

ASX ANNOUNCEMENT

15 August 2024

Appointment of Simon Owen as CEO and Board Change

Eureka Group Holdings Limited (ASX:EGH) (“**Eureka**” or the “**Company**”) is pleased to announce that Mr Simon Owen has been appointed to commence in the role of Chief Executive Officer of Eureka on 12 September 2024.

The Board is also pleased to announce the appointment of Mr John Whiteman as an Independent Non-Executive Director from 2 September 2024.

Appointment of New CEO

Mr Owen is a highly experienced and respected leader with over 25 years’ experience in leading property and retirement living businesses, including most recently 14 years as Chief Executive Officer and Managing Director of Ingenia Communities Group Limited. As CEO of Ingenia, Mr Owen drove the creation of a leading portfolio of land lease communities, rental retirement communities and holiday parks, and saw Ingenia’s market capitalisation grow from \$30 million to \$1.7 billion during his tenure.

Commenting on Mr Owen’s appointment as CEO, Eureka Executive Chairman Mr Murray Boyte said: “The Board is delighted to appoint a person of Simon’s calibre as CEO of Eureka. Simon is well-known in Australia as a trusted, respected and experienced retirement industry Chief Executive. The Board is confident that he is the right person to lead our people and build upon the growth that the business has achieved to date. On behalf of the Board, we welcome Simon and look forward to working with him”.

Mr Owen commented: “I have followed Eureka with interest over the past decade and am very excited about the opportunity to work with the Board and the broader team to grow the business. The seniors rental market is significantly larger than traditional seniors community housing yet attracts almost no institutional capital, which for me is the really exciting opportunity with Eureka.”

In accordance with ASX Listing Rule 3.16.4, Eureka has included the material terms of his service agreement in Appendix A. Mr Owen has agreed to participate in a \$1.5 million share placement, which will be conducted at an issue price of \$0.5222 (being the 5-day volume weight average price of Eureka shares as at 14 August 2024). The placement will be self-funded by Mr Owen in cash.

The placement of 2,872,462 shares to Mr Owen will be conducted using the Company’s placement capacity under ASX Listing Rule 7.1 without shareholder approval.

Chairman Transition

Eureka today also announces that Mr Boyte will transition from executive duties to Non-Executive Chairman of Eureka from 12 September 2024.

The Company acknowledges the contribution made by Mr. Boyte during his period as Executive Chairman and thanks him for his leadership whilst the search was conducted for a new CEO.

New Director

Commenting on the appointment of Mr Whiteman as an Independent Non-Executive Director, Mr Boyte said: "John is a highly credentialed and experienced executive and director and we are very pleased that he is joining the Eureka Board. As part of our growth strategy, the Board is committed to ensuring the Board has the appropriate mix of skills, knowledge and experience and John's broad range of funds management experience will be an asset to the Board and Eureka as the Company embarks on its next stage of growth. We warmly welcome John to Eureka."

Mr Whiteman's executive career in Australian equities markets includes almost 20 years with AMP Capital during which he held several positions including Portfolio Manager for the \$4bn AMP Capital Fund. In 2006, Mr Whiteman established up the small and mid-cap funds at Northcape Capital, where he was a director and shareholder of the business which now manages over \$10 billion in capital. Mr Whiteman is currently Chairman of Leyton Funds, a fast-growing property funds manager with more than \$350 million in assets under management.

Mr Whiteman will stand for election at Eureka's 2024 Annual General Meeting in accordance with ASX Listing Rule 14.4.

Eureka will announce its full year results for the financial year ended 30 June 2024 on 28 August 2024.

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

-Ends-

For further information:

Investors, contact Murray Boyte, Executive Chairman, 07 2145 6322

Media, contact John Hurst, Tribune Partners, 0418 708 663

Appendix A Summary of the key terms of employment

1. Position

Mr Owen will be appointed to the position of Chief Executive Officer.

2. Term

Mr Owen's employment will commence on 12 September 2024 and will continue on an ongoing basis until terminated by either party (see section 8 below).

3. Fixed remuneration

\$400,000 per annum inclusive of statutory superannuation.

4. Initial grant of options

On commencement of employment, Eureka will issue a grant of options to Mr Owen pursuant to the Eureka Omnibus Equity Plan Rules approved by shareholders at Eureka's 2023 Annual General Meeting (**Equity Plan Rules**). The number of options to be issued is 2,872,462, determined by dividing \$1,500,000 by \$0.5222, being the 5-day volume weighted average price of Eureka's shares (**VWAP**) on the date immediately prior to this announcement (**Pre-Commencement VWAP**).

The options will have an exercise price equal to the Pre-Commencement VWAP of \$0.5222 and will vest only if Mr Owen remains an employee for 3 years. The options will have an expiry date of 5 years from vesting date.

5. Short-term incentive

Mr Owen will be entitled to participate in a discretionary short-term incentive (**STI**) program. The maximum award payable is equal to 150% of his fixed remuneration, inclusive of superannuation.

Two-thirds of any STI award will be deferred for a period of 12 months, and will be issued as an award pursuant to the Equity Plan Rules. The deferred portion of the STI award will be immediately forfeited in the event of misconduct and will otherwise vest after 12 months.

The remaining portion of any STI award will be payable in cash.

6. Long-term incentive

Mr Owen is entitled to participate in Eureka's long-term incentive plan (**LTI Plan**), which is governed by the Equity Plan Rules.

The maximum award payable under the LTI Plan in each financial year is equivalent to 150% of his total fixed remuneration, inclusive of superannuation, and is subject to the Board's satisfaction with his performance.

On commencement of employment, Mr Owen's participation in the LTI Plan will be on the following terms, subject to the Equity Plan Rules:

- (a) the Company will commit to issuing Mr Owen with performance rights to the value of 150% of his total fixed remuneration each year, for a committed period of three years;

- (b) the number of performance rights to be issued in each annual tranche will be determined using the 10-day VWAP as at the date 5 days after announcement of the Company's FY24 results;
- (c) these performance rights will be issued in three equal annual instalments; and
- (d) vesting of the performance rights is subject to performance measurements agreed with Mr Owen or otherwise determined by the Board prior to issue of the relevant tranche, each tranche to be tested over a three-year performance period.

7. Change in control bonus

In the event of a change in control of Eureka, Mr Owen will be entitled to:

- (a) a bonus payment of a lump sum equivalent to six months of the base salary component of his total fixed remuneration;
- (b) any rights or options issued under the LTI Plan that have not vested will immediately vest;
- (c) any deferred short-term incentive awards will immediately be paid; and
- (d) the Board will determine in good faith any pro-rata award to be made under the STI Plan in recognition of work performed prior to the change in control.

8. Termination

Either party can terminate the employment by providing six months' written notice (or, at Eureka's election, by Eureka making a payment in lieu of notice). The employment can also be terminated without notice by Eureka in the event of serious misconduct.

9. Post-employment restraints

During and after termination of employment, Mr Owen is prevented from:

- (a) being employed by or participating in any business which is engaged in a build to rent strategy of providing independent seniors or disability living accommodation;
- (b) soliciting employees of Eureka to leave Eureka; and
- (c) soliciting clients of Eureka to reduce the amount of business they normally do with Eureka.

These restraints apply throughout Australia for a maximum period of six months after termination.

10. Outside activity

Eureka has consented to Mr Owen having involvement in certain prescribed outside interests including manufactured housing communities (other than senior rental communities) and small-scale residential housing and commercial property development.