in the target company's securities.
- Taxation losses, cash flow or other benefits through achieving 100% ownership of the target company.
- Any special value of the target company to the offeror.
- The likely market price if the offer is unsuccessful.
- The value to an alternative offeror and likelihood of an alternative offer being made.

3.8 In our opinion, the most appropriate way to evaluate the fairness of the Offer is to compare the fair market value of EDC on a control basis before the Offer with the Offer Price.

3.9 In considering whether the Offer is reasonable for EDC Independent Securityholders, we have considered a number of factors, including:

- Whether the Offer is fair;
- The implications to Independent Securityholders if the Offer is not implemented;
- Other likely advantages and disadvantages associated with the Offer; and
- Other costs and risks associated with Offer that could potentially affect Independent Securityholders.

Independence

3.10 Prior to accepting this engagement, Grant Thornton Corporate Finance (a 100% subsidiary of Grant Thornton Australia Limited) considered its independence with respect to the Offer with reference to RG 112 issued by ASIC.

3.11 Grant Thornton Corporate Finance has no involvement with, or interest in, the outcome of the approval of the Offer other than that of an Independent Expert. Grant Thornton Corporate Finance is entitled to receive a fee based on commercial rates and including reimbursement of out-of-pocket expenses for the preparation of this Report. Except for these fees, Grant Thornton Corporate Finance will not be entitled to any other pecuniary or other benefit, whether direct or indirect, in connection with the issuing of this Report. The payment of this fee is in no way contingent upon the successful implementation of the Offer.

3.12 Grant Thornton Corporate Finance and its related entities do not have at the date of this Report, and have not had within the previous two years, any shareholding in or other relationship with EFM and EDC (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Offer. Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the Offer, other than the preparation of this Report.

3.13 In relation to our engagement, we note that Grant Thornton is the external auditor of STAM.

3.14 Grant Thornton Corporate Finance considers itself to be independent in terms of Regulatory Guide 112 “Independence of expert” issued by the ASIC. Based on the above, in our opinion, Grant Thornton Corporate Finance is independent of EDC and its Directors, as well as all other relevant parties of the Offer.

Consent and Other Matters

3.15 Our report is prepared for the exclusive purpose of assisting the Independent Securityholders in their consideration of the Offer. This Report should not be used for any other purpose. Grant Thornton Corporate Finance consents to the issue of this Report in its form and context and consents to its inclusion in the Target's Statement to be dispatched to EDC Securityholders in early October 2025.

3.16 This Report constitutes general financial product advice only and in undertaking our assessment, we have considered the likely impact of the Offer to the Independent Securityholders as a whole. We have not considered the potential impact of the Offer on individual Independent Securityholders. Individual Independent Securityholders have different financial circumstances, and it is neither practicable nor possible to consider the implications of the Offer on individual Independent Securityholders.

3.17 The decision of whether or not to approve the Offer is a matter for each Independent Securityholder based on their own views of value of EDC and expectations about future market conditions, EDC's performance, risk profile, and investment strategy. If the Independent Securityholders are in doubt about the action they should take in relation to the Offer, they should seek their own professional advice.

Compliance with APES 225 Valuation Services

3.18 This Report has been prepared in accordance with the requirements of the professional standard APES 225 Valuation Services as issued by the Accounting Professional & Ethical Standards Board. In accordance with the requirements of APES 225, we advise that this assignment is a Valuation Engagement as defined by that standard as follows:

“An Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Member is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Member at that time.”

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4. Industry overview

4.1 EDC primarily operates as a real estate investment business. It invests in real estate via both credit and equity opportunities. EDC's investment portfolio is largely concentrated in the residential market (75% of the portfolio), with the remainder of the portfolio exposed to the childcare, agriculture, and mixed-use commercial sectors.

Real estate market

Inflation and interest rates

4.2 The real estate market is highly sensitive to general macroeconomic conditions, primarily due to the high levels of leverage that are generally required in real estate development and investment. The Australian (and global) economy has experienced a volatile inflationary cycle over the past five years, with inflation in Australia peaking at 7.8% in late 2022. Inflation has since decreased considerably due to sustained high interest rates, with year-end CPI of 2.1% in June 2025, within the Reserve Bank of Australia's (RBA) target range. With inflation in Australia now easing, the RBA has begun implementing a cautious but consistent rate reduction cycle, with 25 basis point reductions to the RBA's inter-bank cash rate target in February, May, and August 2025.

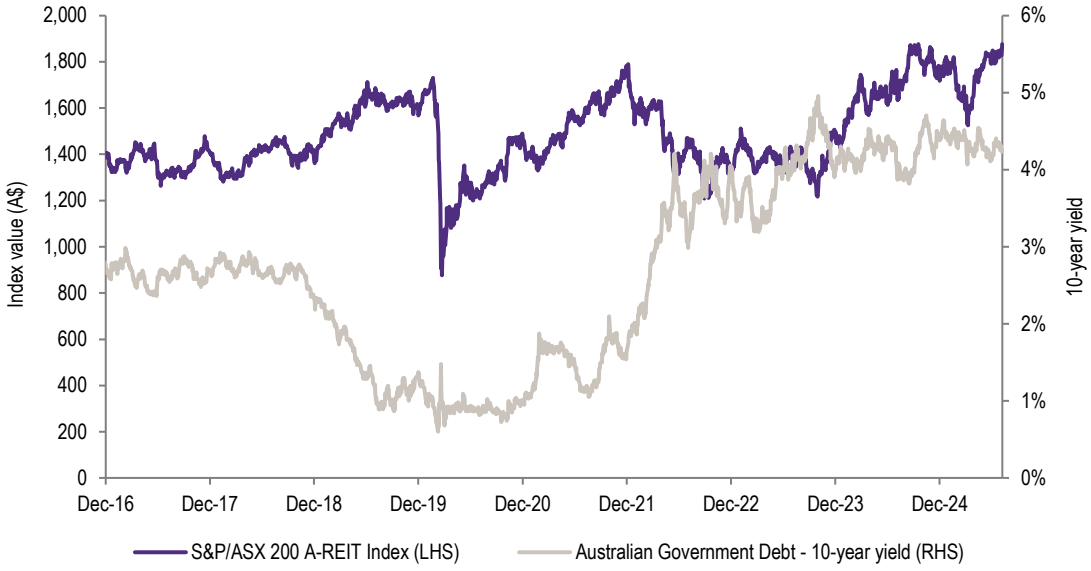
4.3 Lower interest rates are likely to stimulate broad investment demand from both private and institutional investors by reducing the cost of borrowing, thereby improving liquidity and pricing in investment markets. This is likely to also stimulate the real estate asset class, where borrowing costs have a significant impact on returns due to the level of gearing inherently required by the strategy. All else being equal, declining interest rates tend to enhance the attractiveness of real estate assets, typically leading to an increase in asset value and a corresponding decrease in capitalisation rates, as market yields contribute a smaller proportion of total asset value.

4.4 We have set out below a comparison between the ASX 200 REIT Index and Australian Government 10-year bond yields. With interest rates set to decline, this typically leads to a corresponding decrease in long-term bond yields and capitalisation rates for real estate assets. This environment is favourable for real asset valuations, as lower bond yields improve the relative attractiveness of income-generating assets.

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Figure 7 – A-REIT performance versus Australian Government Debt



Source: S&P Global, GTCF analysis

Private credit/Non-bank lending

4.5 The non-bank lending sector in Australia's real estate market has experienced substantial growth over the past decade. As of early 2024, non-bank lenders represented around 16% of Australia's commercial real estate debt market, up from 10.4% in 2020.[3] Industry analysts predict that this market could double over the next five years. This expansion has been underpinned by tighter regulatory capital requirements on traditional banks, rising demand for flexible financing solutions, and the need for funding options among borrowers who may not fit standard bank credit parameters.

4.6 A core strength of non-bank lenders lies in their focus on the mid-market segment, particularly in deal sizes ranging from A$5 million to A$50 million. These lenders are active across transitional finance for development projects, land acquisition, and residual stock loans, often stepping in where banks have scaled back their exposure. As banks retreat from higher-leverage positions, non-banks are increasingly providing mezzanine, preferred equity, and other structured debt solutions. This flexibility has made them a critical funding source for developers seeking tailored finance in a capital-constrained environment.

4.7 Non-bank commercial real estate lenders are not subject to the same prudential supervision as banks, which are regulated by APRA. For example, under APRA's Prudential Standard APS 112, banks are required to hold significantly higher levels of capital against property development loans, such as apartment projects, unless strict pre-sale and equity conditions are met. These requirements make development loans less attractive for banks and have led them to pull back from higher-risk property lending. Non-bank lenders are not bound by these rules, which allows them to provide more flexible loan terms, including higher loan-to-cost ratios for project developments and mezzanine finance.

4.8 However, in light of the sector's exposure to higher-risk property and development loans, a recent report by ASIC has raised significant concerns about private credit real estate lending. The report indicates that the sector currently operates below international standards, particularly in relation to portfolio

[3] Foresight Analytics: Non-bank Lending Seizes Larger ACRED Market Share

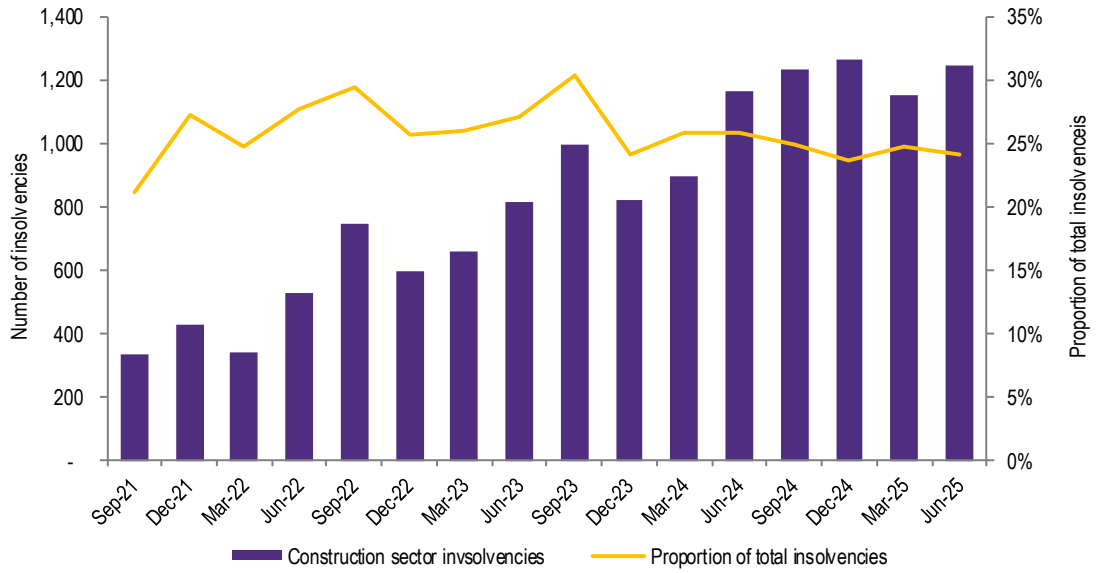
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transparency, valuation practices, and the equitable distribution of borrower fees to investors.[4] It highlights the need for consistent and independent loan valuations, regular disclosure of fund composition, and greater transparency around mezzanine debt, equity holdings, and related-party transactions.

4.9 The report also calls for improved investor communications, including standardised definitions of key metrics such as LVRs, which are sometimes presented based on completion value rather than cost, potentially understating risk during the construction phase. Additionally, ASIC identified misleading use of terminology, such as the use of the term as "investment grade" based on internal assessments without ratings agency involvement, and the use of "senior debt" despite the existence of higher-ranking obligations.[5] The report further noted that fee structures often lack clarity, leaving investors inadequately compensated for the risks they are assuming. As a result, the sector is expected to face a level of regulatory oversight not previously experienced, particularly in relation to improved investor disclosure.

4.10 Despite the potential regulations described above, non-bank lenders are currently subject to a lighter regulatory framework than traditional banks and are therefore more exposed to higher-risk projects. It is estimated that approximately half of the private credit market is invested in real estate assets, with a significant portion directed towards higher-risk real estate construction and development projects.[6] This exposure has become increasingly concerning in recent years, as the Australian construction industry has experienced substantial distress. As illustrated in Figure 8, insolvencies within the sector have surged by c. 271% since September 2021. This sharp increase has been driven by persistently high interest rates, which have elevated borrowing costs, alongside rising prices for building materials that have compressed operating margins. While the proportion of construction companies among total insolvencies has eased from a peak of c. 30% in September 2023, the sector still accounted for c. 24% of all insolvency appointments in the June 2025 quarter, more than any other industry.

Figure 8 – Quarterly Australian construction sector insolvencies



Source: ASIC insolvency statistics

4.11 The heightened risk environment in the construction sector presents clear challenges for lenders involved in real estate construction and development, particularly in light of ongoing insolvencies and profitability

[4] AFR: Private credit faces tougher regulation after damning report
[5] AFR: Private credit faces tougher regulation after damning report
[6] AFR: Private credit faces tougher regulation after damning report

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pressures. However, with interest rates beginning to ease in 2025 and further reductions anticipated, these pressures are expected to moderate. This should support improved financial stability for real estate construction companies and enhance recoverability expectations for lenders operating in this space.

Real estate sectors

Residential

4.12 Australia's residential property market has continued to expand, with the total value of the nation's housing stock reaching A$11.6 trillion in the June 2025 quarter, up from A$7.25 trillion in June 2020.[7] Market conditions strengthened in 2025 following the RBA's decision to cut interest rates three times since February, improving affordability for buyers and supporting demand. This has resulted in a gradual improvement in weekly auction clearance rates across major cities in 2025.

4.13 This renewed confidence has contributed to broad-based price growth, particularly in mid-sized cities such as Brisbane, Adelaide, and Perth, where dwelling prices rose by almost 10% in the year to August 2025. By contrast, growth in Sydney (3.7%) and Melbourne (2.1%) has been more subdued, reflecting affordability pressures and slower investor activity.[8] Rental growth has also been strong following the Covid-19 pandemic, with median weekly rents having grown by approximately 40% nationally since 2020, creating greater incentive for home ownership.[9] Vacancy rates also remain extremely low at just 1.2% in July 2025.[10]

4.14 In addition to constrained supply, policy settings are expected to further stimulate demand in late 2025. The federal government's expansion of the Home Guarantee Scheme, effective October 2025, will broaden access to first-home buyers by removing income caps and increasing property price thresholds. The scheme enables eligible buyers to enter the market with as little as a 5% deposit while avoiding lender's mortgage insurance, a change expected to lift participation across a wider segment of the population. These demand-side measures, combined with supportive interest rate settings, are anticipated to underpin near-term market momentum.

4.15 Looking ahead, industry forecasts point to continued growth in 2025 and a more balanced trajectory in 2026. KPMG projects national house prices will rise by 4.9% in 2025, up from earlier forecasts of 3.3%, with unit prices rising by 4.5%[11]. Apartments are expected to outperform houses in 2026, with forecast growth of 5.1% compared to 4.5% for houses, as affordability constraints drive demand for smaller, more accessible housing options.[12] In Melbourne, unit prices declined in the year to June 2025, but a recovery is expected, with growth of 3.6% forecast in 2025 and 7.1% in 2026.[13]

4.16 Despite these positive trends, housing supply remains a structural challenge. Annual completions are forecast at around 160,000 new dwellings over the next two years, around 30% below the 224,000 homes per year target set by the National Housing Accord.[14] This consistent supply shortfall is likely to sustain upward pressure on prices, particularly in high-demand cities such as Melbourne, and support further demand for construction and development.

