



(a real estate investment trust constituted on 7 June 2018
under the laws of the Republic of Singapore)

**Unaudited Condensed Interim Consolidated Financial Statements and
Dividend Announcement for the year ended 31 December 2024**



ELITE UK REIT

*Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024*

TABLE OF CONTENTS

Item No.	Description	Page No.
(I)	UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS	
	A CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION	3
	B CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	4
	C CONDENSED INTERIM STATEMENT OF MOVEMENTS IN UNITHOLDERS' FUNDS	5
	D CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS	7
	E NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS	8
(II)	UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS	
	1. OVERVIEW	21
	2. REVIEW OF PERFORMANCE OF THE GROUP	22
	3. COMMENTARY	25
	4. DISTRIBUTION INFORMATION	26
	5. INTERESTED PARTY TRANSACTIONS	26
	6. CONFIRMATIONS PURSUANT TO RULE 720(1) OF THE LISTING MANUAL	26
	7. NEGATIVE CONFIRMATIONS PURSUANT TO RULE 705(5) OF THE LISTING MANUAL	26
	8. CONFIRMATIONS PURSUANT TO RULE 704(13) OF THE LISTING MANUAL	26



ELITE UK REIT

Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024

(I) Unaudited Condensed Interim Consolidated Financial Statements

A. Condensed interim statements of financial position

		Group		Trust	
	Note	31/12/2024 £'000	31/12/2023 £'000	31/12/2024 £'000	31/12/2023 £'000
Non-current assets					
Investment properties	5	412,791	413,719	-	-
Investments in subsidiaries	6	-	-	14,746	-
Financial derivatives		1,629	483	1,110	-
Notes receivable	7	-	-	-	192,029
		414,420	414,202	15,856	192,029
Current assets					
Notes receivable	7	-	-	201,133	-
Prepayment for capital expenditure	5	6,609	6,152	-	-
Trade and other receivables	8	7,993	2,873	19,746	27,260
Cash and cash equivalents	9	6,626	20,816	572	442
		21,228	29,841	221,451	27,702
Assets held for sale	5	4,650	-	-	-
		25,878	29,841	221,451	27,702
Total assets		440,298	444,043	237,307	219,731
Non-current liabilities					
Loans and borrowings	10	183,334	94,024	-	11,165
Lease liabilities		1,213	1,221	-	-
		184,547	95,245	-	11,165
Current liabilities					
Loans and borrowings	10	-	126,288	-	-
Lease liabilities		8	8	-	-
Trade and other payables	12	3,143	4,758	710	650
Deferred income	13	8,874	8,860	-	-
Current tax liabilities		2,555	1,642	-	-
		14,580	141,556	710	650
Total liabilities		199,127	236,801	710	11,815
Net assets		241,171	207,242	236,597	207,916
Represented by:					
Units in issue	14	338,215	308,337	338,215	308,337
Unit issue costs		(6,330)	(5,903)	(6,330)	(5,903)
Accumulated losses		(90,714)	(95,192)	(95,288)	(94,518)
Unitholders' funds		241,171	207,242	236,597	207,916
Number of Units in issue ('000)	14	594,194	482,966	594,194	482,966
Net asset value per Unit attributable to unitholders (£)	15	0.41	0.43	0.40	0.43



ELITE UK REIT

*Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024*

B. Condensed interim consolidated statement of comprehensive income

	Note	6 months ended 31/12/2024 £'000	6 months ended 31/12/2023 £'000	Year ended 31/12/2024 £'000	Year ended 31/12/2023 £'000
Revenue	16	18,375	18,539	36,472	37,637
Other property income	17	1,108	5,327	2,604	7,569
Property operating expenses		(1,358)	(2,499)	(2,734)	(3,842)
Net property income		18,125	21,367	36,342	41,364
Manager's management fee		(927)	(870)	(1,845)	(1,804)
Trustee's fee		(53)	(54)	(106)	(109)
Other trust expenses		(1,459)	(585)	(2,313)	(1,205)
Finance income		1,310	15	1,338	431
Finance costs		(7,510)	(7,953)	(13,127)	(12,356)
Net finance costs	18	(6,200)	(7,938)	(11,789)	(11,925)
Gain on divestment of investment properties		321	124	321	124
Net change in fair value of investment properties	5	1,026	(43,787)	2,442	(47,827)
Profit/(Loss) before tax		10,833	(31,743)	23,052	(21,382)
Tax (expense)/credit	19	(1,109)	640	(2,557)	(788)
Profit/(Loss) after tax		9,724	(31,103)	20,495	(22,170)
Earnings/(Loss) per Unit (pence)					
Basic	20	1.65	(6.44)	3.51	(4.60)
Diluted	20	1.65	(6.44)	3.51	(4.60)



