

ELANOR PROPERTY INCOME FUND

JUNE 2025 QUARTER END

OVERVIEW

The Australian Securities and Investments Commission issued Regulatory Guide 46: “*Unlisted property schemes: Improving disclosure for retail investors*” (**‘RG 46’**) in March 2012. RG 46 sets out six benchmarks and eight disclosure principles for improved disclosure to retail investors to help them compare risks and returns across investments in the unlisted property sector.

The RG 46 regime specifies that responsible entities of unlisted property schemes offered to retail investors and in which retail investors have invested should disclose against these benchmarks on an ‘if not, why not’ basis.

The information below follows the RG 46 guidelines and is based on reviewed financial information as at 30 June 2025 unless otherwise stated.

On 29 January 2024 the Responsible Entity announced that it was conducting a strategic review of the Fund. At that time, the Responsible Entity also notified Securityholders that the redemption facility and distribution reinvestment plan would cease until further notice, and that redemption requests and subscription applications would not be accepted. The Responsible Entity concluded that the Fund’s underlying purpose and investment objectives are not achievable, and having considered a range of options, it determined that it is in the best interests of the Fund, and Securityholders as a whole, to proceed with an orderly wind up of the Fund.

On 8 May 2024, Securityholders have voted in favor of an orderly wind up of the Fund, incorporating the realisation of the Fund’s assets (namely Gladstone Square, Glenorchy Plaza, Manning Mall and Northway Plaza) and returning capital to investors as the assets are realized. The process to realise the Fund’s assets is expected to be completed over a 12 to 18 month period, subject to market conditions.

The sale of Glenorchy Plaza has settled on 8 July 2024 for a gross sale price of \$19.8 million. The sale of Northway Plaza settled on 29 November 2024 for a gross sale price of \$18.6 million. The sale of Manning Mall settled on 2 December 2024 for a gross sale price of \$34.9 million, and the final property (Gladstone Square) settled on 20 June 2025 for a gross sale price of \$26.7 million.

With all assets sold, the Responsible Entity will now manage the wind-up of the Fund and return any remaining capital to investors after sale contract warranties expire. This process is expected to be completed over the next 12 months.

We are committed to providing investors in the Elanor Property Income Fund (the ‘Fund’) with timely and balanced disclosure of all material matters concerning the Fund in accordance with its continuous disclosure obligations, including RG 46. Key information and any material changes will be updated by us and made available on our website at <https://www.elanorinvestors.com/epif/>.

GEARING RATIO

Disclosure Principle 1

The Fund's gearing ratio indicates the extent to which its assets are funded by external liabilities.

Gearing ratio =
$$\frac{\text{Total interest bearing liabilities}}{\text{Total assets}}$$

Application of Disclosure Principle 1

FUND	GEARING RATIO
Elanor Property Income Fund	N/A

The gearing ratio shows the extent to which the Fund's total assets are funded by interest bearing liabilities and gives an indication of the potential risks investors face in terms of external liabilities that rank ahead of them. Borrowing (or gearing) can be an important investment tool because, through borrowing, larger amounts become available to generate returns. But whilst this can enhance any gains, conversely it can magnify any losses.

Returns from geared investments are also more volatile than returns from the same investments that are not geared. Accordingly, a geared fund will be regarded as having a higher risk profile than a comparable ungeared fund. The greater the level of gearing, the greater the potential for both significant capital gain and loss. The gearing ratio is calculated using the assets and liabilities published in the most recent financial statements adjusted for any material changes since those statements.

As at 30 June 2025, all outstanding debt had been fully repaid.

Benchmark 1: Gearing Ratio

The Responsible Entity is required to maintain and comply with a written policy that governs the level of gearing at an individual credit facility level.

As at 30 June 2025, all outstanding debt had been fully repaid.

INTEREST COVER

Disclosure Principle 2

Interest cover indicates the Fund's ability to meet interest payments from earnings.

$$\text{Interest cover} = \frac{\text{EBITDA}^1 - \text{unrealised gains} + \text{unrealised losses}}{\text{Interest expense}}$$

Application of Disclosure Principle 2

FUND	INTEREST COVER
Elanor Property Income Fund	1.86

Interest cover is a key indicator of the financial health of the Fund. The lower the interest cover, the higher the risk that the Fund will not be able to meet its interest payments. A Fund with a low interest cover only needs a small reduction in earnings (or a small increase in interest rates or other expenses) to be unable to meet its interest payments.

The Fund has adopted and complies with a written borrowing policy which includes the interest coverage policy at an individual credit facility level. The Manager will generally seek to ensure that the Interest Cover Ratio covenant specified under each individual debt facility allows sufficient headroom to forecast levels over the term of the relevant facility.