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[7] ABS: Total Value of Dwellings
[8] Realestate.com.au: Record-breaking surge pushes Australian housing market value to $11.6 trillion
[9] KPMG Residential Property Market Outlook, August 2025
[10] SQM Research: National Vacancy Rates Fall to 1.2% in July - Rental Squeeze Intensifies
[11] KPMG Residential Property Market Outlook, August 2025
[12] Ibid
[13] Ibid
[14] Ibid

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Childcare

4.17 The Australian childcare industry has entered a period of renewed growth following the disruptions caused by Covid-19, when lockdowns, financial pressures and staff shortages drove temporary centre closures and reduced occupancy levels. Sector activity has accelerated, with childcare transaction volumes up by 58% in Q1 2025 compared to Q1 2024.[15] At the same time, industry revenue has expanded at an annual rate of 6.7% over the past five years.[16] Several structural drivers are supporting ongoing demand:

- *Population growth* - Strong demographic trends are expected to underpin long-term demand, with the child population forecast to increase by 24% between 2022 and 2042.[17] Growth reflects higher birth rates, improvements in healthcare reducing infant mortality, and supportive government policies encouraging family expansion.

- *Rise of dual-income families* - The number of two-income households continues to rise as families seek to maintain living standards in the face of cost-of-living pressures and to achieve greater gender equality. This shift has translated into higher childcare enrolments, as more couples rely on both parents participating in the workforce.

- *Government subsidies* - Public investment in the sector remains substantial. The 2025-26 Federal Budget allocated more than $16 billion to the Child Care Subsidy (CCS) and a further $5 billion to support the establishment of a universal early childhood education and care (ECEC) system.[18] These measures are expected to sustain affordability and broaden access to childcare services nationwide.

- *Property and investment dynamics* - Childcare centres have also emerged as a defensive asset class for investors, with stable occupancy rates, government-backed funding flows, and long lease structures making them attractive within the broader social infrastructure sector. This has supported ongoing capital inflows and consolidation across the industry.

Agriculture

4.18 EDC are exposed to the agriculture industry through their recent investment (yet to settle) in Burdekin, a 1,900-hectare sandalwood plantation in Queensland which they plan to convert into vacant agricultural land suitable for sugarcane farming. The Australian sugarcane industry generates approximately A$2.5 billion annually.[19] It is the second-largest agricultural export in Queensland, reflecting the state's dominance in sugarcane production.[20] Around 95% of sugarcane-growing land is in Queensland, benefiting from the region's favourable climate, fertile soils, and established irrigation infrastructure. Sugarcane is a long-term crop with a typical harvest cycle of 12-18 months, requiring substantial investment in land preparation, planting, and ongoing crop management.

4.19 The industry has demonstrated resilience in recent years despite challenges including extreme weather events, labour shortages, and fluctuations in global sugar prices. Technological advancements, improved irrigation, and crop management practices have contributed to steady productivity growth. Australia produces high-quality raw sugar, with 85% of sugar crystals exported internationally, including to South

[15] Stonebridge: Australian Childcare Property Market Continues to Surge with $205 Million Transacted in 2025
[16] Ibid
[17] Finexia: The Future of Childcare: Trends and Projections
[18] Stonebridge: Australian Childcare Property Market Continues to Surge with $205 Million Transacted in 2025
[19] CaneGrowers: Learn About Sugarcane
[20] Queensland Farmers' Federation: Cane

Korea, Japan, and Indonesia.[21] These established export markets remain a critical driver of revenue and profitability for growers and are key to long-term demand for the industry.

4.20 Looking ahead, the outlook for the sugarcane industry is cautiously positive. Domestic and international demand for sugar is expected to remain stable, supported by global population growth. However, growers continue to face risks from climate variability, including droughts, cyclones, and flooding, as well as potential regulatory changes affecting land use and water management. Overall, the industry is expected to maintain a steady production trajectory, underpinned by strong export demand and continued investment in efficiency and sustainability initiatives.

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[21] CaneGrowers: Learn About Sugarcane

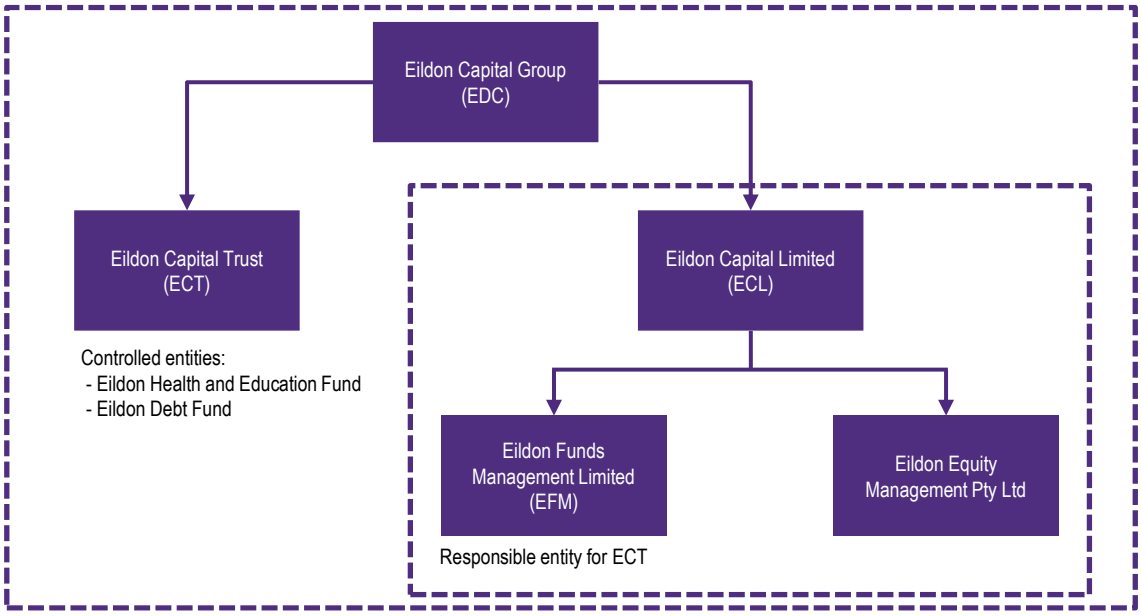
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5. Profile of Eildon Capital Group

Introduction

5.1 EDC is an ASX-listed real estate investment and funds management business headquartered in Victoria, Australia. It is a stapled group comprising of ECL and ECT, with EFM as the responsible entity for ECT. The Group's investment portfolio includes real estate investments across both the credit and equity spectrum.[22] In the chart below we summarise the group structure of EDC.

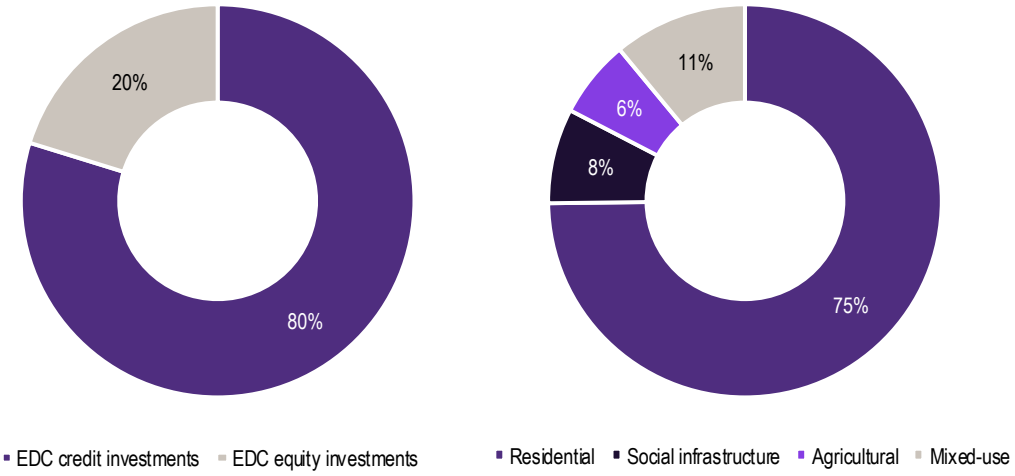
Figure 9 - EDC simplified group structure



Source: Annual Report 2025, GTCF analysis

5.2 The following chart sets out the breakdown of EDC's equity and credit investments by type and sector.

Figure 10 - Investment by type and sector as at 31 August 2025



[22] EDC Results Presentation FY25

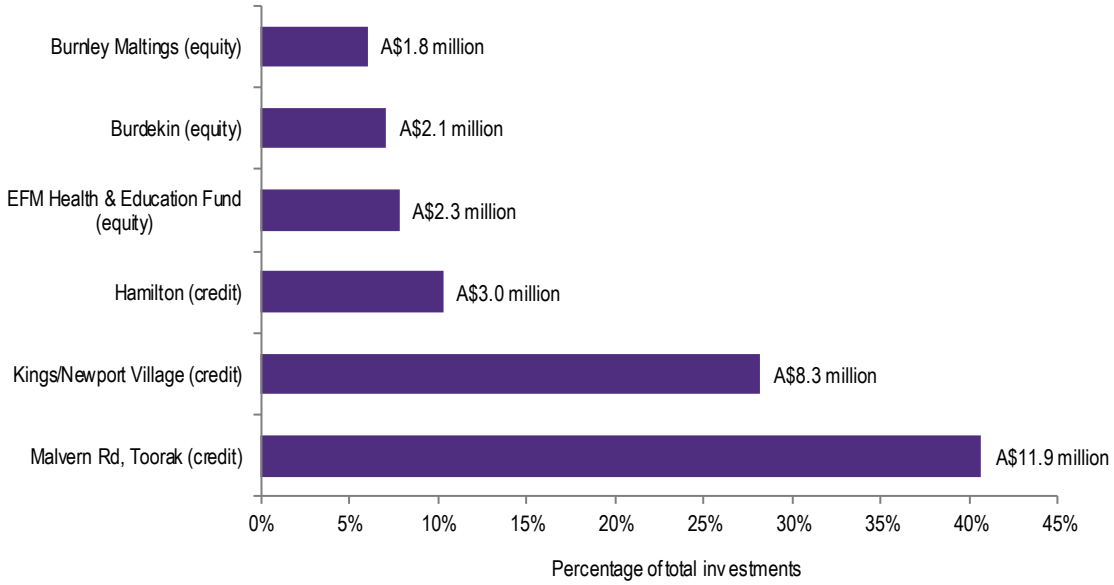
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Source: Management, GTCF Analysis

The composition of EDC's investments by type and sector has reduced significantly over the past two years. The Eildon Debt Fund, which holds all of EDC's credit investments, has decreased from ten loans as at 30 June 2024 to just three by 31 August 2025. Despite this reduction, the overall carrying value of EDC's co-loans in the Eildon Debt Fund has only decreased modestly from c. A$26 million to A$23.4 million, primarily due to the offsetting effect of a significant new senior debt facility extended to a developer of the Malvern Road property of c. A$7 million in June 2024.[23]

5.3 EDC also simplified its equity investment portfolio through the sale of direct co-investments and associated management rights in the previously managed property income funds to Trilogy Group in July 2024. As a result, the total proportion of equity investments held by EDC (as a percentage of total balance sheet carrying value of co-investments and co-loans) declined substantially from 44% as at 30 June 2023 to 20% by 31 August 2025.

Figure 11 - Equity and credit investments as at 31 August 2025



Source: Management, GTCF Analysis
Note: (1) Values represent that balance sheet value of investments. (2) Burdekin includes a c. A$200,000 credit position.

5.4 The total value of EDC's balance sheet co-investments and co-loans is heavily weighted towards the Eildon Debt Fund, which includes EDC's credit investments in Malvern Rd, Kings/Newport Village, and Hamilton.

Sources of revenue

5.5 *Interest income* - This represents the primary source of revenue for the Group and is derived from property investment activities. Revenue is recognised as interest accrued on property loans using the effective interest method. Interest rates ranges from approximately 9.5% to 16.5% across EDC's credit investments.

[23] At the time of entering the new senior debt position at June 2024, EDC already had a relatively long-standing preference equity position in the asset.

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In FY25, the Group recognised total interest income of A$5.6 million, with the Kings/Newport Village loan contributing A$2.9 million[24] for the period.

5.6 *Fee income* - The Group also earns management fee income; however, this has declined significantly over the past two years as a result of the consolidation of the Group's funds management operations. In FY25, the Group earned approximately A$430,000 in total fee income, including A$100,000 in management fees.[25] Approximately half of this was attributable to the management of the MNL Property Trust within the EFM Health and Education Fund. The Group also earns fees from offering investment opportunities to third-party investors, who invest alongside EDC, with EDC contributing its own capital to ensure alignment with investors. In FY25, A$330,000 of fee income was generated from non-recurring upfront fees from transactions completed during the year. However, this is not expected to be a core part of the business moving forward and recurring annual fee income is expected to be less than A$100,000, which we discuss in further detail below.

Detailed overview of the investments

5.7 As at 31 August 2025, the total carrying value of the equity and credit investments was A$29.3 million, as seen in the table below:

Figure 12 - Summary of EDC investments

EDC investment summary					Co-investment	Co-investment
A$ '000 (unless otherwise stated)	Sector	Type	Location	Holding entity	30-Jun-25	31-Aug-25
Equity investments						
Burnley Maltings	Residential	Equity	VIC	ECL	1,767	1,767
EFM Health & Education Fund	Social Infrastructure	Equity	VIC	ECT	2,290	2,290
Burdekin	Agricultural	Equity	QLD		-	1,872
Total - equity					**4,056**	**5,928**
Debt fund investments						
Malvern Rd, Toorak	Residential	Preferred equity	VIC	ECT	4,834	4,834
Malvern Rd, Toorak	Residential	Senior debt	VIC	ECT	6,962	7,075
Kings/Newport Village	Residential	Mezzanine	VIC	ECT	8,028	8,255
Hamilton	Commercial	Senior debt	QLD	ECL	2,945	3,016
Burdekin	Commercial	Loan to AAG	QLD	ECT	-	208
Total - credit					**22,768**	**23,387**
Total - equity and credit					**26,825**	**29,315**

Source: Management, GTCF analysis
Note: (1) Burdekin relates to the amount of the deposit paid by August 2025, however, will increase to A$10.8 million following settlement in October 2025. (2) Totals may not sum due to rounding.

Equity investments

Burnley Maltings

5.8 EDC holds an equity investment through ECL in Burnley Maltings, a residential development project located in Melbourne, Victoria. The development has received permit approval for the construction of 55 apartments within the existing silo structure, maintaining its current height. An additional Section 72

[24] EDC FY25 Results Presentation
[25] EDC FY25 Results Presentation

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amendment[26] is being prepared to allow for the construction of a penthouse apartment within the top hat portion of the silo. The investment is being managed by JV partner JAK Investment Group, who have provided a feasibility study demonstrating an expected ROI of 43% over the investment term. EDC carries the co-investment on the balance sheet at a value of c. A$1.8 million, which is reflective of the capital amount paid by EDC in exchange for shares in Burnley Maltings Pty Ltd. Construction commenced in February 2024 following the demolition of an existing building on site, with construction funding being provided by Australian Unity and completion anticipated by March 2027. The project has achieved five apartment sales to date, including one conditional and four unconditional pre-sales. The developer of the asset is expecting sales velocity to increase in the next 12 to 18 months.

EFM Health and Education Fund

5.9 ECT, via its wholly owned subsidiary Eildon Health and Education Fund, holds a 19.90% interest in the MNL Property Trust, a joint venture between EDC and Macarthur National. The purpose of the fund was to establish a specialist investment vehicle focused on owning and managing a portfolio of childcare and early learning assets across Victoria, tenanted on long-term leases to Montessori Beginnings.[27] As of August 2025, the fund has a NAV of c. A$11.1 million,[28] with EDC's 19.90% stake valued at c. A$2.3 million, reflecting EDC's pro-rata share of the fund NAV. The investment is structured as an open-ended fund and has an LVR of 50%, consistent with its covenant requirements.

5.10 The MNL Property Trust is a portfolio of several operational childcare centres, an under-construction childcare centre, an office space, a vacant parcel of land (which is undergoing a planning and building approval process to be used as a childcare centre), and a financial investment in a separate joint-venture (the CC1 partnership) that has a stake in two further childcare land assets. Further details on each of the properties held by the fund are included below:

- *Maribyrnong - Lot G02, 3 Case Street, Maribyrnong VIC:* This property is a ground-floor, subdivided lot within a five-storey mixed-use development located in the inner western suburb of Maribyrnong. It is currently utilised as a childcare centre with a capacity for 96 children, which is below the maximum permitted under the planning approval. The property is owner-occupied and comprises approximately 5,078 square metres.

