



24 August 2022

Company Announcements Office
ASX Limited
Exchange Centre
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

Please find attached the Elanor Investors Group (ASX: ENN) Supplementary Financial Information for the year ended 30 June 2022.

Yours sincerely,

Symon Simmons
Company Secretary
Elanor Funds Management Limited

Authority and Contact Details

This announcement has been authorised for release by the Board of Directors of Elanor Funds Management Limited

For further information regarding this announcement please contact:

Symon Simmons
Company Secretary
Elanor Funds Management Limited
Phone: (02) 9239 8400



Supplementary Financial Information

For the year ended
30 June 2022

Elanor Investors Group

Comprising the stapling of units in Elanor Investment Fund (ARSN 169 450 926) and ordinary shares in Elanor Investors Limited (ABN 33 169 308 187)

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ELANOR INVESTORS GROUP

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ELANOR INVESTORS GROUP

DIRECTORS' STATEMENT

Directors' Statement

The Directors of Elanor Investors Group (Group, Consolidated Group or Elanor) present this Supplementary Financial Information in accordance with the conditions set out in the Information Memoranda dated 30 June 2022 for the issue of \$40 million in unsecured medium-term notes (Notes).

The purpose of this Supplementary Financial Information is to present Supplementary Statements of Profit or Loss, Financial Position and Cash Flows to holders of the Notes, the Note Trustee, the Lead Manager and Initial Subscriber under the Note conditions, for the year ended 30 June 2022.

In the Elanor Investors Group's Financial Report for the year ended 30 June 2022, where Elanor is deemed to have control in any particular managed fund, the consolidation method is required in respect of Elanor's co-investment in that fund. This Supplementary Financial Information is presented on the basis that all of Elanor's managed fund co-investments are accounted for using the equity method.

In this Supplementary Financial Information, the Group's financial results including an equity accounted presentation of all managed fund co-investments is defined as the "ENN Group".

The Supplementary Statements of Profit or Loss, Financial Position and Cash Flows present both the Consolidated Group results and the ENN Group results, and "Adjustments" that reflect the required adjustments to the Consolidated Group results to remove the impact of the consolidation of the Group's deemed controlled managed fund co-investments and record their investments in accordance with the principles of equity accounting.

This Supplementary Financial Information should be read in conjunction with Elanor Investors Group's Financial Report for the year ended 30 June 2022.

This report is made in accordance with a resolution of the Boards of Directors of Elanor Funds Management Limited and Elanor Investors Limited.

Signed in accordance with a resolution of the Directors.



Paul Bedbrook
Chairman



Glenn Willis
CEO and Managing Director

Sydney, 23 August 2022



Independent auditor's review report to the directors of Elanor Investors Limited

Report on the supplementary financial information

Conclusion

We have reviewed the supplementary financial information of Elanor Investors Limited (the Company) and the entities it controlled from time to time during the year (together the Group), which comprises the supplementary statement of financial position as at 30 June 2022, the supplementary statement of profit or loss and supplementary statement of cash flows for the year ended on that date, explanatory notes and the directors' statement.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the accompanying supplementary financial information of Elanor Investors Limited does not present fairly, in all material respects, the Group's financial position as at 30 June 2022 and its financial performance and its cash flows for the year ended on that date, in accordance with the basis of preparation as described in Note 1 to the supplementary financial information.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report.

We are independent of the Group in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of matter - basis of accounting and restriction on distribution and use

We draw attention to Note 1 in the supplementary financial information, which describes the basis of accounting. The financial report has been prepared to present supplementary statements of profit or loss, financial position and cash flows to the holders of the \$25,000,000 7.75 per cent unsecured fixed rate notes due 30 September 2025 and \$15,000,000 unsecured floating rate notes due 30 June 2026 as required under the Information Memorandum dated 27 June 2022. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the directors of Elanor Investors Limited, the noteholders, the Note Trustee, the Lead Manager and Initial Subscriber as outlined in the Information Memorandum dated 27 June 2022 and should not be distributed or used by parties other than the directors of Elanor Investors Limited, the noteholders, the Note Trustee, the Lead Manager and Initial Subscriber. Our conclusion is not modified in respect of this matter.



