

ELITE COMMERCIAL REIT CHANGES NAME TO “ELITE UK REIT”

- ***Name change to better reflect expanded investment strategy***
- ***Continued focus on social infrastructure asset sector as government infrastructure and workspaces, whilst broadening focus to other asset sectors in the UK***
- ***Positioning Elite UK REIT for growth by enhancing portfolio diversification into non-discretionary sectors, such as the living sector, and unlocking latent value in Elite UK REIT’s real estate portfolio***

SINGAPORE, 14 May 2024 – Elite Commercial REIT Management Pte. Ltd., the manager (the “**Manager**”) of Elite Commercial REIT, is pleased to announce that with effect from 16 May 2024, the registered name of the Manager, as well as the name, and security and counter names of Elite Commercial REIT will be changed to reflect the REIT’s expanded investment strategy encompassing a wider scope of investments in real estate and real estate-related assets within the United Kingdom (“**UK**”).

Elite Commercial REIT’s name will be changed to “Elite UK REIT”. Elite UK REIT’s security name will be changed to “Elite UK REIT”, while its counter name will change from “EliteComREIT GBP” to “EliteUKREIT GBP”. There is no change to the existing counter code “MXNU” issued by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and counter code “ELITE:SP” issued by Bloomberg. The registered name of the Manager will become “Elite UK REIT Management Pte. Ltd.”

Broadening Focus to Wider Asset Sectors in the UK

With the expansion of its investment strategy, Elite UK REIT will continue to focus on the UK’s social infrastructure asset sector, including its existing portfolio of Jobcentre Plus and other government infrastructure and workspaces, whilst broadening its focus to other asset sectors in the UK.

The scope of investment remains focused within the UK, providing investors a pure-play UK investment mandate and exposure, thereby increasing Elite UK REIT's appeal to institutional investors. The UK is known for its quality real estate backed by strong rule of law, property and tax regulations.

Positioning for Growth

The Manager has been working on the value enhancements and future-proofing of Elite UK REIT's assets to unlock their latent value. With the expanded investment strategy, Elite UK REIT will be better positioned for growth; Elite UK REIT would be able to retain certain repositioned assets in favourable locations and would not be restricted to purely UK commercial real estate and real estate-related assets for its portfolio.

A broader investment strategy allows Elite UK REIT the flexibility and option to tap into a larger pool of investment targets that might bring attractive yields and/or increased capital appreciation potential, including assets from non-discretionary sectors in the UK, such as the Living Sector which includes purpose-built student accommodation ("PBSA") and Build-to-Rent residential assets.

For example, Elite UK REIT would be able to capitalise on the favourable demand-supply dynamics in the UK's Living Sector, which is exhibiting strong growth potential. The unique attributes and the strategic locations of Elite UK REIT's assets, which are highly accessible to key transportation nodes and amenities, give them an edge in these asset classes.

Having more options at hand would allow the Manager to execute its proactive asset management strategies by expanding into diversified asset classes with similar stable, defensive and counter-cyclical cashflow, as well as income visibility, further strengthening its resilient portfolio.

Mr. Joshua Liaw, Chief Executive Officer of the Manager, said: "These changes signify our commitment towards maximising Unitholder returns through our asset

repositioning strategies and expanded investment mandate. There are positive tailwinds in the Living Sector, such as student housing and Build-to-Rent residential, which are currently undersupplied and underserved in certain markets in the UK. This presents an opportunity for Elite UK REIT to capitalise on emerging trends with favourable supply-demand dynamics and diversify our income stream, asset classes and tenancy.

“One of our current vacant assets – Lindsay House, Dundee – presents a potential opportunity for conversion into a PBSA. Sunway RE Capital, one of the Sponsors of the REIT and also our second largest Unitholder, has been active in the student housing sector in the UK. We will tap into Sunway’s expertise and network as we venture into this new sector.”

