Aland Equity Group Limited

alandequitygroup.com.au
2/35 King Street, Bungendore, NSW 2621
+61 2 9907 9652

Chinnerys Fund Income Estimated at $32m Per Annum

27 August 2026

Aland Equity Group Limited (ASX: AEG) (**AEG** or **Company**) is pleased to announce that it has executed Deeds of Amendment to extend the capital-light property funds model established at Elm Grove Heights to its wholly owned Funds for the Chinnerys and Cowra development projects.

Highlights

- Capital-light investment model extended to the approximately 3,200-lot Chinnerys Precinct* and the Yarrabilly master planned development in Cowra
- 30% gross profit margin for AEG Funds remains unchanged
- Chinnerys estimated to generate approximately $160,000 of Fund income per lot after all costs, equivalent to approximately $32 million per annum at an assumed sales rate of 200 lots per year**
- AEG Funds will not be required to acquire or fund the underlying land upfront, avoiding stamp duty and associated costs
- Applies the same model established at Elm Grove Heights, which AEG has previously announced can generate 100% returns while requiring significantly less capital
- Lower capital requirements mitigate the need for dilutive equity raisings and support AEG's ability to scale earnings without shareholder dilution
- Cowra Villa Estate Fund, comprising a 107-dwelling land lease community, expected to launch shortly, with Chinnerys targeted to commence in 2027

Capital-Light Investment Model

The Deeds of Amendment preserve the 30% gross profit margin for AEG Funds while removing the requirement for the Funds to acquire and pay for the underlying land upfront.

Instead, the land will remain with the landowner until settlement with the ultimate purchaser, with amounts due to the landowner paid from settlement proceeds. AEG Funds will principally fund the costs required to complete and sell each stage.

* Approximately 3,200 lots based on the current master plan, of which 1,200 are already proposed in the current structure plan, with development subject to relevant planning approvals.

** Based on the recent average sale price and costs in the adjacent Elm Grove development, the Residual Land Value formula, assumed funding costs and an assumed sales rate of 200 lots per year. Actual Fund income may differ.

AEG expects these costs to be primarily funded through project debt facilities, similar to the PLC Money facility established for Elm Grove Heights, with funding costs incorporated into the estimated Fund returns.

This significantly reduces the capital required and avoids stamp duty and associated costs, while preserving the gross profit margin available to the Fund. The resulting cost savings are expected to materially increase net Fund returns.

The structure follows the model established at Elm Grove Heights, which AEG has previously announced is capable of generating 100% returns while requiring significantly less capital. The lower capital requirements further support AEG's strategy to scale its property earnings while mitigating the need for dilutive equity raisings.

Managing Director, Mr. David Nolan commented:

“We are very excited to extend the capital-light model established at Elm Grove Heights to the Chinnerys Precinct and Cowra.

“This significantly improves the capital efficiency of our property funds investment model. We retain the 30% gross profit margin available to our Funds while substantially reducing the capital required to deliver these projects.

“Based on our current assumptions, we estimate Chinnerys can generate approximately $160,000 per lot after all costs. At 200 lot sales per year, that represents approximately $32 million of annual Fund income.

“With approximately 3,200 lots at Chinnerys, this demonstrates the scale of the earnings opportunity we are building. Importantly, the capital-light structure gives us the opportunity to pursue those earnings without continually returning to shareholders for additional equity capital.

“We expect to launch the Cowra Villa Estate Fund for the 107-dwelling land lease community shortly, with Chinnerys targeted to commence in 2027, providing a growing pipeline of Fund income and funds management revenue.

Deeds of Amendment - Chinnerys and Cowra Property Funding Deeds

AEG subsidiary, Aland Equity Land Pty Limited (**AE Landco**), executed Deeds of Amendment to the:

- Property Funding Deed with Southern Rural Holdings Pty Limited, in relation to the Yarrabilly master planned development in Cowra, NSW, announced on 19 May 2026; and
- Property Funding Deed with Share Star Holdings Pty Limited, in relation to the Chinnerys Precinct, NSW, announced on 23 June 2026.

The Deeds of Amendment provide that, following nomination of a Stage:

- the Landowner may be required to subdivide the Stage from the balance of the Land;
- the Nominee (Fund) will manage the marketing and sale of Lots within the Stage;
- the Landowner will enter into Lot Sale Contracts as directed by the Fund; and
- on settlement of Lot Sale Contracts, Sale Proceeds will be applied to secured finance, applicable GST and other agreed project costs, with the balance paid to the Fund.

The key terms of the Property Funding Deeds are otherwise unchanged.

This announcement has been authorised for release by the Board of Aland Equity Group Limited.

For further information

David Nolan
Managing Director
david.nolan@alandequitygroup.com.au