The interest cover ratio of the Fund is currently 1.86 times based on EBITDA and interest expense from 1 July 2024 to 30 June 2025.

Benchmark 2: Interest cover policy

The Responsible Entity is required to maintain and comply with a written policy that governs the level of interest cover at an individual credit facility level.

The Fund meets the benchmark at 30 June 2025.

Other Considerations

The testing date for the interest cover ratio was 30 June 2025. The interest cover ratio of the Fund was 1.86 times based on EBITDA and interest expense from 1 July 2024 to 30 June 2025. As all outstanding debt had been fully repaid as at 30 June 2025, no further testing is required.

¹ EBITDA is defined as earnings before interest, tax, depreciation and amortisation.

BORROWINGS

Disclosure Principle 3

This principle requires information on the Fund's borrowing maturity and credit facility expiry and any associated risks. It is also important that investors are kept informed and updated with information they would reasonably require on breaches of loan covenants.

As at 30 June 2025, all outstanding debt had been fully repaid.

Benchmark 3: Interest capitalisation

The interest expense of the Fund is not capitalised.

Interest expenses of the Fund will not be capitalised in the ordinary course of business. Interest capitalisation may be considered for financing costs relating to major development projects where the total cost is more than 20% of the property value. As at the 30 June 2025 the fund is in the process of winding up and hence no interest expense is being capitalised.

At the current date, the Fund is not capitalising interest and therefore meets the benchmark.

PORTFOLIO DIVERSIFICATION

Disclosure Principle 4

This information addresses the Fund's investment practices and portfolio risk prior to the decision was made to wind up the fund.

The Fund invests across a range of properties, providing diversification by property, sector, geographic location and tenancy mix.

The Fund generally targets stabilised assets which are competitively located and produce predictable, recurring cashflows. The Fund invests in property, both directly and indirectly through other property funds that invest in direct property.

With all assets sold, the Responsible Entity will now manage the wind-up of the Fund and return any remaining capital to investors after sale contract warranties expire. This process is expected to be completed over the next 12 months

Benchmark 4: Valuation policy

The Responsible Entity is required to maintain and comply with a written property valuation policy that requires:

- (a) a Valuer to:***
 - a. be registered or licensed in the relevant State, Territory or overseas jurisdiction in which the property is located, or otherwise be a member of an appropriate professional body in that jurisdiction; and***
 - b. be independent***
- (b) procedures to be followed for dealing with any conflict of interest;***
- (c) rotation and diversity of valuers;***
- (d) valuations to be obtained in accordance with a set timetable;***
- (e) for each property, an independent valuation to be obtained:***
 - a. before the property is purchased;***
 - b. for a development property, on an 'as is' and 'as if complete' basis; and***
 - c. for all other property, on an 'as is' basis; and***
 - d. within two months after the directors form a view that there is a likelihood that there has been a material change in the value of the property."***

The Fund meets the benchmark at 30 June 2025.

The Responsible Entity maintains and complies with a written property valuation policy that can be provided on demand from the Responsible Entity.

RELATED PARTY TRANSACTIONS

Disclosure Principle 5: Related Party transactions

Investors need to be able to assess the Fund's approach to related party transactions.

Details of all related party transactions are reported annually as part of the Fund's audited annual accounts. The latest annual audited accounts of the Fund can be found on our website at <https://www.elanorinvestors.com/epif/>

Benchmark 5: Related party transactions

The Fund is required to maintain and comply with a written policy on related party transactions, including the assessment and approval process for such transactions and arrangements to manage conflicts of interest.

The Responsible Entity has adopted, complied with and makes available its Conflicts of Interest and Related Party Policy and therefore meets this benchmark.

Key elements of this policy are as follows:

- The Fund adopts and requires an environment where senior management must always act in the interests of its investors in funds and in regard to related party transactions will act with those interests paramount.
- The obligation to act in the best interests of investors means that the Fund is required to ensure that principal and agent transactions with a related party are conducted at arm's length and on commercial terms or better.
- The Fund will ensure that it keeps records showing what it has done in terms of this policy including maintaining a Related Party Register.

The board of the Responsible Entity may review transactions and prior approvals at any time and, if necessary, revoke its approval. All related party transactions must either be on arm's length commercial terms or approved by investors by ordinary resolution. The Company Secretary monitors all related party transactions to ensure that they are approved in the required manner.

Compliance with this policy is monitored by the Responsible Entity by review at the meetings of the compliance committee and the board of directors. A copy of the related party transactions policy is available for inspection by investors upon request. The Fund currently complies with the Related Party Policy and Procedures.