- *Malvern - Lot S2, 14 Spring Road, Malvern VIC:* This property consists of a former church building converted into a childcare centre in 2020. The centre is currently approved for 58 children, which is below the planning permit capacity due to limitations in the approval of indoor play areas as outdoor space. The property is owner-occupied and occupies approximately 1,957 square metres.

- *Irymple - Lot 1, Fifteenth Street, Irymple VIC 3498:* The Irymple property is an operating childcare centre that recently commenced trading in July 2025.

- *CC1 Partnership*: The MNL Property Trust holds a 30% stake the CC1 Partnership, which holds two childcare assets being Officer and Trugania.

    - *Officer - 8 Upton Drive, Officer VIC:* This property comprises a purpose-built, single storey childcare centre constructed in 2017, located on a site of approximately 2,700 square metres. The centre is

[26] Refers to a formal process under the Planning and Environment Act 1987 (Victoria) that allows a permit holder to apply for significant changes to an existing planning permit.
[27] Established in 2018, Montessori Beginnings provides long day care childcare services and currently operates eleven centres across Victoria
[28] Management accounts as at August 2025.

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approved under planning permit conditions for the care of up to 128 children, although the operator has a current service approval while allows for the care of up to 120 children, as this is their preferred operating capacity.

- *Trugania - 6 Samsara Avenue, Trugania VIC:* This property is an operating childcare centre which was constructed in 2017. It is currently leased to Think Leakes Pty Ltd, an entity associated with Nido Education Limited, a well-established childcare provider operating over 100 centres across Australia.

- *Harpley - 1 Burnage Road, Werribee VIC:* The Harpley property is an under-construction childcare centre that has received planning approval for the development of a 90-child facility.

- *Office - G2 and G3, 68-70 Dorcas Street, Southbank VIC:* This asset comprises two conjoined retail/office lots located on the ground floor of the Kings Domain Apartment development. The lots are currently leased to the operator of a chiropractor facility, with a combined area of the lots of approximately 125 square metres.

- *Berwick - 14S Liara Boulevard, Berwick VIC:* The Berwick property comprises a vacant parcel of land situated on a corner site. The property is earmarked for the future development of a childcare centre, with a building permit expected be issued in October 2025, and construction commencing shortly after in November 2025.

Burdekin

5.11 This investment relates to a joint venture between EDC and AAG Investment to acquire and convert a 1,900-hectare sandalwood plantation in regional Australia into vacant agricultural land suitable for sugarcane farming. The land is located within the Burdekin Irrigation District in Queensland, which is known as one of Queensland's premier irrigation regions, primarily growing sugarcane with a secondary focus on irrigated grains, oilseeds and tropical cultivation. The asset was acquired for approximately A$20.8 million on 13 August 2025, with settlement expected in late October 2025. Additional remediation works to prepare the site for sugarcane farming are estimated to cost around A$11.4 million.[29]As at 31 August 2025, EDC's balance sheet also includes a small loan asset of c. A$0.2 million, which reflects the value of a loan provided to AAG Investment for its portion of the initial deposit. EDC will also provide a loan to AAG with respect to their portion of the remaining balance owing on settlement, which will increase the total loan asset to AAG to approximately A$1.08 million.

Credit investments

Malvern Road, Toorak

5.12 This loan relates to a residential development comprising 13 apartments located on Malvern Road, Toorak. EDC initially provided a preference equity facility representing approximately 80% of the total project equity, with current exposure of around A$4.8 million.[30] This facility is structured as zero-coupon from January 2025 onwards and includes a 40% profit share. Subsequently, EDC extended a senior debt land facility secured by a first-ranking mortgage over the property, with capital exposure of approximately

[29] EDC investment paper
[30] Management

A$7.1 million. The senior facility carries an interest rate of 9.5% per annum, capitalised over the term, and has a facility LVR of 76%.[31]

5.13 Construction of the 13 apartments was completed in September 2024, of which four were sold off the plan, and a further six have been sold since completion over the past 12 months. Currently, three completed apartments remain available for sale.

5.14 Repayment of EDC's investment is contingent on settlement proceeds from the remaining apartment sales. Due to recent sales occurring below valuation, an expected credit loss of approximately A$2.0 million was recognised as at 30 June 2025 for the preference equity portion. However, this provision was made prior to the last two apartment sales, which also settled below valuation, indicating a potential need for further provisioning.

Kings/Newport Village

5.15 EDC has provided a mezzanine debt facility in support of a residential development project in South Kingsville, Victoria, comprising 420 dwellings and two retail/commercial premises. The original loan was approximately A$20.7 million, which was partially repaid by the borrower in February 2025, reducing EDC's senior loan facility to approximately A$12.5 million. The facility carries an interest rate of 16.5% per annum, capitalised monthly.

5.16 The capital structure of the project includes NAB as the senior lender and EDC as the mezzanine lender with a second-ranking position. EDC recorded a write-down of approximately A$4.5 million on the preference equity position in June 2025, reducing the carrying value of the preference equity position to c. A$8 million.

5.17 The borrower has taken the site to market via an EOI campaign, which concluded in mid-September 2025. The appointed sales agent is currently engaged with interested parties to secure offers. We understand from conversations with Management that the expression of interest campaign has concluded, and preliminary conversations with potential interested bidders has indicated that, although not representative of formal offers, any formal offer is likely to be in line with the recent valuation assessment.

Hamilton, QLD

5.18 This loan comprises the provision of a senior debt land facility secured by a first ranking mortgage over a property located at 19 Hercules Street, Hamilton, QLD. The property is a prime infill mixed-use development site with a total area of approximately 7,637 square metres. It holds an approved DA for a three-tower mixed-use project, with buildings ranging from 27 to 30 storeys above a two-level podium comprising ground and mezzanine levels. The development plan comprises a total of 433 apartments and associated retail and commercial space across a three-stage development timeline. Stage one has been fully approved, while stages two/three have obtained preliminary approval of height and scale, with final approval subject to the provision of final architectural design. The facility is due for repayment in October 2025, with a three-month extension option available subject to refinancing progress.

[31] Malvern Road - Senior Debt Facility Supplementary IM

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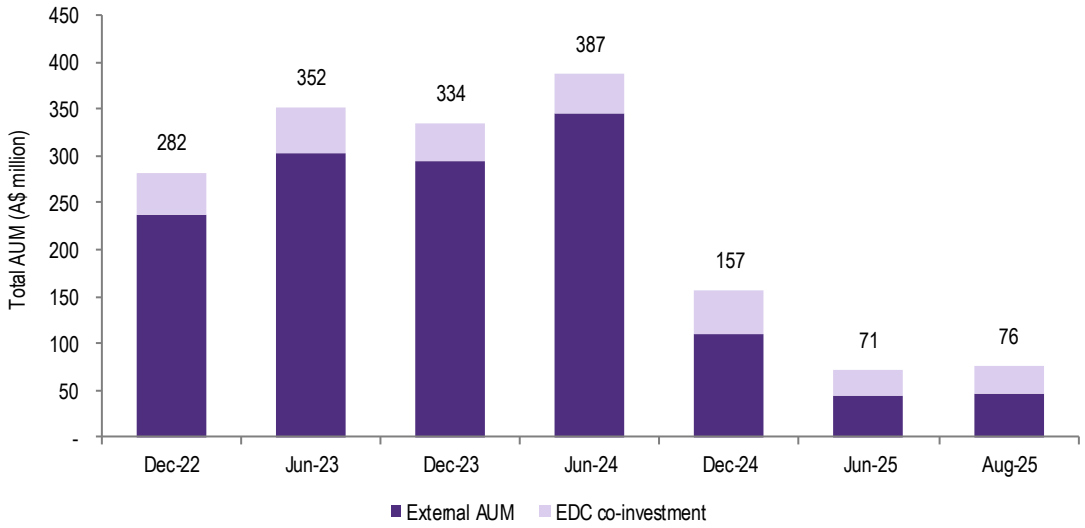
5.19 With a low LVR of c. 21%,[32] the loan presents a reduced risk of borrower default. Based on current conditions and the borrower's refinancing efforts, it appears likely that the facility will be repaid in full, resulting in a successful exit for EDC.

Funds management business

5.20 EDC's funds management business has fundamentally changed in the past two years as a result of a material reduction in AUM and a scaled-back provision of funds management services to external third-party investors. The shift reflects a broader realignment of business priorities.

5.21 This trend is illustrated in the chart below, which highlights the decline in total AUM from c. A$387 million at June 2024 to c. A$157 million at December 2024. The reduction followed the sale of EDC's direct co-investments and associated management rights in the previously managed property income funds to Trilogy Group in July 2024. AUM decreased further to c. A$76.5 million by August 2025,[33] of which c. A$29.3 million relates to EDC co-investments. This decline was driven by the exit from several additional investments, including the Officer South Joint Venture in early 2025. The marginal increase between June-2025 and August 2025 is primarily driven by the purchase of the Burdekin property, which represents a marginal amount of managed external capital due to EDC's minority equity partner in the venture. Further, we note the quoted AUM at August 2025 of c. A$76.5 million includes the full facility limit for the Toorak senior debt facility of A$20.5 million, which at present has only c. A$8.7 million of drawn facility. Adjusting for this would reduce the August 2025 AUM to A$64.7 million, of which A$35 million would relate to external capital, primarily being the joint-ventures partner capital in the EFM Health & Education Fund.

Figure 13 – Total Group AUM



Source: Management, GTCF analysis

5.22 The consolidation has had a significant impact on revenue from funds management activities. Total funds management fee revenue declined from approximately A$2.2 million in FY24 to just A$430,000 in FY25.[34] Approximately A$330,000 of this amount relates to facility fees which are not expected to be recurring going forward.

[32] LVR = facility limit (A$10 million) divided by latest external valuation (A$48 million)
[33] Excluding the EDC cash balance.
[34] EDC Results Presentation FY25

5.23 The remaining c. A$100,000 of fee revenue was derived from management fees. These funds management fee were generated primarily from the MNL Property Trust (EFM Health and Education Fund), and the Hamilton and Kings/Newport Village credit investments. The Hamilton investment is expected to be repaid imminently, with the borrower actively in the process of refinancing the loan and maturity expected to occur in October or November 2025. The borrower for the Kings/Newport Village project is also in the early stages of a sales campaign for part of the development, with Management seeking a repayment for EDC's credit investment in the project either partially or in full. We also understand that EDC is exploring opportunities to exit their investment in the MNL Property Trust.

5.24 Given the recurring management fee revenue is derived from three assets, two of which are expected to mature in the near-term future, there is effectively no recurring funds management revenue stream moving forward, with an even lower prospect for any material recurring earnings. On this basis, we do not consider that investors, or a pool of potential purchasers, will attribute any value to the funds management business.

Financial performance

Profit and loss

5.25 The table below presents the Group’s audited consolidated statements of financial performance from FY23 to FY25.

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Figure 14 – Consolidated statement of financial performance

Statement of financial performance	FY23	FY24	FY25
A$ '000, unless stated otherwise	Audited	Audited	Audited
Interest income	4,788	6,690	5,592
Fee income	1,928	1,116	435
Other income	741	183	42
Total Income	**7,457**	**7,988**	**6,068**
Employee and director costs	(3,034)	(1,808)	(1,094)
Commission	(115)	(67)	(21)
Interest expenses	(918)	(1,424)	(941)
Administration fees	(555)	(531)	(361)
Investment disposal costs	-	(17)	(354)
Impairment on financial assets at amortised cost	-	(431)	(5,940)
Impairment on goodwill	-	-	(1,675)
Management and consultancy fees	(89)	(236)	(292)
Other expenses	(1,206)	(629)	(630)
Total expenses	**(5,917)**	**(5,144)**	**(11,307)**
(Loss) / profit before income tax	**1,541**	**2,845**	**(5,239)**
Income tax (expense) / benefit	128	296	(203)
(Loss) / profit from continuing operations	**1,669**	**3,141**	**(5,442)**
(Loss) / profit from discontinued operations	414	(822)	(303)
(Loss) / profit for the year	**2,083**	**2,319**	**(5,745)**

Source: Annual reports, GTCF analysis
Notes: (1) 'Other income' includes distribution income and the share of net profit of associate (accounted for using the equity method). (2) 'Administration fees' include accountancy costs, insurance costs, legal fees, publication and subscription fees, and share registry costs. (3) 'Other expenses' includes the loss on financial assets at fair value through profit or loss, takeover costs and other expenses, as labelled in the Group's annual reports.

5.26 *Fee income* - EDC's fee income has decreased following the restructuring of the business from an active funds management platform and real estate investment business to a more streamlined listed real estate investment company. The transfer of management rights (and direct co-investment stakes) to Trilogy Group for four property income funds in June 2024 and the outsourcing of the Eildon Debt Fund to Benchmark Property Group in July 2024 has significantly reduced the recurring management fee revenue base of the business. At the time of writing, the Group does not operate a material third-party funds management platform.

5.27 *Employee and director costs* - Between FY23 and FY25, EDC executed a cost rationalisation strategy that significantly reduced employee and director expenses. In FY23, costs were elevated (c. A$3.0 million) due to one-off share-based payment expenses (c. A$0.8m) linked to the Offer from STAM, which saw outstanding performance rights vest. In FY24, the c. 40.4% decline in employee and director costs was a result the Group's operational simplification, significantly reducing the FTE base on the business.

5.28 *Impairment on financial assets at amortised cost* - The significant increase is driven by a A$5.9 million provision against investment loans in FY25 related to the Kings/Newport Village loan and Malvern Road preference equity position as a result of valuation pressures, delayed project times, and market uncertainty.

5.29 *Impairment on goodwill* - EDC recognised a c. A$1.7 million goodwill impairment in FY25 following the divestment of most of the Group's management rights. This reflects the loss of future earnings from

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internally managed investment mandates that were transferred to external parties, resulting in a substantial reduction in the recurring fee income of the funds management platform. The c. A$0.8 million goodwill impairment in FY25 has been included in the discontinued operations from the year.

Balance sheet

5.30 The table below presents the Group's audited consolidated statements of financial position from June 2023 to June 2025.

Figure 15 – Consolidated statement of financial position

Statement of financial position A$ '000, unless stated otherwise	30-Jun-23 Audited	30-Jun-24 Audited	30-Jun-25 Audited
Current assets			
Cash and cash equivalents	6,640	9,917	13,525
Financial assets at amortised cost	20,858	23,294	23,080
Financial assets at fair value through profit or loss	4,590	1,130	-
Other assets	136	87	60
Assets classified as held for sale	8,536	5,397	-
Total current assets	**40,760**	**39,825**	**36,665**
Non-current assets			
Non-current financial assets at amortised cost	16,502	14,986	8,028
Non-current financial assets at fair value through profit or loss	7,086	4,344	4,056
Intangible assets	3,460	1,960	285
Other non-current assets	320	185	95
Total non-current assets	**27,368**	**21,475**	**12,464**
Total assets	**68,128**	**61,300**	**49,129**
Current liabilities			
Trade and other payables	2,270	3,354	1,502
Other current liabilities	9,861	612	8,241
Total current liabilities	**12,131**	**3,966**	**9,743**
Non-current liabilities			
Non-current provisions	33	71	42
Other non-current liabilities	1,496	5,899	-
Total non-current liabilities	**1,529**	**5,969**	**42**
Total liabilities	**13,660**	**9,935**	**9,784**
Net assets	**54,467**	**51,365**	**39,345**

Source: Annual reports, GTCF analysis
Notes: (1) 'Non-current financial assets at amortised cost' and 'other liabilities' represent the grossed up/consolidated value of the underlying properties, which together offset to produce the net property values.(2) 'Other assets' includes tax assets and other assets as defined per the Group's annual reports. (3) 'Other non-current assets' includes right-of-use assets, plant & equipment and deferred tax assets. (4) ' Other current liabilities' includes lease liabilities, current provisions, other liabilities as defined per the Group's annual reports and current tax liabilities. (5) 'Other non-current liabilities' includes non-current lease liabilities, deferred tax liabilities and other liabilities as defined per the Group's annual reports. (6) 'Total non-controlling interests' is the sum of trust unitholders and other non-controlling interests as defined by the Group in their annual reports.