ELITE UK REIT

Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024

C. Condensed interim statement of movements in unitholders' funds

Group	Units in issue £'000	Unit issue costs £'000	Accumulated losses £'000	Total £'000
At 1 January 2024	308,337	(5,903)	(95,192)	207,242
<u>Total comprehensive income for the year</u>				
Profit for the year	-	-	20,495	20,495
Total comprehensive income for the year	-	-	20,495	20,495
<u>Transactions with unitholders, recognised directly in unitholders' funds</u>				
Units issued under preferential offering	27,906	-	-	27,906
Unit issue costs	-	(427)	-	(427)
Units issued under distribution reinvestment plan	1,972	-	-	1,972
Distribution to unitholders	-	-	(16,017)	(16,017)
Total transactions with unitholders for the year	29,878	(427)	(16,017)	13,434
At 31 December 2024	338,215	(6,330)	(90,714)	241,171
At 1 January 2023	307,611	(5,903)	(53,807)	247,901
<u>Total comprehensive income for the year</u>				
Loss for the year	-	-	(22,170)	(22,170)
Total comprehensive income for the year	-	-	(22,170)	(22,170)
<u>Transactions with unitholders, recognised directly in unitholders' funds</u>				
Units issued under distribution reinvestment plan	726	-	-	726
Distribution to unitholders	-	-	(19,215)	(19,215)
Total transactions with unitholders for the year	726	-	(19,215)	(18,489)
At 31 December 2023	308,337	(5,903)	(95,192)	207,242



ELITE UK REIT

Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024

C. Condensed interim statement of movements in unitholders' funds (cont'd)

Trust	Units in issue £'000	Unit issue costs £'000	Accumulated losses £'000	Total £'000
At 1 January 2024	308,337	(5,903)	(94,518)	207,916
<u>Total comprehensive income for the year</u>				
Profit for the year	-	-	15,247	15,247
Total comprehensive income for the year	-	-	15,247	15,247
<u>Transactions with unitholders, recognised directly in unitholders' funds</u>				
Units issued under preferential offering	27,906	-	-	27,906
Unit issue costs	-	(427)	-	(427)
Units issued under distribution reinvestment plan	1,972	-	-	1,972
Distribution to unitholders	-	-	(16,017)	(16,017)
Total transactions with unitholders for the year	29,878	(427)	(16,017)	13,434
At 31 December 2024	338,215	(6,330)	(95,288)	236,597
At 1 January 2023	307,611	(5,903)	(54,112)	247,596
<u>Total comprehensive income for the year</u>				
Loss for the year	-	-	(21,191)	(21,191)
Total comprehensive income for the year	-	-	(21,191)	(21,191)
<u>Transactions with unitholders, recognised directly in unitholders' funds</u>				
Units issued under distribution reinvestment plan	726	-	-	726
Distribution to unitholders	-	-	(19,215)	(19,215)
Total transactions with unitholders for the year	726	-	(19,215)	(18,489)
At 31 December 2023	308,337	(5,903)	(94,518)	207,916