Responsibilities of the directors for the financial report

The directors are responsible for the preparation and fair presentation of the supplementary financial information in accordance with the basis of preparation as described in Note 1 to the supplementary financial information and have determined that the basis of preparation in Note 1, which form part of the supplementary financial information, are appropriate to meet the needs of the directors of Elanor Investors Limited and the requirements of the Information Memorandum dated 27 June 2022. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of the supplementary financial information that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the financial report

Our responsibility is to express a conclusion on the supplementary financial information based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the supplementary financial information does not present fairly, in all material respects, the financial position of the Group as at 30 June 2022 and of its financial performance and its cash flows for the year ended on that date in accordance with the basis of preparation as described in Note 1 to the supplementary financial information.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in cursive script that reads 'N R McConnell'.

N R McConnell
Partner

Sydney
23 August 2022

ELANOR INVESTORS GROUP

SUPPLEMENTARY STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated Group 30 June 2022 \$'000	Adjustments 30 June 2022 \$'000	ENN Group 30 June 2022 \$'000
Revenue and other income			
Revenue from funds management activities	28,706	12,609	41,315
Revenue from other operating activities	65,096	(63,619)	1,477
Amortisation of contract asset	(1,638)	–	(1,638)
Interest income	405	649	1,054
Rental income	6,293	(6,143)	150
Share of profit / (loss) from equity accounted investments	10,050	(3,426)	6,624
Realised gain on disposal of investment	1,635	3,485	5,120
Fair value loss on revaluation of derivatives	2,621	(2,621)	–
Other income	2,268	(2,268)	–
Total revenue and other income	115,436	(61,334)	54,102
Expenses			
Changes in inventories of finished goods	6,335	(6,176)	159
Salary and employee benefits	51,366	(24,706)	26,660
Property expenses	9,503	(8,932)	570
Operator management costs	4,428	(4,325)	102
Borrowing costs	16,217	(9,102)	7,115
Depreciation	12,554	(10,528)	2,026
Amortisation	444	(6)	438
Marketing and promotion	2,660	(1,833)	827
Repairs, maintenance and technology	2,673	(1,680)	993
Fair value loss on revaluation of PP&E and investment properties	2,447	(2,318)	129
Impairment expense	753	–	753
Other expenses	13,451	(1,962)	11,489
Total expenses	122,831	(71,570)	51,261
Net profit / (loss) before income tax expense	(7,395)	10,236	2,841
Income tax benefit / (expense)	3,161	2,544	617
Net profit / (loss) for the period	(4,234)	7,692	3,458
Net profit / (loss) attributable to security holders of:			
- Parent Entity	(5,591)	2,336	(3,255)
- Non-controlling interest EIF	6,557	156	6,713
Net profit / (loss) attributable to ENN security holders	966	2,492	3,458
Attributable to security holders of:			
- External Non-controlling interest	(5,200)	5,200	–
Net profit / (loss) for the period	(4,234)	7,692	3,458
Basic earnings / (loss) of the ENN security holders per stapled security (cents)	0.82		2.95
Diluted earnings / (loss) of the ENN security holders per stapled security (cents)	0.69		2.48