5.31 *Cash and cash equivalents* - EDC's cash position has strengthened year-on-year, primarily as a result of the realisation of various co-investment positions that have not been immediately redeployed into other opportunities.

5.32 *Assets classified as held for sale* - As at June 2023, EDC classified its 35% stake in the 79 Logan Road Trust as held for sale, valued at c. A$8.5 million, initiating its exit from legacy fund management positions. Throughout FY24, EDC saw further reclassifications, including co-investments and management rights in property income funds, aligning with its simplification strategy. By June 2025, EDC completed the sale of these assets to Trilogy Group for c. A$3.6 million, unlocking capital for redeployment into higher-yielding credit and co-investment opportunities.

5.33 *Non-current financial assets at amortised cost* - The decrease in non-current amortised costs is a result of the divestment of property income funds that completed by June 2025. The c. A$8.0 million remaining is comprised primarily of the Eildon Debt Fund and represents the grossed up (consolidated) value of the properties.

5.34 *Intangible assets* - EDC's intangibles represent goodwill associated with the funds management platform, which was materially impaired to effectively nil during FY25 following the sale of fund management rights.

5.35 *Other current liabilities* - The sharp drop at June 2024 reflected the wind-down of legacy obligations, while the rise to c. A$13.7 million as at June 2025 was driven by new capital inflows from external investors into contributory investment trusts (Like the AAG Investment Management JV), where the units issued are treated as financial liabilities under AASB 132.

Cash flow statement

5.36 The table below presents the Group's audited consolidated statement of cash flows from FY23 to FY25.

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Figure 16 – Consolidated statement of cash flows

Statement of cash flows	FY23	FY24	FY25
A$ '000, unless stated otherwise	Audited	Audited	Audited
Cash flows from operating activities			
Cash receipts in the course of operations	5,233	2,680	794
Cash payments in the course of operations	(5,729)	(4,567)	(3,939)
Distribution received	587	228	69
Loans repaid	24,351	30,919	26,436
Loans provided	(42,552)	(30,852)	(19,995)
Interst and fee income received	8,374	5,678	795
Other operating cash flows	221	(2,922)	(90)
Net cash from operating activities	**(9,515)**	**1,163**	**4,070**
Cash flows from investing activities			
Payments for financial assets at fair value through profit or loss	(2,930)	(3,912)	-
Proceeds from financial assets at fair value through profit or loss	5,244	13,523	6,741
Payments for plant & equipment	(7)	-	-
Net cash from investing activities	**2,306**	**9,611**	**6,741**
Cash flows from financing activities			
Dividends paid	(3,009)	(2,901)	(3,830)
Payment for stapled security / unit buyback	-	(1,506)	(3,311)
Proceeds from borrowings	19,311	12,006	-
Payments of borrowings	(10,587)	(15,007)	-
Other financing cash flows	(47)	(90)	(62)
Net cash from financing activities	**5,668**	**(7,497)**	**(7,203)**
Net increase in cash and cash equivalents	**(1,541)**	**3,277**	**3,608**
Starting cash balance	8,180	6,640	9,917
Closing cash balance	6,640	9,917	13,525

Source: Annual reports, GTCF analysis
Notes: (1) 'Other operating cash flows' includes interest paid and income tax paid. (2) Other financing cash flows includes payments for transaction costs for stapled security / unit buyback and payments for transaction costs for stapled security / unit buyback.

5.37 *Net cash from operating activities* - Cash flows attributable to interest and fee income fell sharply from c. A$8.4 million in FY23 to A$0.8 million by FY25, reflecting EDC's strategic restructuring of their investment portfolio and a contraction in performing loan assets. Following the portfolio simplification, the remaining debt investments all include capitalised interest, resulting in limited annual cash flows from operating activities.

5.38 *Net cash from investing activities* - Total net cash from investing activities has been driven from proceeds from financial assets at fair value through profit or loss. FY24 represents a deviation from the FY23 and FY25 with the significant uplift driven by the divestment of management rights (four property income funds) and co-investment stakes to Trilogy Group.

5.39 *Net cash from financing activities* - Cash flow from financing activities has been primarily driven by the net movements from proceeds and repayments of borrowings. From FY23 to FY25, the Group reported no consolidated debt, reinforcing that borrowings have been for short-term activities like liquidity management and have generally been repaid in the same period. EDC did not record any proceeds or repayments in 2025, with financing cash flows driven by dividends and other capital management activities. Moreover, between FY23 and FY25, EDC has delivered a consistent income-focused strategy through quarterly

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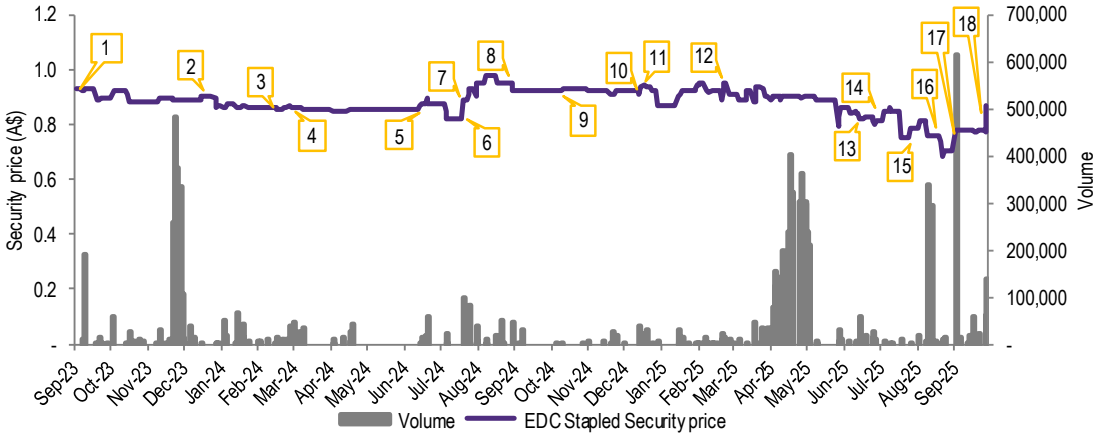
distributions and a targeted buy-back program. The Group launched the on-market buyback program in FY23, and by FY25, had bought back in excess of 5 million EDC Stapled Securities to reduce dilution and improve earnings per security.

Security capital structure

5.40 As at the date of the report, EDC's capital structure is comprised solely of the 44,429,247 ordinary EDC Stapled Securities on issue, representing the entirety of the Group's listed equity.

5.41 Below we have analysed the daily movements in EDC Stapled Securities price and volumes since 17 August 2023.

Figure 17 - Historical trading prices and volume of EDC Stapled Securities



Sources: S&P Global, GTCF analysis.

5.42 Figure 18 illustrates the key events that may have impacted the price and volume movements in EDC Stapled Securities since 17 August 2023 shown in Figure 17 above.

Figure 18 – Key announcements of the Group since 17 August 2023

Event	Date	Comment
1	24 August 2023	The Group released their FY23 annual results, reporting: • Operating profit after tax of A$3.3 million. • FY23 distributions of 6.0 cents per EDC Stapled Security. • Net Asset Value per EDC Stapled Security of A$1.11. • Net Tangible Assets per EDC Stapled Security of A$1.04. • Assets under management of A$352 million as at 30 June 2023.
2	20 December 2023	The Group announced a distribution for the half-year ending 31 December 2023 of 3.5 cents per EDC Stapled Security.
3	6 February 2024	The Group updated the market that the company has joined an A$62 million land acquisition as part of a JV in Officer, Victoria, lifting its assets under management to over A$400 million. For H1 FY24, EDC expects net profit after tax of A$1.5-1.7 million, with asset values per EDC Stapled Security unchanged.
4	26 February 2024	The group released their H1 FY24 results, reporting: • Operating profit after tax of A$1.6 million. • Distributions included 3.5 cents per stapled security. • Net Assets Value per EDC Stapled Security of A$1.11 (unchanged from 30 June 2023). • Net Tangible Assets per EDC Stapled Security of A$1.04 (unchanged from 30 June 2023).

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Event	Date	Comment
		• A$334 million as at 31 December 2023, increasing to over A$400 million post balance date.
5	24 June 2024	EDC announced the resignation of CEO Laurence Parisi, with CFO Varun Sachdev to become CEO from 1 July 2024. The Board also declared a half-year distribution of 4.0 cents per EDC Stapled Security, with the reinvestment plan suspended.
6	25 July 2024	EDC responded to media speculation that the Group is potentially under acquisition by Trilogy Funds. EDC confirmed that Trilogy is still in the due diligence process, that discussions are incomplete and that there is no binding agreement.
7	30 July 2024	The Group announced to the market they are selling their management rights and co-investment stakes in several property income funds to Trilogy Group for c. A$3.6 million as part of a strategic simplification. EDC also provided FY24 profit guidance, expecting NPAT of A$2.0–A$2.2 million post-transaction, with NAV and NTA per EDC Stapled Security at approximately $1.07 and $1.04, and total annual distributions of 7.5 cents per EDC Stapled Security.
8	26 August 2024	The Group released their FY24 annual results, reporting: • Operating profit after tax of A$3.6 million before one-off adjustments, and A$2.3 million after one-off adjustments related to the Trilogy transaction. • Distributions of 7.5 cents per EDC Stapled Security. • Net Asset Value per EDC Stapled Security of A$1.09. • Net Tangible Assets per EDC Stapled Security of A$1.05.
9	26 September 2024	The Group updated the market on the successful completion of having divested some of their property income funds. The total consideration received for the transaction to Trilogy Funds was c. A$3.6 million.
10	19 December 2024	EDC announced a dividend and distribution for the half-year ending 31 December 2024 totalling 4.0 cents per EDC Stapled Security. This is to be comprised of 3.4 cents per security of a fully franked dividend and 0.6 cents per EDC Stapled Security distribution.
11	23 December 2024	The Group provided an update to the market pertaining to the previously announced Officer Investment, a joint venture. EDC's joint venture in Officer South, Victoria, will end after key personnel departures triggered termination of its management agreement. The 15% co-investment will be acquired by partners at book value (c. A$2.0 million) in February 2025, reversing a c. A$11.1 million contingent liability from its accounts.
12	25 February 2025	The Group released their H1 FY25 results, reporting: • Operating profit after tax of A$1.2 million before one-off adjustments. • Distributions of 4.0 cents per EDC Stapled Security. • Net Asset Value of $1.04. • Net Tangible Assets of $1.02.
13	24 June 2025	EDC reported a distribution for H1 FY25 of 2.4 cents per EDC Stapled Security, as well as issued a distribution reinvestment plan.
14	1 July 2025	The Group reported that the mezzanine loan for the Kings–Newport Village project was extended to 30 September 2025 at 16.5% interest, but the borrower has not made the required A$1.5 million repayment, leaving a A$12.4 million loan outstanding. The Board is reviewing options, and slower Melbourne sales may require further loan provisions in FY25.
15	13 August 2025	EDC provided an operating model update that the company is shifting to a low cost, listed investment platform model, targeting higher returns and reducing annual corporate overheads from A$3.8 million to A$1.5 million by FY26. The Group also announced it had entered into a JV to acquire and convert a A$20.8 million sandalwood plantation in Burdekin, North Queensland, aiming to remediate and sell the land over a three-year horizon.
16	26 August 2025	EDC released their FY25 annual results, reporting: • Operating profit after tax of A$2.3 million before one-off adjustments, and a net loss after tax of A$5.7 million after A$8.0 million in provisions and impairments. • Distributions of 6.4 cents per EDC Stapled Security. • Net Asset Value per EDC Stapled Security of A$0.90. • Net Tangible Assets per EDC Stapled Security of A$0.90.
17	8 September 2025	Samuel Terry Asset Management has launched an off-market takeover bid for the Group at $0.80 cash per EDC Stapled Security, representing a premium to recent trading prices and aiming to acquire all outstanding EDC Stapled Securities. The EDC Board is reviewing the Offer and recommends Securityholders take no action at this stage, with an independent board committee to

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Event	Date	Comment
		be formed to evaluate and respond to the bid. Further updates will be provided to Securityholders in due course.
18	3 October 2025	Samuel Terry Asset Management provided a Supplementary Bidder's Statement with a revised Offer Price of A$0.875 per EDC Stapled Security.

Source: ASX announcements, S&P Global.

5.43 The monthly trading price performance of the Group from August 2024 to August 2025 and the weekly trading price performance of EDC over the last 16 weeks is summarised in Figure 19 below.

Figure 19 – EDC's monthly and weekly Stapled Security price performance

Eildon Capital Group	Stapled Security Price			
	High $	Low $	Close $	Average weekly volume 000'
Month ended				
Aug 2024	0.980	0.900	0.950	30
Sep 2024	0.925	0.920	0.920	19
Oct 2024	0.930	0.920	0.930	1
Nov 2024	0.930	0.910	0.920	14
Dec 2024	0.960	0.910	0.920	27
Jan 2025	0.925	0.870	0.925	12
Feb 2025	0.960	0.890	0.950	18
Mar 2025	0.935	0.870	0.930	24
Apr 2025	0.900	0.890	0.900	473
May 2025	0.900	0.880	0.890	391
Jun 2025	0.860	0.795	0.830	38
Jul 2025	0.860	0.750	0.750	12
Aug 2025	0.810	0.680	0.705	164
Week ended				
23 May 2025	0.890	0.890	0.890	-
30 May 2025	0.890	0.890	0.890	-
6 Jun 2025	0.860	0.795	0.860	47
13 Jun 2025	0.852	0.840	0.840	7
20 Jun 2025	0.850	0.800	0.820	71
27 Jun 2025	0.850	0.830	0.830	20
4 Jul 2025	0.830	0.800	0.815	53
11 Jul 2025	0.850	0.850	0.850	6
18 Jul 2025	0.860	0.850	0.850	3
25 Jul 2025	0.770	0.750	0.750	9
1 Aug 2025	0.785	0.785	0.785	0
8 Aug 2025	0.810	0.810	0.810	20
15 Aug 2025	0.800	0.750	0.760	342
22 Aug 2025	0.760	0.740	0.760	302
29 Aug 2025	0.740	0.680	0.705	24
5 Sep 2025	0.705	0.705	0.705	-

Sources: S&P Global, GTCF analysis.

EDC Stapled Securityholders

5.44 In Figure 20 we have set out the top 5 EDC Stapled Securityholders as at the date of this Report.

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Figure 20 – EDC Stapled Securityholders by total interest

Top 5 EDC Stapled Securityholders			
Rank	Name	No. of EDC Stapled Securities	Interest (%)
1	Samuel Terry Asset Management	28,025,969	63.08%
2	Chemical Overseas Limited	3,069,377	6.91%
3	Kaluki Pty Ltd	2,034,000	4.58%
4	Hancock & Gore Ltd	1,466,110	3.30%
5	Maxlek Pty Ltd	550,000	1.24%
Top 5 EDC Stapled Securityholders total		**35,145,456**	**79.10%**
Remaining EDC Stapled Securityholders		9,283,791	20.90%
Total ordinary EDC Stapled Securities outstanding		**44,429,247**	**100.00%**

Source: Management, GTCF analysis
Notes: (1) As at 09/09/2025

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6. Valuation methodologies

Introduction

6.1 As discussed in Section 1, our fairness assessment involves comparing the fair market value of EDC before the Offer on a control basis with the Offer Price. Grant Thornton Corporate Finance has assessed the value of EDC using the concept of fair market value. Fair market value is commonly defined as:

"the price that would be negotiated in an open and unrestricted market between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller acting at arm's length."

6.2 Fair market value excludes any special value. Special value is the value that may accrue to a particular purchaser. In a competitive bidding situation, potential purchasers may be prepared to pay part, or all, of the special value that they expect to realise from the acquisition to the seller.