ELITE UK REIT

Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024

D Condensed interim consolidated statement of cash flows

	Note	Year ended 31/12/2024 £'000	Year ended 31/12/2023 £'000
Cash flows from operating activities			
Profit/(Loss) before tax		23,052	(21,382)
Adjustments for:			
Effect of recognising rental income on a straight-line basis over the lease term		1,031	317
Finance income		(1,338)	(431)
Finance costs		13,127	12,356
Gain on divestment of investment properties		(321)	(124)
Net change in fair value of investment properties		(2,442)	47,827
Unrealised foreign exchange loss		-	1
Operating income before working capital changes		33,109	38,564
Changes in:			
Trade and other receivables		(5,120)	8,949
Trade and other payables		(176)	(106)
Deferred income		14	86
Cash generated from operating activities		27,827	47,493
Tax paid		(1,644)	(2,941)
Interest received		192	16
Net cash generated from operating activities		26,375	44,568
Cash flows from investing activities			
Prepayment for capital expenditure on investment properties		(3,668)	(3,668)
Net proceeds from divestment of investment properties		1,221	3,189
Net cash used in investing activities		(2,447)	(479)
Cash flows from financing activities			
Net proceeds from units issued under preferential offering		27,479	-
Interest paid		(11,489)	(11,182)
Net proceeds from bank loans		198,600	11,200
Repayment of bank loans		(236,440)	(12,085)
Payment of transaction costs related to loans and borrowings		(2,215)	(154)
Distribution to unitholders		(14,045)	(18,489)
Payment of lease liabilities		(8)	(7)
Decrease/(increase) in restricted cash		5,206	(3,206)
Net cash used in financing activities		(32,912)	(33,923)
Net (decrease)/increase in cash and cash equivalents		(8,984)	10,166
Cash and cash equivalents at beginning of the year		15,610	5,444
Cash and cash equivalents at end of the year ⁽¹⁾	9	6,626	15,610

⁽¹⁾ Cash and cash equivalents at the end of the period exclude restricted cash balance of Nil (2023: £5,206,000).

Significant non-cash transactions

For the period ended 31 December 2024, approximately 7,873,000 Units, amounting to approximately £1,972,000 were issued as payment for distributions under the distribution reinvestment plan.

For the period ended 31 December 2023, approximately 1,838,000 Units, amounting to approximately £726,000 were issued as payment for distributions under the distribution reinvestment plan.

E Notes to the unaudited condensed interim consolidated financial statements

These notes form an integral part of the unaudited condensed interim consolidated financial statements.

1. Entity information

The Trust is a Singapore-domiciled unit trust constituted pursuant to the trust deed dated 7 June 2018 (as amended) (the "Trust Deed") between Elite UK REIT Management Pte. Ltd. (formerly known as "Elite Commercial REIT Management Pte. Ltd.") (the "Manager") and Perpetual (Asia) Limited (the "Trustee"). The Trust Deed is governed by the laws of the Republic of Singapore. The Trustee is under a duty to take into custody and hold the assets of the Trust held by it or through its subsidiaries in trust for the holders of units ("Units") in the Trust.

On 6 February 2020 (the "Listing Date"), the Units in the Trust were listed on the Mainboard of the Singapore Exchange Securities Trading Limited (SGX-ST).

On 16 May 2024 and 24 June 2024, the name of the Trust has changed from "Elite Commercial REIT" to "Elite UK REIT" and the name of a wholly owned subsidiary has changed from "Elite UK Commercial Holdings Limited" to "Elite REIT Holdings Limited", respectively, to align with the expansion of investment strategy of the Group effective from 15 May 2024.

The principal activity of the Trust and its subsidiaries (the "Group") is to invest in a diversified portfolio of income-producing properties located primarily in the United Kingdom ("UK") and used primarily for commercial purposes.

The condensed interim consolidated financial statements relate to the Trust and its subsidiaries.

2. Basis of preparation

The condensed interim financial statements for the year ended 31 December 2024 have been prepared in accordance with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2023. The condensed interim financial statements do not include all the information required for complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with International Financial Reporting Standards ("IFRSs"), except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Pound Sterling (£), which is the Trust's functional currency. All financial information presented in Pound Sterling have been rounded to the nearest thousand, unless otherwise stated.

2.1 New and amended standards adopted by the Group

A number of new and amendments to standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of estimates and judgements

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the period/year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in Note 5 – valuation of investment properties.



