



ASX Announcement

20 August 2020

Elanor Investors Group grows Funds Under Management; Managed Fund asset values reflect the Group's disciplined approach to investing

- Core Earnings of \$15.4 million
- Growth in Funds Under Management to approximately \$1.7 billion, an increase of 22%
- Growth in funds management income to \$21.5 million for the year, an increase of 43%
- The value of Elanor's Managed Fund assets increased by 0.2% from 31 December 2019

Elanor Investors Group ("ENN" or "Group") is pleased to announce its financial results for the year ended 30 June 2020 ("period").

Highlights

- Core Earnings for the period of \$15.4 million, 13.1 cents per stapled security
- Growth in Funds Under Management of \$305 million to approximately \$1.7 billion
- Funds management income of \$21.5 million for the year, an increase of 43%; annualised recurring management fees increased 27.4% to \$14.4 million
- Listing of the Elanor Commercial Property Fund (ASX: ECF) with a portfolio of office properties valued at \$374 million at 30 June 2020
- Establishment of the Elanor Healthcare Real Estate Fund seeded with two high investment quality healthcare properties with a combined asset value of \$123.3 million
- The valuations of the Group's Managed Funds asset portfolio at 30 June 2020 reflected an increase of 0.2% from 31 December 2019 (Managed Fund asset values as at 31 December 2019 and the acquisition value for assets acquired since 31 December 2019)
- Net Tangible Assets per security of \$1.29
- Gearing of 29.7%

Commenting on the results, ENN CEO, Glenn Willis, said: "While the COVID-19 pandemic continues to present challenging operating and market conditions, we are pleased with the resilient performance of the Group's assets over the period.

We are also pleased with the 22% growth in our Funds Under Management and the 43% growth in our funds management income over the year.

The Group has a strong pipeline of opportunities across our investment sectors. Furthermore, we are actively pursuing opportunities in new real estate sectors and continue to explore strategic opportunities to realise our growth objectives. Elanor is well positioned to grow its funds management business."

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Summary of Financial Results

A summary of the Group's results for the period is set out below:

Summary financial results	Group 30 June 2020	Group 30 June 2019
Core Earnings (\$'000)	15,434	17,548
Distributions payable to security holders (\$'000)	11,174	15,793
Core Earnings per stapled security (cents)	13.09	17.58
Core Earnings per weighted average stapled security (cents)	14.73	18.32
Distributions (cents per stapled security / unit)	9.51	16.06
Gearing (net debt / total assets less cash) (%) (equity accounted)	29.70	28.39

Funds Management

ENN's Funds Management division generated income of \$21.5 million (FY19: \$15.0 million) comprising:

Funds Management Income	30 June 2020 \$'000	30 June 2019 \$'000
Management Fees	15,504	10,040
Acquisition Fees	4,228	3,694
Performance Fees	1,756	1,297
Total	21,487	15,032

During the year, Elanor increased its assets under management from \$1,387.0 million to \$1,692.0 million and its co-investments and balance sheet investments from \$163.1 million to \$203.2 million. Furthermore, the Group listed the Elanor Commercial Property Fund (ASX: ECF) on the Australian Securities Exchange on 6 December 2019. The Group's Managed Funds now include two listed REITS.

The Group completed the following funds management initiatives during the year:

- The listing of the Elanor Commercial Property Fund on the Australian Securities Exchange on 6 December 2019 with a Gross Asset Value of \$310.7 million. In conjunction with the listing, the fund acquired the residual 48.5% equity interest in the WorkZone West property in Perth, WA for \$66.0 million, and the commercial property at 200 Adelaide Street in Brisbane, QLD for \$44.2 million
- The acquisition by the Elanor Commercial Property Fund of the Garema Court property in Canberra, ACT for \$71.5 million, in February 2020
- The establishment of the Elanor Healthcare Real Estate Fund, with the acquisition of two high investment quality healthcare properties, with a combined asset value of \$123.3 million - both of the properties being multi-tenanted medical office and day surgeries, located at 55 Little Edward Street, Spring Hill, Brisbane, and Pacific Private, Southport, Gold Coast. Settlement was completed in March 2020



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- The establishment of the Elanor Wildlife Park Fund in November 2019. The fund acquired the Mogo Zoo in Mogo, NSW and Featherdale Wildlife Park in Sydney, NSW (Featherdale Wildlife Park was previously owned by the Group). The fund had a gross asset value of \$52.2 million as at 30 June 2020

ENN's strong investment track record continues to be evidenced by the demand from wholesale and institutional investors for ENN's funds. Elanor has a high calibre and scalable funds management platform with substantial capacity for growth. Further investment has been made in the platform during the year, particularly in asset management and capital origination.

Outlook

The Group's core strategy will remain focused on growing funds management earnings. Elanor is committed to growing its funds management business by acquiring high investment quality assets that satisfy the Group's risk-first investment approach.

Despite the current uncertain market conditions, the Group has a strong pipeline of funds management opportunities across its real estate sectors of focus. Furthermore, the Group is actively pursuing opportunities in new real estate sectors and continues to explore strategic opportunities to deliver its growth objectives.

Please refer to the FY20 Results Presentation and financial statements lodged with ASX today for further details of ENN's FY20 result.

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Investor Briefing

Elanor Investors Group will be holding an Investor Briefing Conference Call on 20 August 2020 at 12:00pm, to present and discuss the Group's FY20 results. The Conference details are:

Dial In: 1800 123 296 or +61 2 8038 5221

Conference ID: 3797314

Commencement: 12:00pm AEST

This announcement has been authorised for release by the Elanor Investors Group Board of Directors.

For further information regarding this announcement please contact:

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About Elanor Investors Group

Listed on the Australian Securities Exchange in 2014, Elanor Investors Group (ASX: ENN) is an investment and funds management business with over \$1.9 billion in assets under management across Australia and New Zealand.

Elanor's key sectors of focus are commercial office, retail real estate and hotels, tourism and leisure. Elanor's investment management objective is to acquire and unlock value in real estate assets that provide strong income and capital growth potential.

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