Valuation methodologies

6.3 RG 111 outlines the appropriate methodologies that a valuer should generally consider when valuing assets or securities for the purposes of, amongst other things, share buy-backs, selective capital reductions, schemes of arrangement, takeovers, and prospectuses. These include:

- Discounted cash flow and the estimated realisable value of any surplus assets.
- Application of earnings multiples to the estimated future maintainable earnings or cash flows of the entity, added to the estimated realisable value of any surplus assets.
- Amount available for distribution to securityholders in an orderly realisation of assets.
- Quoted price for listed securities, when there is a liquid and active market.
- Any recent genuine schemes received by the target for any business units or assets as a basis for valuation of those business units or assets.

6.4 Further details on these methodologies are set out in Appendix A to this Report. Each of these methodologies is appropriate in certain circumstances.

6.5 RG 111 does not prescribe any of the above methodologies as the method(s) that an expert should use in preparing their report. The decision as to which methodology to use lies with the expert based on the expert's skill and judgement and after considering the unique circumstances of the entity or asset being valued. In general, an expert would have regard to valuation theory, the accepted and most common market practice in valuing the entity or asset in question, and the availability of relevant information.

Selected valuation methods

6.6 In assessing the value of EDC, we have considered the market value of EDC's property investments (being EDC's investments held by both ECT and ECL), as well as the market value of other net assets and liabilities as at August 2025 in an orderly realisation of assets.

6.7 We note that EDC has historically operated a funds management platform via its responsible entity, EFL. At the time of this Report, the funds management platform no longer has material operations as an investment manager for external capital and as previously discussed, we have not attributed any value to it.

6.8 Management has not provided detailed long-term financial forecasts to enable a robust discounted cash flow (DCF) analysis. Given the business has undergone significant change in recent years, the uncertainty with respect to the future strategy of the business would generally prevent the use of forward-looking assumptions beyond the immediate term with any degree of reliability. We have therefore been unable to undertake a cross-check of our valuation using DCF analysis.

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7. Valuation assessment of Eildon Capital Group

Introduction

7.1 For our valuation assessment of EDC, we have considered the market value of EDC's property investments as well as the market value of other net assets and liabilities under the assumption of an orderly realisation of the assets. Specifically, our valuation procedures have considered the following:

- A review and adjustment (where applicable) of the carrying value of EDC's credit investment portfolio and EDC's equity investments. We have considered the basis of the adopted carrying value, and, having had regard to current market conditions, any adjustments we consider appropriate in accordance with our independent review;
- The value of other assets and liabilities of the business not captured in the valuation assessment of the property portfolio, including whether any adjustments are required for other assets and liabilities; and
- An allowance for the expenses that are likely to be occurred in the orderly realisation of the Group's assets.

7.2 In the following table, we set out a summary of our valuation assessment.

Figure 21 – Summary of our valuation assessment

Fair market value assessment of EDC (control basis) A$ '000 (unless otherwise stated)	*Section reference*	Low	High
Eildon credit investments			
Kings/Newport Village	*7.5*	3,006	8,255
Malvern Road, Toorak (Senior facility)	*7.11*	7,075	7,075
Malvern Road, Toorak (Preference equity)	*7.11*	4,834	4,834
Hamilton Queensland	*7.13*	3,016	3,016
Eildon equity investments			
Eildon Health & Education Fund	*7.16*	1,699	1,699
Burnley Maltings	*7.21*	1,450	1,450
Burdekin	*7.24*	9,720	9,720
Total EDC property investments		**30,799**	**36,048**
Add: other assets and liabilities	*7.27*	3,004	3,004
Less: expenses incurred in orderly realisation[1]	*7.32*	1,207	1,207
Fair market value of EDC Stapled Securities		**35,010**	**40,259**
Ordinary Stapled Securities on issue		44,429	44,429
Fair market value per EDC Stapled Security (A$)(control basis)		**0.788**	**0.906**

Source: Management information, audited financial statements, GTCF analysis
Notes: (1) Expenses occurred in an orderly realisation have been calculated on a post-tax basis.

Valuation of the property portfolio

7.3 As part of our valuation assessment, we have undertaken a detailed review of the Group's property investment portfolio, which comprises the Group's credit investments and equity investments. We note that, excluding development projects, the Group's equity investments are carried based on the most recent

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property valuation, or, in the case of a recent purchase, the Group's share of the consideration paid. For development projects, the assets are carried based on total development costs to date. The Group's credit investments are carried at the fair market value of the loan, which includes accrued capitalised interest as well as the net impact of any provisions against the face value of the loan. We discuss each of the assets in further detail below.

7.4 In the following table, we present a summary of our valuation assessment of the Group's property investment portfolio as at August 2025.

Figure 22 – Valuation assessment of the Group's property investments

Fair market value - property portfolio A$ '000 (unless otherwise stated)	Carrying value basis	Balance sheet at Aug-25[1]	Market value assessment Low	 High
Eildon debt investments				
Kings/Newport Village (Mezzanine)	Net outstanding balance	8,255	3,006	8,255
Malvern Road, Toorak (Senior facility)	Outstanding balance	7,075	7,075	7,075
Malvern Road, Toorak (Preference equity)	Net outstanding balance	4,834	4,834	4,834
Hamilton Queensland	Outstanding balance	3,016	3,016	3,016
Eildon direct equity investments				
Eildon Health & Education Fund	Various	2,290	1,699	1,699
Burnley Maltings	Cost basis to date	1,767	1,450	1,450
Burdekin	Transaction cost	1,872	9,720	9,720
Total EDC property investments			**30,799**	**36,048**

Source: Management information, audited financial statements, GTCF analysis
Notes: (1) Balance sheet values at August 2025 are based on unaudited management accounts, however, we note that there are no material differences to the audited net value of the respective assets at June 2025, excluding Burdekin, which was not present in the June 25 financial statements as the deposit was paid for the property post June 2025.

Eildon credit investments

Kings/Newport Village

7.5 The carrying value of EDC's loan in Kings/Newport Village as at 30 June 2025 was approximately A$8.2 million, which was based on the outstanding balance of the loan net of a provision of approximately A$4.4 million in the FY25 financial accounts. NAB is the senior lender on the asset and it ranks ahead of EDC's mezzanine facility.

7.6 The original EDC loan was a mezzanine facility of c. A$21.8 million which was due to mature in November 2024, however, during H1 FY25 the Group agreed to an extension to March 2025 to allow the borrower sufficient time to refinance the loan. Notwithstanding this extension, in February 2025, the borrower made a partial repayment of c. A$9.8 million, resulting in a balance outstanding of approximately A$12.6 million (gross of provision for bad debt). The borrower then requested a further extension of the loan to 30 September 2025 in order to allow time to explore a sale process, which was agreed by EDC. As part of the extension agreement, the borrower agreed to make a A$1.5 million repayment by 30 June 2025, which, at the date of this Report, has not occurred and the borrower has indicated that it is not in a position to make this payment in the near-term.

7.7 As discussed in Section 5, Kings/Newport Village is currently a significant parcel of mostly undeveloped land, comprising of five separate lots. At the time of writing, the proposed development of this land includes approximately 373 dwellings (comprised of townhouses and apartments) as well as two retail

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premises. The development project has experienced a number of delays throughout the approval and construction process, with the only completed development to date being the stage one townhouse development, which represents 36 completed townhouses. There has been no further construction progress made toward the completion of the stage two/three townhouse and apartment developments. We understand that the borrower is currently exploring the market for sale opportunities, with an expression of interest campaign recently concluded in mid-September 2025.

7.8 In September 2024, the Group received a valuation on an 'as is' basis, representing the development (but excluding stage one, which has since been completed and which EDC have been re-financed out of). Subsequently, a new independent valuation commissioned in May 2025 indicated a lower value. We understand that this was driven by a number of reasons, however, the primary driver was transactional evidence observed over the previous 12 to 18 months. The recent valuation report also notes that based on its assessment of the current construction cost environment and residential housing market, the existing development plans would be unfeasible, and development would require new planning approvals to allow the apartment component of the asset to be replaced with townhouses, which we understand the current developer is also pursuing. Should the borrower be unable to secure a sale as part of the current sales campaign (which will not be determined until late in 2025), they intend to continue with development of the asset, which would likely mean restructuring the capital components of the development.

7.9 As part of the process of preparing the FY25 financial accounts, EDC undertook an assessment of the potential impairment of the EDC mezzanine loan under various property valuations, ranging between the most recent valuation at the low-end and the FY24 valuation at the high-end, and timing assumptions. To estimate the provision, the Group applied a probability weightings approach with approximately equal weightings attributed to each valuation scenario. As a result of this assessment, EDC booked a A$4.4 million write-down of the carrying value of the loan in FY25, resulting in a net balance of A$8.2 million.

7.10 For our valuation assessment, we have adopted a market value range for the Kings/Newport Village loan between A$3.0 million and A$8.2 million, based on the following:

- The high-end of our range adopts the carrying value of the loan as at 30 June 2025.

- At the low end of our range, we have recalculated the potential provision that would be required if, using Management's own provision calculations, we applied a 100% probability weighting to the most recent valuation. We consider it appropriate to incorporate a reduction in the value of the property at the low-end of our range, considering the recent depressed real estate markets for this type of development in Melbourne and the uncertainty with respect to the economic feasibility of the current development plan for the property. Management have also engaged sales agents on an informal basis to gauge the agents' opinions on what sales price would likely be achieved if the parcel of land was sold in its current state. We understand that the feedback was strongly supportive of a sales price in line with the recent valuation, providing further support that a valuation range which places more emphasis on the most recent valuation is reasonable to adopt. Further, we understand that since the expression of interest campaign recently concluded, sales agents have been working with potential interested parties to secure formal bids. Although this process is ongoing, we understand that any formal bids secured are likely to be in line with the more recent valuation.

- We understand based on discussion with Management that EDC's loan facility does not include any personal guarantees from the borrower or directors of legal entities associated with the borrower. All else equal, this increases the risk to EDC as lender, which we consider further justifies a low-end of the range that considers the potential down-side valuation risk for the property.

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- We have also considered the active sale campaign being explored by the borrower, which may represent a near-term liquidity event that would potentially support repayment of the mezzanine facility. A hypothetical sale of the stage two/three asset would be on a no debt basis. If the sale of stages two/three of the asset is successful, the creditor (NAB as senior lender or EDC as mezzanine lender) would be party to the sale and receive the funds based on a pre-agreed payment waterfall. Therefore, pending NABs approval as senior lender, it's possible that proceeds from any potential sale may be directed to repayment of EDC's mezzanine facility.

- We note that on 6 October 2025 EDC released an announcement on the ASX with an update on the Kings/Newport Village loan facility. The Group noted that the borrower on the facility (Kings Investment Partnership) had informed the Group that it has been issued a notice of default due to non-payment of interest and land tax in relation to the stage 1 townhouses completed on the Kings/Newport Village site. Importantly, we note that EDC is not a lender on the stage 1 townhouses project. Further, the underlying security for the default is not part EDC's mezzanine loan facility. Although EDC is not a lender on the loan in default, and the underlying security is not a security on any of EDC's loans, we consider this recent announcement further support that a valuation for the nearby Kings/Newport Village property that is part of EDC's loan portfolio is warranted at the low end of the range.

Malvern Road (Toorak)

7.11 Malvern Road is a development comprising 13 apartments in one four-level building called 'Clendon' in Toorak, Melbourne. Construction was completed in September 2024, with four apartments sold off the plan prior to construction completion, a further six apartments sold in the year since construction, with four of these due for settlement in August or September 2025. The last three apartments remain unsold at the time of this Report. EDC has exposure to Malvern Road via two vehicles, a senior debt facility (in which EDC have a material co-loan), and a preference equity position, which ranks below the senior debt facility. The total carrying value of EDC's investment in Malvern Road is approximately A$11.9 million, split into a carrying value of A$7.1 million and A$4.8 million for the senior facility co-investment and preference equity position, respectively.

7.12 The most recently prepared external valuation for the property was undertaken in July 2024. Six of the subsequent apartment sales have occurred at or above valuation, however, the most recent apartment sales have occurred at below valuation. As discussed in Section 5, as a result in the slowdown in sales velocity and the below valuation prices achieved for the most recent apartment sales, the Group adopted a provision of approximately A$1.9 million against the preference equity position in the FY25 financial accounts.

- *Senior debt facility* – In September 2024, EDC Group provided a senior first mortgage loan of c. A$20.5 million to the borrower, which comprised a 'super senior tranche' of c. A$14.1 million, funded by external capital, and an EDC co-loan of the remaining balance (c. A$6.1 million), the 'subordinated senior tranche'. The carrying amount of EDC's co-loan at August 2025 was approximately A$7.1 million. The senior facility was utilised by the borrower to refinance the incumbent lender and had an original term of 12 months. At the time of writing, the borrower and EDC are working through a 12-month extension to this facility.

  Based on the significant headroom available to the senior debt facility based on the latest settlement and predicted sale schedule provided to us at the time of writing this Report, we have not considered any adjustment necessarily to the senior debt facility and have adopted a market value of c. A$7.1 million, in line with the carrying value of the co-loan at August 2025.

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- *Preference equity* – The original preference equity position relates to financing to support construction of the development. The structure of the preference equity was for EDC to provide 80% of the required equity capital, with the sponsor to contribute the remaining 20%. As part of the initial arrangement, EDC were entitled to receive a profit share of 40% and a coupon of 15% per annum. However, this amount was amended to 7.5% in July 2024, and 0% in January 2025. Based on discussion with Management, we understand that this decision was made to align the tax treatment of the accrued coupons with the commercial reality that the asset was unlikely to be able to make the accrued coupon payments. The coupon income recorded would be accrued to ECT, which is required to pay out all earnings as distributions (a taxable event), however, it was assessed that the accrued coupons were unlikely to be ultimately paid, which would have resulted in ECT having to distribute accrued but unpaid coupons whilst simultaneously recording the impairment loss on the preference equity position.

  As part of the process of preparing the FY25 financial accounts, EDC undertook an assessment of the potential impairment of the preference equity position under various scenarios related to sales prices achieved for the remaining units left unsold, with the scenarios assuming the units sell at valuation, marginally below valuation, or below valuation. Approximately equal weight was assigned to each valuation scenario. As a result of this assessment, EDC booked a A$1.9 million write-down of the carrying value of preference equity position in FY25, resulting in a net balance of A$4.8 million.

  Management have undertaken further analysis based on recent apartment sales since June 2025 and have identified a further provision may be required in the subsequent period. For our valuation assessment we have adopted a market value of c. A$4.2 million for the preference equity position broadly based on the assessment of a further provision required of c. A$0.7 million.

Hamilton Queensland

7.13 In April 2024, EDC provided a total senior debt facility to a borrower with a facility limit of A$8.2 million (not including an interest capitalisation reserve of A$1.8 million) with respect to a vacant block that is used as a land banking asset and currently has various stages of planning approval for mixed use development in process. As part of this total facility of A$8.2 million, EDC made a substantial co-loan alongside external investors, which currently has a carrying value of approximately A$3 million. The facility had a term of 18 months to October 2025, with an extension option for an additional three months. In the event of the borrower taking up the extension, a monthly extension fee will be payable.

7.14 The latest external valuation of the site is dated August 2022, which we note is significantly out of date at the time of this Report. The borrower is in the process of arranging refinancing with an external lender at the time of this Report, and has commissioned an updated valuation, which is currently underway and is expected to be finalised in late September 2025.

7.15 For our valuation assessment, we have adopted the carrying value of the Hamilton loan as at 30 June 2025 on the following basis:

- The borrower is actively in the process of refinancing the loan externally, which, upon completion, would represent a very near-term liquidity event for EDC.

- Based on the 2022 valuation, which we note is dated, the senior debt facility has a low LVR of c. 25%, which significantly de-risks the project. We understand from Management that, even if the valuation of the property had moved materially since 2022, the resultant LVR would still be within relatively conservative levels.

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- EDC holds the first mortgage facility, which, in combination with the low LVR of the asset, means there is likely to be significant head room available to repay the senior debt facility even in the event of a substantial reduction in the assessed valuation of the property.