ELITE UK REIT

*Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024*

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change occurred.

3. Seasonal operations

The Group's business is not affected significantly by seasonal or cyclical factors during the financial period/year.

4. Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

Segment information has not been presented as all the Group's investment properties are commercial properties and are located in the United Kingdom.

5. Investment properties

	Group	
	31/12/2024	31/12/2023
	£'000	£'000
At beginning of the year	413,719	459,975
Divestments during the year	(900)	(3,065)
Reclassification to assets held for sale	(4,650)	-
Capital expenditure	3,211	4,953
Effect of recognising rental income on a straight-line basis over the lease term	(1,031)	(317)
Net change in fair value recognised in profit or loss	2,442	(47,827)
At end of the year	<u>412,791</u>	<u>413,719</u>

Measurement of fair value

The carrying values of the investment properties were based on an independent external professional valuation undertaken by CBRE Limited ("CBRE").

The fair values of the investment properties as at 31 December 2024 and 31 December 2023 were based primarily on the income capitalisation method. The valuation method used in determining the fair value involves certain estimates including the yield rate. The specific risks inherent in each of the properties are taken into consideration in arriving at the property valuation. In relying on the valuation report, the Manager has exercised its judgment and is satisfied that the valuation method and estimates used are reflective of market conditions prevailing at the end of the financial year.



ELITE UK REIT

Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024

(i) Fair value hierarchy

The fair value measurement for investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used.

	Group	
	31/12/2024 £'000	31/12/2023 £'000
Fair value of investment properties (based on valuation reports)	416,220	412,490
Less: Reclassification to assets held for sale	(4,650)	-
Add: Carrying amount of lease liabilities	1,221	1,229
Carrying amount of investment properties	412,791	413,719

(ii) Valuation technique and significant unobservable inputs

Valuation method	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Income capitalisation method	Equivalent yield rate: 2024: 4.95% to 12.96% 2023: 4.81% to 12.96%	The estimated fair value would increase (decrease) if the yield rate is lower (higher).

Security

As at 31 December 2024, 149 (2023: 55) properties including those classified as assets held for sale with a carrying value of £417.4 million (2023: £158.3 million) were pledged as security to secure credit facilities (Note 10).

Prepayment for capital expenditure

The Group has agreed to make a £14.7 million sustainability contribution to its tenants, the Department for Work and Pensions and UK Government's Ministry of Defence. As at 31 December 2024, the Group has disbursed a total sustainability contribution of £14.7 million (2023: £11.1 million), of which £8.2 million (2023: £5.0 million) has been incurred as capital expenditure. Amounts incurred are capitalised and included in the carrying value of investment properties. The prepayment relates to the amount disbursed by the Group which has not been utilised yet.

Assets held for sale

On 26 November 2024 and 19 December 2024 respectively, the Group entered into contracts for sale of two vacant properties, subject to conditions precedents, completion of these sales are expected on or around June 2025. Accordingly, the carrying amount of the two properties are presented as assets held for sale as at 31 December 2024 and measured at fair value.

6. Investments in subsidiaries

	Trust	
	31/12/2024 £'000	31/12/2023 £'000
At cost		
At beginning of the year	88,900	88,900
Capitalisation of advances to subsidiaries	26,906	-
At end of the year	115,806	88,900
Less: Accumulated impairment losses		
At beginning of the year	(88,900)	(52,103)
Impairment losses recognised	(12,160)	(36,797)
At end of the year	(101,060)	(88,900)
	14,746	-



ELITE UK REIT

Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024

On 19 December 2024, the Trust subscribed additional £26,905,766 ordinary shares in Elite REIT Holdings Limited ("ERHL") for a consideration of £1 per ordinary share, through capitalisation of advances of £26.9 million granted to ERHL and its subsidiaries during the year for repayment of external debts. There is no change in equity interests in ERHL and its subsidiaries following the additional shares subscription.

