



ASX Announcement

11 October 2024

Elanor Investors Group

Market Update

Elanor Investors Group (ASX: ENN) ("Elanor" or "Group") advises that, further to its announcement on 9 September 2024, the Group continues to progress a number of initiatives directed towards strengthening its balance sheet, simplifying its business and optimising value for its securityholders over the long term.

Completion of the Group's sale of its 12.6% interest in ECF via an off-market sale to the Lederer Group for approximately \$23.9 million occurred on 13 September 2024, allowing the Group to permanently reduce the amount outstanding under its senior secured debt facility by \$15 million.

The Group has also made significant progress towards the refinancing of the balance of its existing debt. In this regard, the Group has accepted credit approved terms from Keyview Financial Group ("Keyview") for a new \$125 million secured term debt facility to refinance the balance of the Group's existing secured debt facility and the Group's Unsecured Corporate Notes ("Notes"), fund the acquisition of managed fund co-investments, and provide working capital for the Group while it executes its stated divestment strategy. The Group is working closely with Keyview with the aim of closing the new facility by 31 October 2024, which remains subject to satisfactory documentation and customary conditions.

While the refinancing arrangements remain in progress, the Group has notified both the lender under its existing secured debt facility and the Noteholders that the Group's gearing ratio reached 45% (40% covenant as calculated under the conditions of the Notes), resulting in a covenant breach and a potential event of default under the Notes. The Group is working towards remedying the potential event of default through the refinancing of its secured debt and the redemption of the Notes, in full, within the 30-day period provided for under the terms of the Notes and in any event by 31 October 2024. This aligns with an amendment to the conditions of the Notes approved by Noteholders in September to allow for early redemption of the Notes up to 31 October 2024 (with 3 business days' notice).

The Group's existing senior secured lender has confirmed its support for the Group to complete the refinancing by 31 October 2024.

Asset realisations across several of the Group's managed funds are expected to release over \$100 million of Elanor's balance sheet capital over the next 18 months. Net gearing for the Group will be substantially reduced following execution of these initiatives.

The orderly divestment of fund assets within the Elanor Hotel Accommodation Fund is progressing, which will reduce debt within the Fund and also release capital back to investors in the Fund, including the Group. Further updates in this regard are expected in the near term.

The Group will finalise its Appendix 4E and Annual Report for the financial year ended 30 June 2024 when the refinancing is sufficiently progressed. Elanor will request the ASX lift the suspension of Elanor's securities following lodgement of the Appendix 4E and Annual Report with the ASX.

Elanor will provide a further update in relation to these matters as soon as practicable.

ENDS.

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

For further information regarding this request, please contact:

Investor enquiries:
Tony Fehon
Elanor Investors Group
Phone: (02) 9239 8400

Media enquiries:
Erica Borgelt
SEC Newgate Australia
Phone: 0413 732 951



About Elanor Investors Group

Elanor Investors Group (ASX:ENN) is a real estate investment and funds management group with approximately \$6.0 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.