

30 May 2024

ASX Limited
20 Bridge Street
Sydney NSW 2000

By: e-lodgement

Attention: Company Announcements Office

MARKET UPDATE – MARSDEN PARK NORTH INVESTMENT

The Board of CVC Limited (ASX:CVC) (**CVC**) would like to provide an update on its Marsden Park North investment. As previously announced, CVC and Leamac Property Group have been pursuing a rezoning of Lot 11 Richards Road, Riverstone, New South Wales (**Property**).

Project Refinance

The Board of CVC is pleased to announce that the loan provided by Mirvac Homes (NSW) Pty Ltd (**Mirvac**) for the Marsden Park North project, has been successfully refinanced.

The loan was due for repayment in June 2024 and was provided by Mirvac under a Project Delivery Agreement (**PDA**) to deliver a residential master planned community on the Property. As previously announced, the PDA was terminated in December 2023 after the New South Wales Department of Planning, Housing and Infrastructure (**DPHI or Department**) declared that the previously exhibited scheme to rezone the Marsden Park North precinct to residential uses, would not proceed.

The key terms of the refinance are as follows:

Borrower / landowner	MAC 1 MP Pty Ltd as trustee for the Marsden Park Development Trust (a joint venture between CVC (66%) and Leamac Property Group (34%))
Lender	National Australia Bank Limited
Facility Limit	\$30,000,000
Interest Prepayment	Two years prepaid interest
Security	• First registered mortgage over the Property • General Security Agreement over the Borrower • First priority Specific Security Agreements over units held in the Marsden Park Development Trust • Guarantee & Indemnity from CVC Limited to \$30m plus interest, fees, costs and expenses

As part of the refinance process, an independent valuation for mortgage purposes was attained which valued the Property on an 'as-is' basis at \$110,000,000 plus GST.

If the independent valuation was reflected in CVC's accounts (with the Property currently held as inventory recorded at the lower of cost and net realisable value), it would contribute an additional \$0.40 per share on a post-tax basis to the Net Tangible Assets (**NTA**) of the business. CVC's half year financial accounts as at 31 December 2023 recorded NTA of \$1.50 per share. Accordingly, the unrecognised uplift would represent a comparative NTA of \$1.90 per share.

In the Company's full year results for FY23, it was noted that if the independent valuations of Marsden Park, Liverpool and Donnybrook industrial land were recorded in the accounts, it would add a total of \$1.03 per share to the NTA of the business, resulting in a comparative NTA of \$2.53 per share (after payment of the final dividend for FY23). The Board remains confident of this position (that is, that the current value of the properties if reflected in the accounts would result in an uplift of at least \$1.03 per share). The Board also believes the progress achieved in planning on these key projects has the potential to add considerable further value to this estimate.

In addition to the Marsden Park North valuation being completed, the Board is also commissioning new valuations of its other major property investments and intends to provide an update on the outcomes of those valuations in the FY24 full year results.

Planning Update

Following the decision by the DPHI to discontinue the State-led rezoning of Marsden Park North as a residential precinct, the Department has actively been working with the land owner group in the Marsden Park North precinct (including the Marsden Park Development Trust) to unlock the precinct, via a rezoning for 'employment land uses' (industrial).

At the request of the Department, the land owner group prepared a Rapid Feasibility Assessment to assist with the evaluation of the progression to an employment land uses precinct. As an employment land uses precinct, the key constraint of evacuation is assessed differently to if the land was zoned as residential. The Rapid Feasibility Assessment has identified development opportunity for an area of 50ha, above the 1 in 100 year flood planning level, on Marsden Park Development Trust's land.

The Department has considered the Rapid Feasibility Assessment and have provided in principle support for the rezoning to proceed on the State-assessed Planning Proposal pathway. The Department has indicated that its formal written position is expected imminently. Whilst awaiting the formal written position from the Department, the land owner group is actively discussing the timeline and program with both DPHI and Transport for NSW, to ensure prompt submission of the Planning Proposal.

- Ends -

Authorised by the Board for release