



ASX Announcement

22 February 2021

**Elanor Investors Group Grows Funds Under Management
Well Positioned for Growth**

- \$200 million of new Managed Funds established over the period
- Funds Under Management grew to \$1.87 billion, up 11% since 30 June 2020
- Funds management income of \$14.9 million for the period, a 79% increase on 1HFY20
- 12% increase in annualised recurring funds management income to \$15.5 million

Elanor Investors Group (“Elanor” or “Group”) is pleased to announce its interim financial results for the half year ended 31 December 2020 (“period”).

Highlights

- Core Earnings for the period of \$5.5 million, 4.59 cents per security
- Distributions for the period of 4.13 cents per security, reflecting a payout ratio of 90% of Core Earnings
- 11% net growth in Funds Under Management since 30 June 2020 to \$1.87 billion
- Funds management income of \$14.9 million for the period, an increase of 79% on 1HFY20; annualised recurring funds management income increased 12% to \$15.5 million as at 31 December 2020
- Key Funds Management initiatives completed during the period:
 - The establishment of the Riverside Plaza Syndicate in September 2020 which acquired the Riverside Plaza neighbourhood shopping centre in Queanbeyan, NSW, for \$60.0 million
 - Two further acquisitions by the Elanor Healthcare Real Estate Fund, growing the Fund to approximately \$188.0 million
 - The establishment of the Burke Street Fund in November 2020 which acquired the commercial office and healthcare properties in 2 Burke Street and 163 Ipswich Road, Woolloongabba QLD for \$80.2 million
 - The sale of Auburn Central from the Elanor Retail Property Fund (ASX: ERF) was completed in December 2020 for \$129.5 million, a 4.0% premium to book value. This follows its transformation into a triple-supermarket anchored, metropolitan neighbourhood shopping centre
- The valuations of the Group’s Managed Funds asset portfolio at 31 December 2020 reflected an increase of 3% from 30 June 2020
- Net Tangible Assets per security increased 13% to \$1.47
- Gearing for the Group decreased to 25.0% (29.7% as at 30 June 2020)

Commenting on the result, Elanor CEO, Glenn Willis, said: “We are pleased with the continued growth in our funds under management to \$1.9 billion and particularly pleased with the 79% growth in our funds management income over the comparative period.



During the half, we successfully completed a number of significant funds management initiatives including the establishment of two new managed funds. Furthermore, we executed the sale of the Auburn Central property for ERF which generated a 24.5% IRR for ERF security holders and demonstrates our market leading capability in repositioning retail real estate.

We have a strong pipeline of funds management opportunities across our sectors of focus and are actively pursuing opportunities in new real estate sectors. Furthermore, we continue to pursue strategic growth initiatives.

We are positive about the prospects to grow our funds management business and deliver strong growth in security holder value.”

Summary of Financial Results

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

Summary financial results	31 December 2020	31 December 2019
Core Earnings (\$'000)	5,549	12,415
Distributions payable to security holders (\$'000)	4,994	11,174
Core Earnings per stapled security (cents)	4.59	10.57
Core Earnings per weighted average stapled security (cents)	4.64	12.00
Distributions (cents per stapled security)	4.13	9.51
Gearing (net debt / total assets less cash) (%) (equity accounted)	25.0	24.4

The Core Earnings result for the period does not include any distributions from Elanor's \$120 million co-investment across the Group's hotel funds and the Waverley Gardens Fund. This reflects the withholding of distributions as a result of the impacts of the COVID-19 pandemic. Distributions from these funds are expected to recommence in 2HFY21.

In addition, the Core Earnings result for the prior comparative period included \$10.2 million of transactional income resulting from the sale of Featherdale Wildlife Park into the Elanor Wildlife Park Fund and the sale of Cradle Mountain Lodge into the Elanor Luxury Hotel Fund.

Funds Management Platform

The Group generated funds management income of \$14.9 million during the period, a 79% increase on the prior comparative period.

Funds Management Income	31 December 2020 \$'000	31 December 2019 \$'000
Management Fees	9,398	5,741
Leasing and Development Management Fees	1,821	-
Acquisition Fees	3,707	1,993
Performance Fees	-	591
Total	14,926	8,325



During the six months to 31 December 2020, Elanor increased its assets under management from \$1,895.2 million to \$2,083.3 million.

The growth in assets under management has been supported by global and domestic institutional and wholesale capital partners, directly reflecting the Group's increased focus in this area.

Elanor's strong investment track record and growing investor base continues to be evidenced by the demand from wholesale and institutional investors for the Group's funds. Elanor has a high calibre and scalable platform with substantial capacity for growth. Coupled with the Group's available capital, Elanor is well positioned to grow its funds management business.

Outlook

The Group's key strategic objective is to grow funds management earnings and delivering superior investment returns for its capital partners. Elanor is committed to growing its funds management business by acquiring high investment quality real estate assets based on the Group's risk-first investment philosophy.

The Group has a strong pipeline of potential funds management opportunities. Furthermore, the Group is actively progressing initiatives in new real estate sectors and continues to explore strategic opportunities to deliver its growth objectives.

Please refer to the presentation and financial statements lodged with ASX today for further details regarding Elanor's 1HFY21 result.



Investor Briefing

Elanor Investors Group will be holding an Investor Briefing Conference Call on 22 February 2021 at 12.00pm, to present and discuss the Group's 1HFY21 results. The Conference details are:

Dial In: 1800 123 296 or +61 2 8038 5221
Conference ID: 10012730
Commencement: 12.00pm AEDT

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 \$2.0 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.

For more information visit www.elanorinvestors.com