



ASX Announcement

1 July 2025

Elanor Investors Group

Market Update

Elanor Investors Group (“Elanor” or “Group”) provides the following market update:

Balance Sheet and Working Capital

The Group remains focused on stabilising its balance sheet and prudently managing the working capital requirements of the business, while working towards achieving outcomes that are in the best interests of its fund investors, securityholders and other stakeholders.

Execution of the Group’s cost management initiatives is resulting in sustainable reductions in corporate overheads, which is in turn helping to support the Group’s working capital and cashflow position.

Asset Realisation Program

The Group, and certain of its managed funds, have recently exchanged contracts or completed on the following transactions. These divestments represent over \$300 million in value, previously forecast to transact prior to 30 June 2025, but are now expected to complete by July 2025.

The sale of the final asset held by the Elanor Property Income Fund (“**EPIF**”), Gladstone Square, has completed. The sale of Gladstone Square concludes the asset realisation program for EPIF, and the fund will now be wound up, with capital returned to investors, including Elanor, in accordance with EPIF Securityholder resolutions passed in May 2024.

Elanor’s Waverley Gardens Fund has exchanged contracts for the sale of the Waverley Gardens shopping centre in Victoria, with completion expected to occur on or before 31 July 2025. The proceeds of sale will, in the usual course, first be applied to repayment of the Fund’s financier, with the balance proceeds then being returned to investors in the fund, including Elanor.

Elanor’s Bluewater Square Syndicate has exchanged contracts for the sale of the Bluewater Square shopping centre in Queensland, with completion also expected to occur on or before 31 July 2025. The proceeds of sale will first be applied to repay the Syndicate’s senior financier, and then to repay Elanor’s subordinated loan.

The sale of Elanor’s wholly owned commercial office property in Cougal Street, Southport Queensland has also completed, and the proceeds of sale applied towards repayment of Group debt.

The orderly asset divestment program for the Elanor Hotel Accommodation Fund (“**EHAF**”) has progressed, with the sale of the Tall Trees hotel in Canberra now completed. Contracts have also been exchanged for the sale of the Mayfair Hotel Adelaide, with completion expected to occur on or before 31 July 2025. In both cases, the proceeds of sale have been (or will be) applied to the repayment of debt as required under the Fund’s banking covenants, which will materially reduce EHAF’s gearing.

Keyview Facility

The Group is negotiating amended debt repayment covenants under its Keyview debt facility as it is currently in breach of those covenants as a result of the sale of certain assets not having been completed in accordance with the forecast realisation program. If these debt repayment covenants cannot be agreed, or are subsequently not complied with, there remains a risk that Keyview will cease to support the Group whilst it continues with its program of asset sales and other de-leveraging initiatives. However, the Group has maintained a close and constructive working relationship with Keyview to date, and the Group has no



reason to anticipate that Keyview will cease such support. The Group considers that continuing to work with Keyview remains in the best interests of the Group and its stakeholders.

Corporate Notes

The Group is continuing to monitor covenants for the \$40 million Corporate Notes (“**Notes**”), as unremedied breaches of the Keyview Facility will result in a breach of the Conditions of the Notes. In the event of an unremedied covenant breach of the Notes, the Group would seek the support of the Noteholders for any required amendments or waivers to the covenants to support Elanor’s broader de-leveraging and stabilisation initiatives.

Corporate Governance Update

The Elanor Board is continuing to refine and enhance the Group’s Corporate Governance model and practices. In this regard, the Elanor Board has determined to establish a separate independent trustee and responsible entity board for the Group’s managed funds.

Elanor Funds Management Limited (“**EFML**”) is the trustee and responsible entity of most of the Group’s managed funds. If implemented, the proposed refinement and enhancement will result in a restructure of the Board of Directors of EFML such that it will have a majority of newly appointed independent directors who are different and separate to the directors on the Elanor Investors Group Board.

The proposal is designed to enhance the Group’s Corporate Governance model by adding an additional layer of accountability and independence in decision making to mitigate potential conflicts of interest and ensure that the Group’s managed funds operate in the best interest of fund investors.

To implement this initiative, the Elanor Board is proposing to establish a new responsible entity for the Elanor Investment Fund (“**EIF**”), which is the head trust of the stapled Elanor Investors Group. The new responsible entity will have the same Board of directors as Elanor Investors Limited (“**EIL**”), the head company of Elanor Investors Group. This proposal is subject to finalisation of diligence, structuring and necessary regulatory approvals. The Board is exploring the potential appointment of an interim third-party responsible entity for EIF during the regulatory approval process.

Subject to finalisation of diligence, structuring and necessary regulatory approvals, the Elanor Board intends to put the proposal for the change of responsible entity for EIF to the next securityholder meeting of Elanor Investors Group.

Update on Leadership Transition

As announced in September 2024, the Elanor Board indicated it would commence a search for a new CEO once the Group was further advanced in the execution of its stabilisation plan. The Elanor Board still intends to make a suitable appointment once the stabilisation of the Group’s balance sheet is appropriately progressed.

Strategic Review

Elanor continues to work with its advisors to examine a range of options to maximise value for all securityholders. Elanor’s strategic review process has, to date, resulted in engagement with over 15 interested parties. NBIOS received from interested parties, including for a potential sale of the business, are currently being evaluated to assess the potential value to securityholders.

Elanor is also working with parties in relation to a potential recapitalisation of the business, including a refinancing of Elanor’s balance sheet debt.

There is no certainty that any of these NBIOS or other options to maximise value for all securityholders will result in a transaction.



FY25 Forecast Distribution

The Group will not pay a distribution for the 6 months ending 30 June 2025.

Release of Financial Results and FY24 AGM

The Group remains ready to finalise its FY24 results, Appendix 4E and FY24 Annual Report promptly following the conclusion of ongoing discussions with its auditor, PwC and ongoing discussions with stakeholders regarding the Group's balance sheet stabilisation plans. Once the FY24 results are finalised, the Group will then seek to finalise its HY25 results and Appendix 4D.

As the Group prepares to finalise its audited financial statements, based on ongoing discussions with its auditor PwC, the current status of the Group's balance sheet stabilisation plan is expected to result in Elanor's financial statements including an audit opinion that expresses an emphasis of matter, or a qualification, in respect of risks to the Group's ability to continue as a going concern if it is not able to execute on its stated asset realisation and balance sheet stabilisation plans.

Elanor will confirm the date for its FY24 Annual General Meeting ("**AGM**") promptly following finalisation of the FY24 Annual Report. Following the finalisation of the Group's financial results and lodgement of relevant documents with the ASX (including HY25 Accounts and FY25 Annual Reports), Elanor currently intends to request the ASX to lift the suspension of Elanor's securities, however there is no certainty that the ASX will agree to this request.

ENDS.

This announcement has been authorised for release by the Managing Director. For further information regarding this request, please contact:

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About Elanor Investors Group

Elanor Investors Group (ASX:ENN) is a real estate investment and funds management group with approximately \$5.7 billion in funds under management across Australia and New Zealand. Elanor's key real estate sectors of focus are the commercial office, retail, industrial and healthcare sectors. Elanor has a proven track record from acquiring and unlocking value in real estate assets that provide strong income and capital growth potential. For more information visit www.elanorinvestors.com.