Eildon direct equity investments

Eildon Health & Education Fund

7.16 As discussed extensively from paragraph 5.9, the Eildon Health and Education Fund relates to EDC's 19.9% equity investment in MNL Property Trust, a trust that primarily owns and operates childcare centres, alongside a few development and vacant land assets. The core assets of the trust are freehold land assets for three operating childcare centres, which have all been experiencing positive performance exceeding budget expectations, low vacancy rates in recent years, and have been consistently making lease payments.

7.17 The value of MNL net assets as at 30 June 2025 was c. A$11.1 million. The gross value of EDC's operating childcare property assets is based on recent valuations of the freehold land. The value of other property assets is based on either a recent valuation of the property (in the case of the commercial office property), or, in the case of the development asset and vacant land asset, the purchase price of the assets plus any costs incurred to date for planning and development. The value of MNL Property Trusts investment in the CC1 joint venture is based on MNL Property Trust's 30% equity stake in the net assets of that joint venture, which is almost entirely comprised of the two property assets in that joint venture, valued based on recent property valuations.

7.18 The value of the MNL Property Trust's other assets and liabilities (including the debt associated with the property investments) are based on the unaudited management account balance sheet values.

7.19 For our valuation assessment, we have adopted a market value of c. A$1.7 million of EDC's investment in the MNL Property Trust. This represents EDC's 19.9% entitlement to the net assets of the trust, with a discount for lack of control. We have also made a small adjustment to two of the underlying childcare assets in the MNL Property Trust. This adjustment was made where the carrying value of the property on the balance sheet had not yet been updated to reflect recent valuations, but Management expect to be updated in the near future. These adjustments were relatively immaterial.

7.20 We consider it reasonable to apply a discount for lack of control given EDC is a genuine minority equity partner in the trust and does not have any special rights or obligations for equal control or voting power. We consider that, if EDC were to market their equity stake in the MNL Property Trust on a standalone basis, a pool of potential purchasers would apply a discount to the net asset position of the fund to reflect this minority position.

Burnley Maltings

7.21 EDC have a 16.1% equity stake in Burnley Maltings, the residential development project located in Melbourne, Victoria with permit approval for the construction of 55 apartments within an existing structure, and potential additional construction on top of the existing structure, which are currently going through the planning approval process. Construction is expected to be completed by early 2027, with five pre-sales achieved to date (one conditional and four unconditional). The current carrying value of EDC's equity stake in the asset is c. A$1.8 million, which is based on the capital amount paid by EDC in exchange for shares in Burnley Maltings Pty Ltd, the majority of which was called over 2018 to 2021.

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7.22 Construction activity on site commenced in February 2024 and, as of August 2025, progress to date has largely been demolition of existing buildings, basement retention works, and bulk excavation work. A construction contract was signed in October 2024 and to date, some minor construction work has been completed for the existing building. As discussed previously, pre-sales for the project are limited, with four unconditional sales and one conditional sale to date. There has been no active marketing activity in the last 12 months as a result of a soft market for off-the-plan real estate assets, however, we understand that a marketing plan is currently being prepared with a view to re-engage marketing activities in the near-term.

7.23 We have adopted a market value of c. A$1.5 million for EDC's investment in the Burnley Maltings development. This represents EDC's 16.1% entitled to the net assets of the underlying corporate entity that owns the development. We note that we have adjusted the underlying NTA of the company by updating the property valuation from the cost basis at which it is carried, to the most recent market valuation of the land on an 'as is' basis at March 2025. We have also applied a minority discount to this asset to reflect EDC's minority position in the investment.

7.24 We note that this is an adjustment from the balance sheet value of the asset, which the Group carries based on the cost of the investment to date. These costs were incurred over the period 2018 to 2021. We consider it appropriate to update the value of the property from the carrying value, considering a more contemporaneous market valuation of the property is available, and the amount of time that has passed since the investment costs were incurred.

Burdekin

7.25 Burdekin is a recently purchased Sandalwood asset in regional Queensland which was acquired for approximately A$20.8 million with settlement expected by the end of October 2025 with A$10 million of external debt financing and the balance with equity contributions. EDC have an equity stake in the asset of 90%, with the investment partner (and manager) AAG holding the remaining 10% of the equity.

7.26 This asset was not recorded on the Group's balance sheet at the time of the FY25 financial statements as the first deposit for this property was paid after 30 June 2025. As at August 2025, the carrying value of the investment is recorded as c. A$1.9 million on the Group's balance sheet, which represents EDC's 90% equity interest in the 10% deposit made on the total purchase price of A$20.8 million. EDC also recorded a financial asset to reflect to loan they made to AAG to cover their 10% share of the deposit. The Burdekin purchase is due to settle at the end of October 2025, with EDC to fund the remainder of the balance from cash held on the Group's balance sheet. [35] EDC will also fund AAG's 10% portion of the remaining equity payment on settlement, which will be funded via a loan that will be a financial asset to AAG. After settlement, the total loan owing to EDC by AAG to fund AAG's share of the purchase will be approximately A$1.08 million.

7.27 We have adopted a market value of approximately A$9.7 million. This reflects EDC's 90% stake in the net equity value of the property, being A$10.8 million. Given the contemporaneous nature of the transaction, we consider it reasonable to assume that the actual purchase price paid is the best available proxy for market value, given there is no evidence to suggest the market value of the property has changed materially since the transaction was agreed between the parties acting at arm's length.

[35] Including AAG's 10% portion of the outstanding balance owing to be funded via equity, for which a further loan will be provided.

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Other valuation adjustments

Other assets and liabilities

7.28 As part of our valuation assessment, we have also considered the other assets and liabilities on the unaudited balance sheet as of August 2025, as presented in the table below.

Figure 23 – Valuation assessment of the Group's other assets and liabilities

EDC other assets and liabilities	Note	Balance sheet	Market value assessment	
A$ '000 (unless otherwise stated)	reference	at Aug-25[1]	Low	High
Cash and cash equivilents	1	10,586	10,586	10,586
Less: Burdekin settlement to be paid	1	na	(8,720)	(8,720)
Loan to AAG Investments (Burdekin)	2	208	1,080	1,080
Other assets and liabilities	3	58	58	58
Goodwill	4	285	-	-
Total other assets and liabilities		**11,137**	**3,004**	**3,004**

Notes: (1) Balance sheet values at August 2025 are based on unaudited management accounts.

7.29 *Note 1* - Cash on the balance sheet as at August 2025 will primarily be used to fund the remainder of the equity portion of the Burdekin settlement. Total equity funding required for the Burdekin settlement was A$10.8 million, 90% payable by EDC, and 10% payable by AAG, the investment partner. EDC agreed to provide a loan to AAG to fund their 10% share of the equity amount.

To date, the deposit paid for the Burdekin settlement was $2.08 million.[36] The remaining payment on settlement to be funded via equity is therefore A$8.72 million.[37] At the time of writing, given settlement is due imminently, we have elected to remove the cash required for settlement from the Group's assets and liabilities for the purposes of our valuation assessment. We note this is directly offset by the equivalent recognition of this payment in the market value assessment of Burdekin. We consider that this treatment provides a more accurate reflection of the Group's asset position as at the date of this Report.

7.30 *Note 2* - This loan asset reflects the total loan provided to AAG to cover their 10% portion of the equity funding for the Burdekin purchase. As at August 2025, the Group reflects a loan of only A$0.2 million on the unaudited balance sheet, representing the deposit portion of the loan. To be consistent with our treatment of the use of cash to settle the Burdekin transaction discussed in Note 1, we have reflected the full value of the loan that will be owing from AAG for the settlement of the property, being A$1.08 million.

7.31 *Note 3* - Other assets and liabilities primarily consist of standard assets and liabilities incurred in the ordinary course of business, trade payables and receivables, and a small balance of deferred tax assets. We have included the balance of deferred tax assets in our assessment as we consider it likely these deferred tax assets would be utilised in offsetting some expenditure associated with the realisation of the assets on the balance sheet under the orderly realisation approach.

7.32 *Note 4* - Goodwill relates to remaining goodwill for the funds management platform, which we do not consider would be recoverable in the ordinary realisation of assets.

[36] 10% deposit on the purchase price of A$20.8 million.
[37] Total portion of the purchase to be funded via equity (A$10.8 million) less the deposit already paid (A$2.08 million).

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Expenses incurred during the orderly realisation of assets

7.33 As part of our valuation assessment on an orderly realisation basis, we have included an allowance for after tax expenses that are likely to be incurred during the orderly realisation of assets, which we present in the following table. We have assumed orderly realisation would occur over a period of 12 months.

Figure 24 – Expenses incurred in an orderly realisation of assets

After-tax expenses incurred in an orderly realisation A$ '000 (unless otherwise stated)	Note reference	Cost over 12 months
Run-off insurance	1	245
Legal fees	2	175
Accounting fees	2	53
Salaries and other employee payments	3	735
Total expenses incurred in an orderly realisation of assets		**1,207**

Source: Management information, GTCF analysis
Notes: (1) Expenses occurred in an orderly realisation have been calculated on a post-tax basis.

7.34 *Note 1* - Run-off insurance refers to insurance policies that would allow EDC, in the event of a hypothetical orderly realisation of assets, to maintain their insurance for any claims that may arise from past business activity. We understand from Management that run-off insurance would be approximately three times current annual premiums.

7.35 *Note 2* - Legal and accounting fees would relate to expenses incurred for standard legal and accounting activity required to wind-down the business in a hypothetical orderly realisation of assets.

7.36 *Note 3* - Salaries and other employee payments relate to salaries and payments that would be incurred in maintaining staff for the 12-month period assumed to be required for an orderly realisation of assets. These hypothetical expenses include any termination payments where applicable.

Securities on issue

7.37 At the time of this Report, there were 44,429,247 outstanding EDC Stapled Securities on issue. We have confirmed that the Group does not have any unquoted securities as at the time of writing.

8. Quoted Security Pricing Method

8.1 In our valuation assessment of the Group, we have also considered the liquidity and trading price of its listed Securities on the ASX. The analysis of the trading price is an exercise of professional judgement that takes into consideration the depth of the market for listed securities, the volatility of the trading price, and whether or not the trading price is likely to represent the underlying value of EDC.

Liquidity Analysis

8.2 In accordance with the requirements of RG 111, we have analysed the liquidity of EDC's Stapled Securities before relying on them for the purpose of our valuation assessment. We have set out below the trading volume from September 2024 to August 2025 as a percentage of the total EDC Stapled Securities outstanding as well as free float EDC Stapled Securities outstanding, on both a monthly and cumulative basis.

Figure 25 – Liquidity analysis of the Group

Month end	Volume traded ('000)	Monthly VWAP ($)	Total value of shares traded ($'000)	Volume traded as % of total shares	Cumulative Volume traded as % of total shares	Volume traded as % of free float shares	Cumulative Volume traded as % of free float shares
Sep 2024	79	0.92	73	0.2%	0.2%	1.3%	1.3%
Oct 2024	5	0.93	5	0.0%	0.2%	0.1%	1.4%
Nov 2024	61	0.92	56	0.1%	0.3%	0.8%	2.2%
Dec 2024	112	0.93	104	0.2%	0.5%	1.5%	3.7%
Jan 2025	52	0.90	47	0.1%	0.7%	0.7%	4.5%
Feb 2025	73	0.92	67	0.2%	0.8%	1.0%	5.5%
Mar 2025	102	0.90	92	0.2%	1.0%	1.4%	6.9%
Apr 2025	2,081	0.90	1,872	4.4%	5.4%	29.1%	36.0%
May 2025	1,722	0.90	1,548	3.8%	9.3%	31.4%	67.4%
Jun 2025	158	0.83	132	0.4%	9.6%	3.5%	70.9%
Jul 2025	57	0.81	46	0.1%	9.8%	0.8%	71.7%
Aug 2025	687	0.76	522	1.4%	11.2%	6.1%	77.8%
Min				**0.0%**		**0.1%**	
Average				**0.9%**		**6.5%**	
Median				**0.2%**		**1.4%**	
Max				**4.4%**		**31.4%**	

Source: S&P Global, GTCF analysis.

8.3 The outstanding level of free float for EDC Stapled Securities is c. 21.5%. The liquidity of the Group is low given the relatively small amount of free float and the infrequency of trading, given that it is not unusual for several days of no trading volume to occur. We also note the following:

- The Group is not covered by any investment analysts, with regular updates limited to company announcements.
- The months of April and May 2025 represented an unusually high volume of trading driven by the c. 3.6 million EDC Stapled Securities that were bought back by the Group as part of EDC's capital management strategy in FY25.

8.4 In Figure 26, we have benchmarked the liquidity of the Group to its listed representative REITs.

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Figure 26 – Liquidity benchmarking

Liquidity analysis Company	Country	Free float (%)	Average volume traded as a % of total shares	Average volume traded as a % of free float shares	Cumulative volume traded as a % of total shares	Cumulative volume traded as a % of free float shares
Eildon Capital Group	Australia	21.5%	0.9%	6.5%	11.2%	77.8%
Centuria Industrial REIT	Australia	82.8%	5.4%	6.5%	64.3%	77.8%
Garda Property Group	Australia	58.5%	1.0%	1.7%	12.0%	20.4%
Centuria Office REIT	Australia	67.7%	3.2%	4.8%	38.9%	57.3%
Charter Hall Retail REIT	Australia	85.6%	5.1%	5.8%	60.8%	69.7%
Carindale Property Trust	Australia	30.1%	0.4%	1.1%	4.3%	13.7%
HealthCo Healthcare and Wellnes	Australia	75.5%	5.7%	7.6%	68.7%	90.9%
Growthpoint Properties Australia	Australia	34.6%	1.5%	4.3%	17.8%	51.4%
BWP Trust	Australia	77.4%	3.5%	4.5%	42.0%	54.3%
HomeCo Daily Needs REIT	Australia	79.3%	3.9%	4.9%	46.8%	59.2%
Dexus Industria REIT	Australia	99.3%	5.1%	5.1%	60.9%	61.4%
Low		**30.1%**	**0.4%**	**1.1%**	**4.3%**	**13.7%**
Average		**69.1%**	**3.5%**	**4.6%**	**41.7%**	**55.6%**
Median		**76.4%**	**3.7%**	**4.9%**	**44.4%**	**58.3%**
High		**99.3%**	**5.7%**	**7.6%**	**68.7%**	**90.9%**

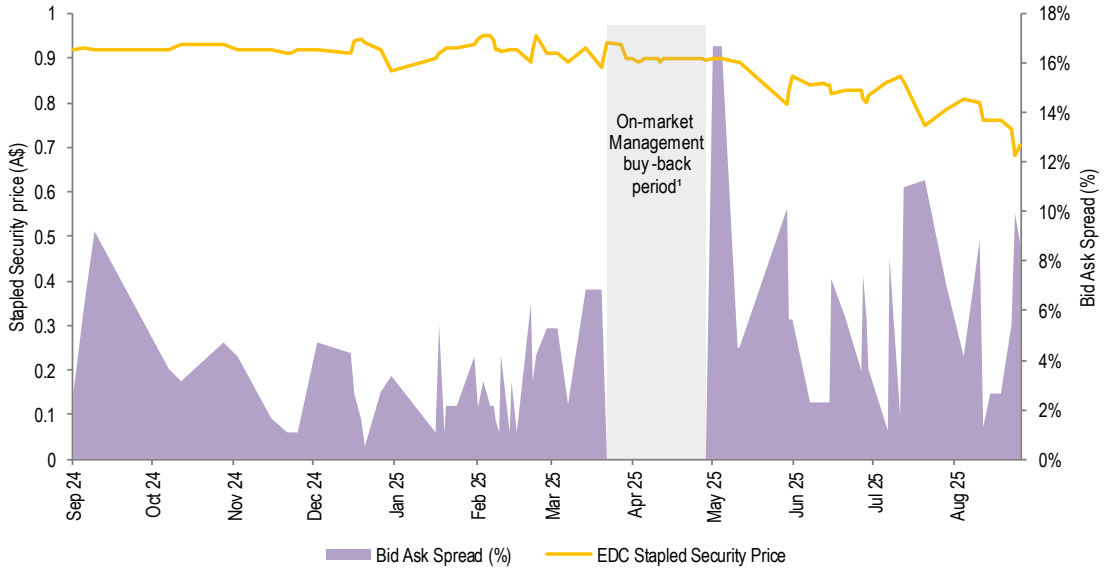
Source: S&P Global, GTCF analysis.