ELANOR INVESTORS GROUP

SUPPLEMENTARY STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Consolidated Group 30 June 2022 \$'000	Adjustments 30 June 2022 \$'000	ENN Group 30 June 2022 \$'000
Current assets			
Cash and cash equivalents	27,774	(15,124)	12,650
Receivables	17,653	1,270	18,923
Financial assets	2,186	17,641	19,828
Inventories	1,809	(1,809)	–
Other current assets	2,241	(1,796)	444
Derivative financial instruments	1,898	(1,898)	–
Total current assets	53,561	(1,715)	51,845
Non-current assets			
Property, plant and equipment	437,454	(430,539)	6,914
Contract asset	4,545	–	4,545
Investment properties	93,875	(92,000)	1,875
Derivative financial instruments	723	(723)	–
Equity accounted investments	110,394	109,017	219,411
Intangible assets	1,448	–	1,448
Deferred tax assets	12,150	(8,128)	4,022
Total non-current assets	660,589	(422,374)	238,215
Total assets	714,150	(424,088)	290,060
Current liabilities			
Payables	15,569	(10,169)	5,399
Lease liabilities	1,660	–	1,661
Current provisions	4,367	(2,316)	2,051
Other current liabilities	10,188	(1,807)	8,381
Contract liabilities	1,323	(1,323)	–
Total current liabilities	33,107	(15,615)	17,492
Non-current liabilities			
Interest bearing liabilities	335,835	(239,270)	96,565
Non-current provisions	196	36	232
Lease liabilities	3,758	(1)	3,757
Total non-current liabilities	339,789	(239,234)	100,554
Total liabilities	372,896	(254,848)	118,046
Net assets	341,254	(169,240)	172,014

ELANOR INVESTORS GROUP

SUPPLEMENTARY STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Consolidated Group 30 June 2022 \$'000	Adjustments 30 June 2022 \$'000	ENN Group 30 June 2022 \$'000
Equity			
<i>Equity Holders of Parent Entity</i>			
Contributed equity	72,783	—	72,783
Treasury shares	(1,682)	—	(1,682)
Reserves	16,275	(11,769)	4,506
Retained profits / (accumulated losses)	(50,186)	38,314	(11,872)
Parent entity interest	37,191	26,543	63,735
<i>Equity Holders of Non Controlling Interest</i>			
Contributed equity - Elanor Investment Fund	105,559	—	105,559
Treasury shares	(5,086)	—	(5,086)
Reserves	45,458	(11,743)	33,713
Retained profits / (accumulated losses)	(19,420)	(6,487)	(25,907)
Non-controlling interest	126,511	(18,230)	108,279
<i>Equity Holders of Non Controlling Interest - External</i>			
Contributed equity - External	140,000	(140,000)	—
Reserves	44,735	(44,735)	—
Retained profits / (accumulated losses)	(7,182)	7,182	—
External Non-controlling interest	177,553	(177,553)	—
Total equity attributable to stapled security holders:			
- Parent Entity	37,191	26,543	63,735
- Non-controlling Interest - EIF	126,511	(18,231)	108,279
Total equity attributable to ENN security holders	163,702	8,312	172,014
Total equity attributable to stapled security holders:			
- Non-controlling interest - External	177,553	(177,553)	—
Total equity	341,254	(169,235)	172,014

ELANOR INVESTORS GROUP

SUPPLEMENTARY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated Group 30 June 2022 \$'000	Adjustments 30 June 2022 \$'000	ENN Group 30 June 2022 \$'000
Cash flows from operating activities			
Receipts from customers	106,561	(74,541)	32,020
Payments to suppliers and employees	(98,453)	61,749	(36,704)
Interest received	324	(131)	193
Finance costs paid	(12,960)	6,096	(6,864)
Income tax paid	(253)	–	(253)
Net cash flows from operating activities	(4,781)	(6,828)	(11,608)
Cash flows from investing activities			
Receipts for business and asset disposals	–	15,127	15,127
Financial assets (acquired) / repaid	9,120	(15,127)	(6,006)
Payments for property, plant and equipment / investment properties	(21,972)	7,705	(14,267)
Loans to associates	(663)	498	(165)
Receipts for equity accounted investments	49,301	–	49,301
Payments for equity accounted investments	(43,569)	(12,476)	(56,045)
Distributions received from equity accounted investments	8,399	3,281	11,680
Net cash flows from investing activities	(9,336)	8,961	(375)
Cash flows from financing activities			
Proceeds from borrowings	317,101	(204,808)	112,293
Repayments of borrowings	(293,160)	212,660	(80,500)
Payments for lease liability	(2,077)	–	(2,077)
Costs associated with equity raisings	(1,946)	1,946	–
Distributions paid to security holders	(27,427)	8,368	(19,060)
Net cash flows from financing activities	21,120	(10,464)	10,656
Net increase / (decrease) in cash and cash equivalents	7,003	(8,330)	(1,327)
Cash and cash equivalents at the beginning of the period	20,771	(6,795)	13,976
Cash at the end of the period	27,774	(15,125)	12,650