DISTRIBUTION PRACTICES

Disclosure Principle 6

This discloses whether distributions to investors have been made solely from realised income or from a combination of realised income and a return of capital funded by borrowings. Information on the Fund's distribution practices helps investors assess the sources of the distributions and be informed about the sustainability of distributions from sources other than realised income.

Benchmark 6: Distribution practices

The scheme is required to only pay distributions from its cash from operations (excluding borrowings) available for distribution.

The Fund meets the benchmark at 30 June 2025.

Subsequent to the settlement of Northway Plaza and Manning Mall the Fund has paid a return of capital of \$10.4 million at 12.9 cents per security on 9 December 2024.

Subsequent to the settlement of Gladstone Square the Fund has paid a return of capital of \$5.2 million at 6.50 cents per security on 30 June 2025.

We ensure that any material issues related to the Fund's distribution practices are notified to investors through ongoing disclosure, which includes disclosing the changes on our website at <https://www.elanorinvestors.com/epif/>

The Fund has suspended its monthly distributions following a decision by securityholders on 8 May 2024, to commence an orderly wind-up and asset realization process.

WITHDRAWAL ARRANGEMENTS

Disclosure Principle 7

Investors may transfer units in the Fund in accordance with the Fund's Constitution.

Prior to the Vote, the Fund operated a Liquidity Facility on a quarterly basis, under which investors were able to request redemption of part or all of their investment. Withdrawals under the Liquidity Facility were subject to available liquid assets and an aggregate cap of 5% of issued securities per quarter (20% p.a.), or such other amount determined by the Manager at its discretion.

On 29 January 2024 the Responsible Entity announced that it was conducting a strategic review of the Fund. At that time, the Responsible Entity also notified Securityholders that the redemption facility and distribution reinvestment plan would cease until further notice, and that redemption requests and subscription applications would not be accepted.

As noted in the "Overview", Securityholders have voted in favour of an orderly wind up of the Fund, incorporating the realisation of the Fund's assets (namely Gladstone Square, Glenorchy Plaza, Manning Mall and Northway Plaza) and returning capital to investors as the assets are realized. The process to realise the Fund's assets is expected to be completed over a 12 to 18 month period, subject to market conditions.

As of 30 June 2025, Glenorchy Plaza, Northway Plaza, Manning Mall and Gladstone Square have been settled on 8 July 2024 for a gross sale price of \$19.8 million, 29 November 2024 for a gross sale price of \$18.6 million, 2 December 2024 for a gross sale price of \$34.9 million and 20 June 2025 for a gross sale price of \$26.7 million respectively.

FUND NET TANGIBLE ASSETS

Disclosure Principle 8

Responsible Entities of closed-end schemes should clearly disclose the value of the net tangible assets ('NTA') of the scheme on a per unit basis in pre-tax dollars using the following formula:

$$\text{NTA} = \frac{\text{Net assets-intangible assets+/-any other adjustments}}{\text{Number of units in the scheme on issue}}$$

The Fund is an open-ended scheme and will disclose its NTA monthly on Fund Website. The NTA will be calculated each month in accordance with the Security Pricing Policy.

The Fund NTA at 30 June 2025 is \$0.0260 per unit.

Annexure 2 - Management recommendation



Quarterly RG46 Report - Management Recommendation

Fund: Elanor Property Income Fund ('EPIF' or 'Fund')

Document: RG46 Quarterly Report for the quarter ending 30 June 2025

Preparer:	Suzie Wang (Finance)
Reviewer:	Elena Medvedenko (Finance) Rebekah Morgan (Finance) Fiona Dixon (Compliance) Daniel Roland Blake McNaughton
Approver	Matt Healy

Background

- ASIC issued Regulatory Guide 46 (RG 46) sets out six benchmarks and eight disclosure principles for improved disclosure to retail investors to help them compare risks and returns across investments in the unlisted property sector.
- The RG 46 regime specifies that responsible entities of unlisted property schemes offered to retail investors and in which retail investors have invested should disclose against these benchmarks on an 'if not, why not' basis.
- EPIF is required to produce an RG 46 report on a quarterly basis.
- The attached RG46 report for the quarter ending 30 June 2025 has been prepared by the Elanor Finance team based on market standard template and reviewed by relevant Elanor management and satisfies continuous disclosure obligations on;
 1. Gearing ratios
 2. Interest cover
 3. Borrowings
 4. Portfolio diversification
 5. Related party transactions
 6. Distribution practices
 7. Withdrawal arrangements
 8. Fund net tangible assets
- The R46 report is made available to investors via the fund's website

Recommendation for approval

The attached report has been reviewed and is recommended to the Board for approval by management.