8.5 The Group's twelve-month cumulative volume traded as a percentage of free float shares is 77.8%, above the average of listed representative REITs at 55.6%. However, we note this is attributable to the low level of free float securities outstanding. This further extends to the average monthly volume of total free float securities, where EDC's 6.5% sits above the average of listed peers at 4.6%.

8.6 Where a company‘s stock is not heavily traded or is relatively illiquid, the market typically observes a difference between the ‘bid’ and ‘ask’ price for the stock as there may be a difference in opinion between the buyer and seller on the value of the stock. In Figure 27, we have set out the bid-ask spread of the Group's securities for the 12-month period up to 29 August 2025.

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Figure 27 – Bid-ask spread of EDC Stapled Securities



Source: S&P Global, GTCF analysis.
Notes (1): The bid-ask spreads from the period 26 March 2025 to 24 April 2025 have been excluded in the above graph as a result of abnormal bid/ask spreads during the on-market Management buy-back period.

8.7 As set out in Figure 27, the historical average and median bid-ask spread of EDC Stapled Securities has been circa 9.9% and 4.2%, respectively, for the period up to 29 August 2025, which is sizeable and an indication of a relatively illiquid security.

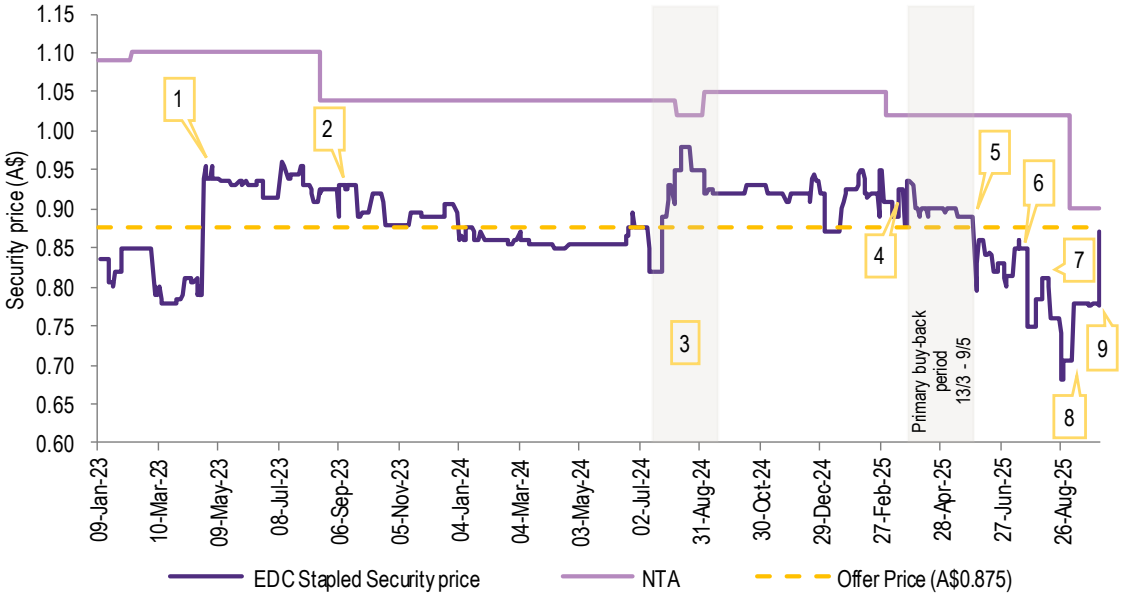
8.8 Based on 1) the low level of free float, 2) no investment analyst coverage, and 3) the sizeable bid-ask spread over the trailing 12 months, we consider that EDC Stapled Securities trade with very limited liquidity and often experience multiple trading days in a row with zero volume traded.

Analysis of trading price

8.9 The following chart presents EDC Stapled Securities trading prices since 1 January 2023 (prior to the first STAM takeover bid) to 25 September 2025, alongside the reported NTA over the same period, as well as the Offer Price.

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Figure 28 – EDC Stapled Security historical trading prices compared to NTA and the Offer Price



Source: S&P Capital, GTCF analysis
Notes: (1) 24 April 2023: First STAM off-market takeover bid at A$0.93 per security. (2) 24 August 2023: FY23 results announced. (3) 24 June 2024 to 26 August 2024: Management changes announced, media speculation on potential transactions with Trilogy, FY24 results announced. (4) 25 February 25: H1 FY25 results announced. (5) 2 June 2025: the start of the persistent decline in trading prices. (6) 1 July 2025: update on Kings, with potential provisions announced. (7) 13 August 25: Operational update and structural changes, Burdekin purchase announced. (8) 8 September 25: Bidder Statement released (Offer announced). (9) 3 October 2025: Supplementary Bidder Statement released (Offer Price increased to A$0.875. We note that the reference price for 3 October 2025 in this chart was observed at 3:10pm, before the daily close of trading on the ASX. As such, the closing price on the day may differ to the figure reference in this chart.

8.10 Given the significant change that EDC has undergone over the past 12 months, we have chosen in the graph above to present the a longer period of time to demonstrate EDC's trading performance in recent months (and at the time of the Offer) within the context of a longer historical period. As we discuss recent trading price history below, it is important to note that trading prices in illiquid securities can exhibit significant volatility due to relatively small or sporadic trading activity, which may not reflect broader market sentiment or the underlying value of the securities. This means prices can be influenced by relatively small amounts of trading activity that may be driven by non-market factors, such as the traders own portfolio management strategies, and as such may not necessarily reflect market announcements or changes to the underlying fundamentals of the given security.

8.11 As the chart above demonstrates, EDC Stapled Securities traded within a relatively narrow range of A$0.90 to A$0.95 over the period from 27 August 2024 (the day the FY24 results were released) to 2 June 2025. Over the same period, NTA was relatively stable, reported as A$1.05 upon release of the FY24 results, before declining marginally to A$1.02 upon release of the H1 FY25 results.

8.12 During this period, and more specifically between the March 2025 and early May 2025, Management undertook the majority of the buying that resulted in 3.66 million EDC Stapled Securities being bought back for an average price of approximately A$0.90 per EDC Stapled Security based on prevailing trading prices at the time. This buy-back activity occurred in the period broadly following the release of the H1 FY25 accounts. Management's buyback activity during FY25 was approved by Securityholders at the extraordinary general meeting in February 2025, which allowed Management to undertake an on-market buyback of up to 10 million EDC Stapled Securities over the 12-month period following the meeting. We understand that Management's primary reasons for undertaking the buyback activity, among others, were to enhance the Group's ability to return capital to Securityholders in an efficient manner and create an extended period of liquidity for Securityholders, where such liquidity may not have otherwise been

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available on the ASX market without materially impacting the trading prices. Such on-market buyback activity is not uncommon for EDC Management, who undertook similar buyback activity in November and December 2023 and April 2024.

8.13 Early June marked the beginning of a gradual decline in trading prices for EDC Securities, when trading prices dropped from c. A$0.89 to A$0.80, before quickly experiencing a partial recovery to A$0.86. Despite our attempts to discern what might have been the catalyst for significant selling on those days, where approximately 50,000 EDC Stapled Securities were traded over two days, we have been unable to identify any public announcements that explain the selling.

8.14 Trading prices generally continued to decline up to 1 July 2025, when the Group released an update on the Kings/Newport Village project and upcoming FY25 financial results. The announcement informed the market that the borrower for Kings/Newport Village had failed to make the agreed A$1.5 million loan repayment that was part of the agreement to extend the original loan term[38] and would not be in a position to do so in the near-term. The Group simultaneously announced that, as a result of its loan exposure to the relatively stagnant Melbourne property market, there would likely be provisions against various Melbourne based properties in the FY25 accounts, however, at the time, the amount of the provisions had not yet been determined.

8.15 Mid-July to mid-August 2025 saw a period of relatively volatile price activity, with trading prices varying between A$0.75 and A$0.85 over the period despite no public announcements or updates. On 13 August 2025, the Group released an announcement informing the market of the entry into a joint venture with AAG and the purchase of the Burdekin asset, the first time EDC had invested in an agricultural asset and representing a marked divergence from the type of assets that EDC typically invests in. As part of the same announcement the Group provided an operational update that was the conclusion of a strategic review the Group began in August 2023, which would reposition the Group as a low cost, listed investment platform that focused on smaller scale, primarily third-party sourced investment opportunities. The Group announced that the lighter operating model would result in a material reduction in corporate overheads and general operating expenses. The market generally reacted negatively to this news with trading prices declining 5.0% on the day. In our view, it is likely that as a result of this announcement (coupled with previous announcements throughout FY25 with respect to the sale/repayment of certain other assets and management rights of the business) the market began to anticipate a reduction in NTA as part of the upcoming financial results.

8.16 On 26 August 2025, the Group released the FY25 financial results, which included combined provisions of c. A$6.3 million for the Kings/Newport Village and Malvern Road (preference equity) investments. It's likely that the provisions were more than originally anticipated by the market, given the provision for Kings/Newport Village was c. 35% of the total balance sheet co-investment. As a result of these provisions, the substantial repayment of a large portion of the Malvern Road Senior Facility, and the sale of other assets, the FY25 full-year results reported a 14% reduction in NTA from A$1.05 to A$0.90 per EDC Stapled Security. After the announcement, trading prices declined from A$0.74 to A$0.68, a decline of approximately 8%. There was a partial recovery in trading prices to A$0.71, where prices generally remained up until the release of the Bidder Statement on 8 September 2025.

8.17 In our view, although trading prices have been somewhat volatile over the three-to-four-month period before the announcement of the Offer, there has been a clear and sustained decline in trading prices that is likely to reflect the market reaction to the significant structural change that has occurred over the last 12

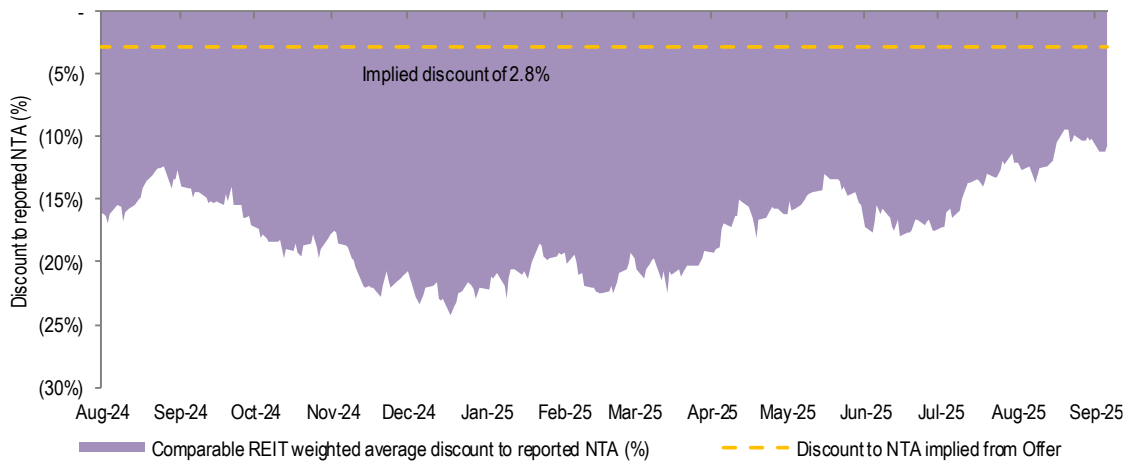
[38] Which was announced previously in April 2025.

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months, as opposed to temporary dislocation. Although prices appear to remain stable up to June 2025, we consider it likely that this was driven by investors waiting for news or updates from the Group with respect to the strategy to redeploy the proceeds from previous asset sales and the support from the on-market buyback. When the strategy update and changes in the operating structure of the business were announced, a volatile but persistent decline in trading prices occurred.

8.18 Having considered the recent nature of the decline in trading prices, we note that the Offer Price is at a premium to trading prices before the announcement of the Offer, which provides Independent Securityholders an opportunity at a premium to trading prices. Given the low level of liquidity as discussed above, there could be limited opportunities for Independent Securityholders to exit at such premiums in the future. Moreover, as can be seen in Figure 29, while the Offer is at a small discount to NTA, this discount is materially narrower than the trading discount to NTA observed in a group of listed comparable REITs. Over the same period as observed in our trading price analysis, the peer REITs have traded with a median discount to NTA of c. 17.3%, compared to the implied discount to NTA for the Offer Price of c. 11.1%.

Figure 29 – Analysis of EDC discount to NTA against REIT peers



Source: S&P Capital, GTCF analysis
Notes (1): The comparable REIT average discount to NTA is based on the discount to NTA of select peers, proportionally weighted by the size of the respective market capitalisations to the total market capitalisation of the peers. The group includes Centuria Industrial REIT, Centuria Office REIT, Garda Property Group, Growthpoint Properties Australia, BWP Trust, Carindale Property Trust, Charter Hall Retail REIT, HomeCo Daily Needs REIT, Dexus Industria REIT and HealthCo Healthcare & Wellness REIT.

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9. Sources of information, disclaimer and consents

Sources of information

In preparing this Report Grant Thornton Corporate Finance has used various sources of information, including:

- Historical annual reports and Management accounts for EDC.
- The Bidder's Statement
- Management presentations and CFO reports and Board reports.
- Information databases such as S&P Global Capital IQ and Mergermarket.
- Industry reports.
- Various broker reports for the industry and for listed peers.
- Other publicly available information.
- In preparing this report, Grant Thornton Corporate Finance has also held discussions with, and obtained information from, Management of EDC.

Limitations and reliance on information

9.2 This Report and opinion are based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

9.3 Grant Thornton Corporate Finance has prepared this Report on the basis of financial and other information provided by the Group, and publicly available information. Grant Thornton Corporate Finance has considered and relied upon this information. Grant Thornton Corporate Finance has no reason to believe that any information supplied was false or that any material information has been withheld. Grant Thornton Corporate Finance has evaluated the information provided by the Group through inquiry, analysis and review, and nothing has come to our attention to indicate the information provided was materially misstated or would not afford reasonable grounds upon which to base our report. Nothing in this Report should be taken to imply that Grant Thornton Corporate Finance has audited any information supplied to us or has in any way carried out an audit on the books of accounts or other records of the Group.

9.4 This Report has been prepared to assist in advising the Independent Securityholders in relation to the Offer. This Report should not be used for any other purpose. In particular, it is not intended that this Report should be used for any purpose other than as an expression of Grant Thornton Corporate Finance's opinion as to whether the Offer is fair and reasonable to the Independent Securityholders.

9.5 EDC has indemnified Grant Thornton Corporate Finance, its affiliated companies, and their respective officers and employees, who may be involved in or in any way associated with the performance of services contemplated by our engagement letter, against any and all losses, claims, damages and liabilities arising out of or related to the performance of those services whether by reason of their negligence or otherwise,

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excepting gross negligence and wilful misconduct, and which arise from reliance on information provided by the Group, which the Group knew or should have known to be false and/or reliance on information, which was material information the Group had in its possession and which the Group knew or should have known to be material and which did not provide to Grant Thornton Corporate Finance. The Group will reimburse any indemnified party for all expenses (including without limitation, legal expenses) on a full indemnity basis as they are incurred.

Consents

9.6 Grant Thornton Corporate Finance consents to the issuing of this Report in the form and context in which it is included in the Target's Statement to be sent to the Independent Securityholders. Neither the whole nor part of this Report nor any reference thereto may be included in or with or attached to any other document, resolution, letter or statement without the prior written consent of Grant Thornton Corporate Finance as to the form and context in which it appears.

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Appendix A – Valuation methodologies

Capitalisation of future maintainable earnings

The capitalisation of future maintainable earnings multiplied by appropriate earnings multiple is a suitable valuation method for businesses that are expected to trade profitably into the foreseeable future. Maintainable earnings are the assessed sustainable profits that can be derived by a company's business and excludes any abnormal or "one off" profits or losses. This approach involves a review of the multiples at which shares in listed companies in the same industry sector trade on the share market. These multiples give an indication of the price payable by portfolio investors for the acquisition of a parcel shareholding in the company.

