



EILDON
CAPITAL

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BUSINESS UPDATE

AS AT 30 JUNE 2020

EILDON CAPITAL GROUP



EILDON CAPITAL GROUP

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

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21 July 2020

ASX Limited
20 Bridge Street
Sydney NSW 2000

By: e-lodgement

Attention: Company Announcements Office

Eildon Capital Group (ASX: EDC) is pleased to announce a profit after tax of \$4.7 million (unaudited) as at 30 June 2020. A dividend of 1.5569 cents per stapled security was declared for the June quarter which will be paid on 24 July 2020. The total cash distribution for the financial year ended 30 June 2020 has been 7.33 cents per security which represents a weighted average distribution yield of 7.2% based on a security price of \$0.995. The net assets of the group total \$44.6 million, representing \$1.09 per stapled security.

Despite market volatility and significant economic uncertainty the investment portfolio is performing in line with expectations, with more detail provided on the following pages.

The management team continues to monitor and assess the risk that a drop in economic activity and confidence triggered by COVID-19 may have on the domestic economy and will be mindful of this when managing the portfolio of investments.

The Directors target a distribution yield of Eildon Capital Group in the range of 7.0-8.0% of Net Tangible Assets.

This update has been authorised by the Board for release.

For further information, please contact:

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Fund Manager

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EDC KEY METRICS AS AT 30 JUNE 2020

Metric Details	30 June 2020
Net Tangible Assets (\$)	\$44.6 million
Group NTA (\$)	\$1.09
Market Cap (\$)	\$40.7 million
Share Price	\$0.995
Distribution (c)	7.33
Earnings Yield (%) p.a. ¹	10.5%
Distribution Return (%) p.a. ¹	7.2%
Number of Investments	8
Debt Positions	6
Equity Positions	2
Distributions Payable	Quarterly
Securities on Issue	40.9 million

¹ Weighted average, adjusted for the share buyback on 25 May 2020.

SINCE INCEPTION

24 INVESTMENTS
undertaken since ASX listing

\$102m INVESTED/COMMITTED
into qualifying investments

16 COMPLETED
investments

ZERO IMPAIRMENTS
strong investment process

INVESTMENT PORTFOLIO UPDATE

Eildon Capital as at 30 June 2020 had 6 debt positions, 2 equity investments diversified across Qld, Vic and NSW and held a cash balance of 19% of total net assets.

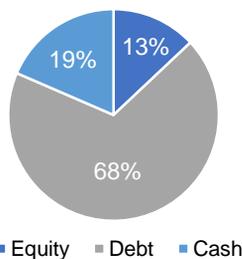
The investment portfolio remains 84% invested in debt positions and 16% in equity by value.

The Manager is pleased to report all investments are performing as expected and are forecast to deliver returns consistent with original investment assumptions. No investment within the loan portfolio is in arrears and all covenants are being maintained. The Manager remains cognisant there is likely to be increased volatility in the short-medium term. Since inception, the investment process and philosophies has not changed and remains focused on delivering shareholder returns with sound asset protection.

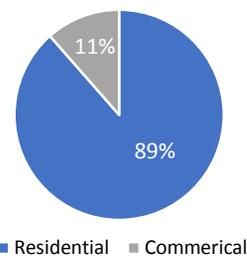
GROUP KEY OBJECTIVES

- Maintain high conviction into investment positions;
- Hold cash where suitable investments are not available;
- Deploy high proportion of capital to debt finance positions (LVR's of <75%); and
- Remain prudent and conservative in deal assessment and risk management.

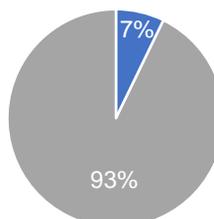
EDC Portfolio Composition



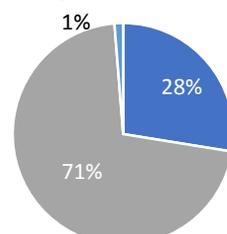
EDC Sector Diversification



EDC Investment Type



EDC Geographic Diversification



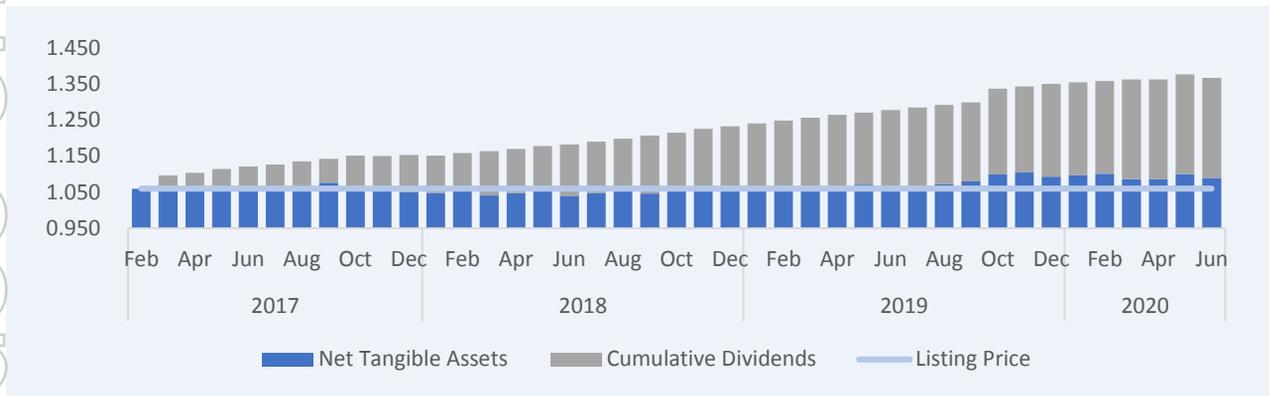
■ Eildon Funds ■ Direct Investment

■ Qld ■ Vic ■ NSW



PERFORMANCE SINCE ASX LISTING

Since listing on the ASX, Eildon Capital has exceeded its goals set in the prospectus, delivering fully franked dividends of approximately 7.8%p.a. (equivalent to 11.6%p.a. pre tax) and a further 4c growth in NTA.



GROUP OVERVIEW

Eildon Capital is an active property investment vehicle, participating across the residential, commercial, retail and industrial sectors.

A flexible approach to investment results in tailored capital solutions which provide enhanced returns for Eildon Capital and allow our property partners to continue to pursue their business objectives.

The structuring of each transaction aims to deliver asset protected positions that preserve capital in the event of negative market movements.

ABOUT THE MANAGER

Eildon Funds Management (EFM) is a leading arranger, investor and manager of real estate development, credit and equity investments within Australia's Commercial Real Estate (CRE) market.

- Since 2009 the management team of Eildon Funds Management has been responsible for over \$730 million in investments, representing 88 opportunities.
- EFM has delivered investment performance that is relied upon by Sophisticated, Family Offices and Institutional investors globally.
- EFM has offices located in Melbourne and Sydney.

INVESTOR QUERIES

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