ELANOR INVESTORS GROUP

SUPPLEMENTARY FINANCIAL INFORMATION FOR THE YEAR ENDED 30 JUNE 2022

1. Basis of Preparation

This Supplementary Financial Information does not include all of the information required in financial statements in accordance with Australian Accounting Standards and should be read in conjunction with Elanor Investors Group's ("the Consolidated Group") Financial Report for the year ended 30 June 2022 and any public announcements made by the Group during the period in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the Corporations Act 2001.

The Supplementary Financial Information is prepared based on the underlying amounts incorporated into the Consolidated Group's audited Statements of Profit or Loss, Financial Position and Cash Flow for the year ended 30 June 2022 that have been prepared in accordance with the Corporations Act 2001 and the Australian Accounting Standards ("AAS").

Unless disclosed otherwise, this Supplementary Financial Information has been prepared in accordance with the same accounting policies adopted in the Group's Financial Report for the year ended 30 June 2022.

In the Elanor Investors Group's Financial Report for the year ended 30 June 2022, where Elanor is deemed to control a particular managed fund, the consolidation method is required in respect of Elanor's co-investment in that fund. This Supplementary Financial Information is presented on the basis that all of Elanor's managed fund co-investments are accounted for using the equity method as prescribed under AASB 128 *Investments in Associates and Joint Ventures*.

In this Supplementary Financial Information, the Group's financial results including an equity accounted presentation of all managed fund co-investments is defined as the "ENN Group". The ENN Group incorporates the assets and liabilities of Elanor Investors Limited and all its subsidiaries, Elanor Investment Fund and its controlled entities and Elanor Hotel Accommodation Fund, Stirling Street Syndicate, Bluewater Square Syndicate and Elanor Wildlife Park Fund on an equity accounted basis as at 30 June 2022.

The Supplementary Financial Information present Profit or Loss, Financial Position and Cash Flows of both the Consolidated Group results and the ENN Group results, and "Adjustments" that reflect the required adjustments to the Consolidated Group results to remove the impact of the consolidation of the Group's deemed controlled managed fund co-investments.

Background Information on Elanor's Control of the Funds

The Consolidated Group incorporates the assets and liabilities of Elanor Investors Limited and all of its subsidiaries, Elanor Investment Fund and its controlled entities, Elanor Hotel Accommodation Fund (EHAF), Elanor Wildlife Park Fund (EWPF), Stirling Street Syndicate (Stirling Street) and Bluewater Square Syndicate (Bluewater) as at 30 June 2022. Together EHAF, EWPF, Stirling Street and Bluewater are the Funds.

As at 30 June 2022, the Group holds 35.07% of the equity in EHAF, 42.82% of the equity in EWPF, 42.98% of the equity in Stirling Street Syndicate and 42.27% of the equity in Bluewater.

Elanor Funds Management Limited acts as the Manager and Trustee of the Funds. The Trustee is owned wholly by the Group and governed by the licensing and legal obligations of a professional asset manager. The powers of the Trustee are governed by the Funds' constitution, which sets out the basis of fees that the Trustee can receive. These fees include management fees, performance fees, and acquisition fees.

Therefore, as set out in the Elanor Investors Group's Financial Report for the year ended 30 June 2022, because Elanor is deemed to have a controlling interest in the Funds given its level of ownership and role as Trustee and Manager, the AASB 10 definition of control for Elanor's equity investment in the Funds is met, and the Funds are included on consolidated basis in the Consolidated Group.