Opportunity for Potential Conversion into Student Housing

Lindsay House, Dundee is located in the university town of Dundee in Scotland. It is within approximately 10 minutes’ walk to the University of Dundee, Abertay University and the Dundee city centre. The property presents a potential PBSA opportunity with approximately 200 beds in a mix of bed clusters and one-bed studios.

The PBSA sector continues to be defined by an acute supply and demand imbalance. Supply of available beds is not keeping pace with this demand and is increasingly limited by planning constraints and viability challenges. As a result, rental growth prospects for the sector remain strong¹.

Tapping into Sponsor Sunway’s Expertise and Network

Sunway’s portfolio of quality PBSA assets are well-located in UK cities where Russell Group’s reputable world-class, research-intensive universities are located. Russell Group’s universities produce more than two-thirds of the world-leading research produced in UK universities. The Manager will be tapping into Sunway’s expertise and network as Elite UK REIT ventures into this new asset sector.

¹ CBRE Research, UK Real Estate Market Outlook 2024, 7 December 2023.

Potential for Data Centre Development

Peel Park, Blackpool houses land banking with the potential to be developed into data centres. The UK's Department for Work and Pensions (“**DWP**”) currently occupies about a quarter of the site, using it as a technology hub. The remaining 75% of the site or 11.7 hectares is undeveloped grassland, presenting opportunity for potential value creation.

Mr. Liaw, said: “We are currently working on unlocking the value of the land bank at Peel Park. This site benefits from a new transatlantic submarine data cable linking Blackpool with North America. We have secured sufficient power for two co-location data centres and received positive pre-planning application from the local authority.”

Since its IPO more than four years ago, Elite UK REIT's unique portfolio has provided strong income visibility to its Unitholders. Over 99% of Elite UK REIT's assets are leased to the UK Government, providing a stable income stream backed by AA-rated sovereign credit strength, as well as attractive and recession-proof yields to Unitholders. Elite UK REIT's portfolio occupancy remains high at 92.3% as at 31 March 2024 with a weighted average lease expiry of 4.0 years as at 31 March 2024 providing Unitholders with lease stability and income certainty as well as government-backed cashflow.

The Manager has commenced early dialogue with tenants, including Elite UK REIT's primary occupier, the DWP, to extend, renew and diversify leases maturing in 2028. All leases are on triple net basis² and Elite UK REIT's assets serve as critical social infrastructure supporting the UK Government's social agenda.

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² Known as full repairing and insuring leases, the responsibility for the repair of the external and internal parts as well as the structure of the property is placed with the tenant for occupied assets.



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About Elite Commercial REIT

Elite Commercial REIT (“**Elite UK REIT**”) is a Singapore real estate investment trust established with the investment strategy of principally investing, directly or indirectly, in real estate and real estate-related assets in the United Kingdom (“**UK**”). Elite UK REIT is the only UK REIT listed in Pound sterling on the Singapore Exchange.

Elite UK REIT’s portfolio (“**Portfolio**”) comprises predominantly freehold properties strategically located mainly in town centres, and near amenities and transportation nodes. The Portfolio offers a stable government-backed income stream with over 99% of the gross rental income derived from the UK Government, backed by AA-rated sovereign credit strength. The leases are on triple net basis² and Elite UK REIT is one of the largest providers of critical social infrastructure to the Department for Work and Pensions (“**DWP**”) and other UK Government departments. The DWP is the UK’s largest public service department that is responsible for welfare, pensions and child maintenance policy, serving over 20 million claimants and customers. The Portfolio is part of the crucial social infrastructure through which the DWP provides services to local communities.

Elite UK REIT’s key objectives are to provide Unitholders with regular and stable distributions and to achieve long-term growth in distribution and net asset value per unit, while maintaining an optimal capital structure through disciplined execution of its key strategies.



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<https://elitecreit.com/>



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The value of the Units and the income derived from them may fall as well as rise. The Units are not obligations of, deposits in, or guaranteed by Elite UK REIT, the Manager or any of their respective affiliates. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. The Unitholders have no right to request the Manager to redeem or purchase their Units while the Units are listed. It is intended that Unitholders may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.