Discounted future cash flows

An analysis of the net present value of forecast cash flows or DCF is a valuation technique based on the premise that the value of the business is the present value of its future cash flows. This technique is particularly suited to a business with a finite life. In applying this method, the expected level of future cash flows are discounted by an appropriate discount rate based on the weighted average cost of capital. The cost of equity capital, being a component of the WACC, is estimated using the Capital Asset Pricing Model. Predicting future cash flows is a complex exercise requiring assumptions as to the future direction of the company, growth rates, operating and capital expenditure and numerous other factors. An application of this method generally requires cash flow forecasts for a minimum of five years.

Orderly realisation of assets

The amount that would be distributed to shareholders on an orderly realisation of assets is based on the assumption that a company is liquidated with the funds realised from the sale of its assets, after payment of all liabilities, including realisation costs and taxation charges that arise, being distributed to shareholders.

Market value of quoted securities

Market value is the price per issued share as quoted on the ASX or other recognised securities exchange. The share market price would, prima facie, constitute the market value of the shares of a publicly traded company, although such market price usually reflects the price paid for a minority holding or small parcel of shares, and does not reflect the market value offering control to the acquirer.

Comparable market transactions

The comparable transactions method is the value of similar assets established through comparative transactions to which is added the realisable value of surplus assets. The comparable transactions method uses similar or comparative transactions to establish a value for the current transaction. Comparable transactions methodology involves applying multiples extracted from the market transaction price of similar assets to the equivalent assets and earnings of the company. The risk attached to this valuation methodology is that in many cases, the relevant transactions contain features that are unique to that transaction, and it is often difficult to establish sufficient detail of all the material factors that contributed to the transaction price.

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Appendix B - Comparable REITs

Company	Description
BWP Trust	BWP Trust ('BWP' or 'the Trust') is a real estate investment trust investing in and managing commercial properties throughout Australia. Since its inception, and prior to management internalisation on 1 August 2025, BWP Trust was externally managed by BWP Management Limited ('BWPM'), the appointed responsible entity, with 100 per cent of BWPM's share capital owned by Wesfarmers Limited ('Wesfarmers').
Carindale Property Trust	Westfield Carindale is situated in an affluent quarter of Brisbane's south eastern suburbs approximately 12 kilometres from the CBD. The centre currently services a trade area population of over 738,000, and has a total accessible market of 1.4 million residents with the nearby Gateway Motorway offering convenient access to the centre.
Centuria Industrial REIT	CIP is Australia's largest domestic pure play industrial REIT and is included in the S&P/ASX 200 Index. CIP's portfolio of high-quality industrial assets is situated in key metropolitan locations throughout Australia and is underpinned by a quality and diverse tenant base. CIP is overseen by a hands on, active manager and provides investors with income and an opportunity for capital growth from a pure play portfolio of high-quality Australian industrial assets.
Centuria Office REIT	COF is Australia's largest ASX listed pure play office REIT and is included in the S&P/ASX300 Index. COF owns a portfolio of high-quality office assets situated in core submarkets throughout Australia. COF is overseen by a hands-on, active manager and provides investors with income and the opportunity for capital growth from a pure play portfolio of high-quality Australian office assets.
Charter Hall Retail REIT	Charter Hall Retail REIT is the leading owner of property for convenience retailers. Charter Hall Retail REIT is managed by Charter Hall Group (ASX: CHC). Charter Hall is one of Australia's leading fully integrated property investment and funds management groups
Dexus Industria REIT	Dexus Industria REIT (ASX code: DXI) is a listed Australian real estate investment trust which is primarily invested in high-quality industrial warehouses. At 31 December 2024, the fund's investment property portfolio is valued at $1.4 billion and is located across the major Australian cities, providing sustainable income and capital growth prospects for securityholders over the long term.
GARDA Propety Group	Garda Property Group (ASX: GDF) (Garda) is an industrial real estate investor, developer and active manager with investments predominately in Brisbane. As at 30 June 2024, Garda had $509 million of investments between industrial properties (83%) and commercial office properties (17%).
Growthpoint Properties Australia	Growthpoint Properties Australia (ASX: GOZ) is a real estate investment trust (REIT), listed on the ASX, and is part of the S&P/ASX 300. Moody's has issued us with an investment-grade rating of Baa2 for domestic senior secured debt.
HealthCo Healthcare & Wellness REIT	HealthCo Healthcare & Wellness REIT is a real estate investment trust listed on the ASX with a mandate to invest in Hospitals; Aged Care; Childcare; Government, Life Sciences & Research; and Primary Care & Wellness property assets, as well as other healthcare and wellness property adjacencies. The REIT's objective is to provide Unitholders with exposure to a diversified portfolio underpinned by attractive megatrends, targeting stable and growing distributions, long-term capital growth and positive overall environmental and social impact.
HomeCo Daily Needs REIT	HomeCo Daily Needs REIT is an Australian Real Estate Investment Trust listed on the ASX with a mandate to invest in convenience-based assets across the target sub-sectors of Neighbourhood Retail, Large Format Retail and Health & Services. HomeCo Daily Needs REIT aims to provide unitholders with consistent and growing distributions. HomeCo Daily Needs REIT(ASX:HDN) operates independently of Home Consortium Limited as of December 31, 2020.

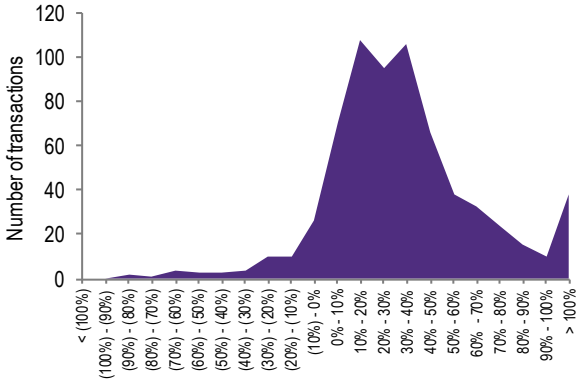
Source: S&P Global.

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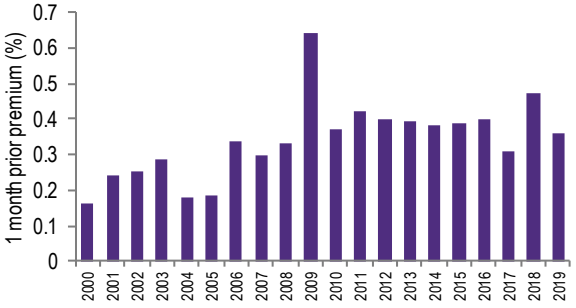
Appendix C – Control premium study

Evidence from studies indicates that the premium for control on successful takeovers has frequently been in the range of 20% to 40% in Australia, and that the premium can vary significantly for each transaction. Given both the variability in control premiums observed over time and, in certain instances, the limited number of transactions within specific industries, in our experience valuation practitioners tend to adopt a long-term commercial perspective when determining an appropriate control premium. Adopting a similar perspective, we consider a 30% control premium to not be unreasonable.

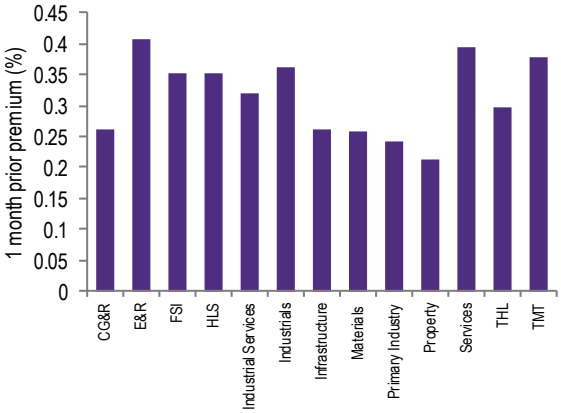
1 Month Prior Control Premium



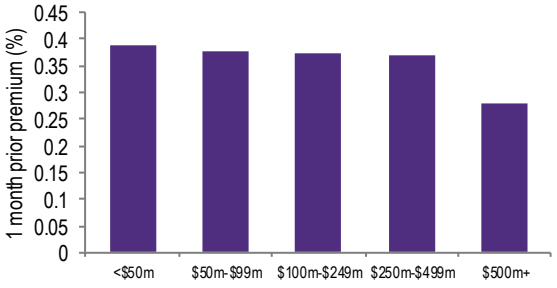
Control premium per completion date



Control premium per industry



Control premium and size



Control premium study	1 month prior control premium (%)
Average	35.13%
Median	29.87%

Source: GTCF analysis

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Appendix D – Glossary

A$ or $	Australian Dollar
AAG	AAG Investment Management Pty Ltd, the JV partner for the Burdekin investment with a 10% stake
ABS	Australian Bureau of Statistics
AFSL or AFS License	Australian Financial Services License
APES 225	Accounting Professional and Ethical Standard 225 "Valuation Services"
APRA	Australian Prudential Regulation Authority
APS 112	APRA Prudential Standard 112, which stipulates that banks must hold high levels of capital reserve for property development loans and riskier projects
ASIC	Australian Securities and Investment Commission
Associates	The associated entities to STAM
ASX	Australian Securities Exchange
AUM	Assets under management
Benchmark Property Group	An Australian property development and finance firm, to whom EDC outsourced the administration of the Eildon Debt Fund during H1 FY25
Berwick	A vacant parcel of land that is earmarked for the future development of a childcare centre and is an asset of the MNL Property Trust
Berwick Motor Trust	One of the property income funds sold to Trilogy Funds
Bidder's Statement	STAM's bidders statement released to the market on 8 September 2025
Board or Board of Directors	The Board of Directors of Eildon
Burdekin	One of the Group's equity investments, a 90% JV interest in agricultural land in north Queensland
Burnley Maltings	One of the Group's equity investments, a residential development project located in Melbourne, approved for the construction of 55 apartments
Caboolture Property Fund	One of the property income funds sold to Trilogy Funds
CAGR	Compound Annual Growth Rate
Capital IQ or CapIQ or S&P Global	A financial research platform developed by S&P Global
CAPM	Capital Asset Pricing Model
CC1 Partnership	A joint venture which holds the underlying assets of Officer and Trugania, in which the MNL Property Trust holds a 30% stake
CCS	Child care subsidy
CEO	Chief executive officer
Chapter 10	Chapter 10 of the ASX Listing Rules governs transactions with related parties, requiring shareholder approval for substantial asset deals and director-related benefits
Corporations Act	Corporations Act 2001 (Cth)
DCF	Discounted Cash Flow valuation method
Directors	The directors of Eildon
EBIT	Earnings before interest and taxation
EBITDA	Earnings before interest, tax, depreciation and amortisation
ECEC	Early childhood and education care
ECL	Eildon Capital Limited
ECT	Eildon Capital Trust
EDC, Group or the Group	Eildon Capital Group, as the stapled group comprised of Eildon Capital Trust (ECT) and Eildon Capital Limited (ECL)
EDC Stapled Security/Securities	The outstanding securities of EDC, traded together in a stapled structure
EFM	Eildon Funds Management limited, as the responsible entity for ECT
EFM Health & Education Fund	One of the Group's equity investments, where EDC has a 19.9% interest in the MNL Property Trust and its underlying childcare assets
Eildon Debt Fund	The debt investment fund formerly managed by Eildon, now outsourced to Benchmark Property Group
Elara Village Property Fund	One of the property income funds sold to Trilogy Funds
EOI	Expression of Interest
EV	Enterprise Value
FY	Financial Year
GST	Goods and services tax

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GTCF, Grant Thornton or Grant Thornton Corporate Finance	Grant Thornton Corporate Finance Pty Ltd (ACN 003 265 987)
H1 or H2	The respective half years for the financial year
Hamilton	One of the Group's credit investments, with finished development including 433 apartments and associated commercial and retail space in Hamilton Queensland
Harpley	An under construction childcare centre as one of the assets in the MNL Property Trust
Harpley Town Centre Property Fund	One of the property income funds sold to Trilogy Funds
Home Guarantee Scheme	The 2025 proposal to help eligible Australians enter the housing market, with a 2-5% deposit
IBC	The Independent Board Committee of Eildon
IER or Independent Expert's Report	The independent Expert Report Grant Thornton has been engaged to produce
Independent Securityholders	Independent or otherwise non-major securityholders who do not have a material interest in Eildon and will need to accept or reject STAM's offer
Irymple	One of the underlying childcare assets in the MNL Property Trust
Kings/Newport Village	One of the Group's credit investments, comprising 420 dwellings and two retail/commercial premises
LVR	Loan to value ratio
Macarthur National	The other joint venture owner of the MNL Property Trust with EDC
Malvern or Malvern Road, Toorak	One of the Group's credit investments comprising 13 apartments located on Malvern Road, Toorak Victoria
Management	The management of Eildon Capital Group
Maribyrnong	A subdivided lot that is currently utilised as a childcare centre and is an asset as part of the MNL Property Trust
MNL Property Trust	A joint venture between EDC and Macarthur National
NAV	Net Asset Value
NPAT or Earnings	Net profit after tax
NPBT	Net Profit Before Tax
NTA	Net Tangible Assets
Offer or Offer Price	STAM's A$0.875 per security offer to the securityholders of Eildon
Office G2 and Office G3	Two conjoined retail/office lot assets under the MNL Property Trust
Officer	An operating childcare centre as one of the underlying assets in the CC1 Partnership JV
Prescribed Occurrences	The occurrences as listed in section 652C of the Corporations Act 2001 (Cth) occurring in relation to EDC before the end of the offer period
Quoted Security Pricing Method	A valuation method that assesses market value by considering the liquidity and recent trading activity of a company
RBA	Reserve Bank of Australia
Report or this Report	The IER prepared by GTCF and commissioned by Eildon to be included in the target's statement
RG 111	ASIC Regulatory Guide 111 "Contents of expert reports"
RG 112	ASIC Regulatory Guide 112 "Independence of experts"
RG 74	ASIC Regulatory Guide 74 "Acquisitions approved by members"
RG	Regulatory Guide
Section 606	Section 606 of the Corporations Act prohibits acquiring voting shares that increase a person's control from under 20% to over 20%, unless exempt
Section 611 or Item 7 of Section 611	Item 7 of Section 611 allows share acquisitions above 20% if approved by shareholders via resolution, with full disclosure and voting restrictions
Section 640	Section 640 of the Corporations Act requires a target to include an independent expert report if the bidder is connected to the target, such as having 30% voting power or shared directorships, to assess whether the offer is fair and reasonable
Securityholders	The securityholders of the Group
STAM or the Bidder	Samuel Terry Asset Management, acting for the Samuel Terry Absolute Return Active Fund
Supplementary Bidder's Statement	STAM's supplementary bidders statement released to the market on 3 October 2025
Target's Statement	The Group's target statement that will be issued as a response to the Offer and will include the Grant Thornton commissioned IER
Trilogy Funds Group	Sydney-based fund manager, who bought the co-investments and management rights to four of Eildon's property income funds in FY24
Trugania	An operating childcare centre as one of the underlying assets in the CC1 Partnership JV

Appendix 2 – Eildon's ASX announcements

The following table lists announcements made to the ASX by Eildon over the period between 8 September 2025 (being the date on which the Offer was announced) and the Last Practicable Date.

Date	Title
8 September 2025	Bidder's Statement
8 September 2025	Response to Takeover Announcement
17 September 2025	2025 AGM and Closing Date for Director Nominations
22 September 2025	Change in substantial holding
22 September 2025	Completion of dispatch of Bidder's Statement
25 September 2025	Takeover bid announcement and Independent Board Committee
3 October 2025	Supplementary Bidder's Statement
3 October 2025	IBC intends to recommend Acceptance of Offer
6 October 2025	Update on Kings Investment

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Corporate Directory

Eildon Capital Group

Eildon Capital Limited (ACN 059 092 198) and Eildon Funds Management Limited (ACN 066 092 028) as Responsible Entity of Eildon Capital Trust (ARSN 635 077 753)

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Independent Board Committee

Mr Matthew Reid (Chair)

Legal Adviser

Jones Day
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Independent Expert

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Sydney NSW 2000

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