During the year, the Trust undertook an assessment of impairment indicators for its investments in subsidiaries. The recoverable amount was determined using the fair value less costs to sell approach, taking into consideration the fair values of the underlying assets and fair values of the liabilities to be settled. The fair value measurement was categorised as a Level 3 fair value based on the inputs to the valuation technique used. As at 31 December 2024, an impairment loss of £12.2 million (2023: £36.8 million) was recognised in profit or loss.

7. Notes receivable

	Trust	
	31/12/2024 £'000	31/12/2023 £'000
Notes receivable	201,133	201,133
Less: Accumulated impairment loss		
At beginning of the year	(9,104)	-
Impairment losses (recognised)/reversed	9,104	(9,104)
At end of the year	-	(9,104)
	201,133	192,029

Notes receivable relates to loan notes issued by a subsidiary, Elite REIT Holdings Limited ("ERHL"), subscribed by the Trust.

On 16 November 2023, the Series 1 loan note was fully redeemed through the issuance of additional Series 2 loan note with a principal amount of £111.7 million in lieu of cash payment. The Series 2 loan note of £201.1 million will mature on 25 October 2025.

The notes are unsecured and carry interest at a fixed interest rate of 5% per annum.

Under the terms of the Series 2 loan note, the Trust, as a noteholder, has the right, at its sole discretion, to require ERHL to purchase all of its notes on specified put option exercise dates, being 9 March 2024 and 9 March 2025. As at the reporting date, the Trust has not required and does not intend to require the issuer to redeem this loan note on the specified put option exercise dates.

As at 31 December 2024, an impairment loss of £9.1 million (2023: £(9.1) million) was (recognised)/reversed on the notes receivable as a result of the decline in the values of the underlying assets of ERHL. The impairment loss was estimated using the lifetime expected credit losses approach.

8. Trade and other receivables

	Group		Trust	
	31/12/2024 £'000	31/12/2023 £'000	31/12/2024 £'000	31/12/2023 £'000
Trade receivables	6,299	2,268	-	-
Other receivables	610	100	548	-
Amount due from a subsidiary	-	-	18,998	27,041
	6,909	2,368	19,546	27,041
VAT & GST receivables	29	47	25	42
Prepayments	1,055	458	175	177
	7,993	2,873	19,746	27,260

Trade receivables of the Group as at the reporting date relate mainly to receivables from the property manager in respect of advance rental collected by the property manager on behalf of the Group from tenants.



ELITE UK REIT

Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024

As at 31 December 2024, amount due from a subsidiary includes dividend receivable from the subsidiary of approximately £6.7 million (2023: £17.6 million), interest receivable on the notes issued by the subsidiary of approximately £4.2 million (2023: £4.2 million) and £8.1 million (2023: £3.7 million) loans advanced to the subsidiary. The loans advanced to the subsidiary are unsecured, interest-free and repayable on demand.

Included in prepayments as at the reporting date are approximately £170,000 (2023: £170,000) transaction costs incurred by the Trust on its multicurrency debt issuance programme set up in 2022 (Note 10) and property expenses of £860,000 (2023: Nil) prepaid by the Group that were previously borne by the tenant when the properties were leased out.

9. Cash and cash equivalents

	Group		Trust	
	31/12/2024 £'000	31/12/2023 £'000	31/12/2024 £'000	31/12/2023 £'000
Cash at banks	6,626	20,816	572	442
Restricted cash	-	(5,206)	-	-
Cash and cash equivalents in the statement of cash flows	6,626	15,610	572	442

The restricted cash relates to the reserve funds required to be maintained with banks in accordance with the terms of the secured bank loans.

10. Loans and borrowings

	Group		Trust	
	31/12/2024 £'000	31/12/2023 £'000	31/12/2024 £'000	31/12/2023 £'000
Secured bank loans	190,463	221,315	-	11,200
Less: Unamortised transaction costs	(7,129)	(1,003)	-	(35)
	183,334	220,312	-	11,165
Current	-	126,288	-	-
Non-current	183,334	94,024	-	11,165
Total	183,334	220,312	-	11,165

On 15 July 2024 and 23 July 2024, the Group entered into facilities agreements with financial institutions for 3.25-year term and revolving facilities to refinance its debts and for working capital requirement. The terms of the facilities are as follows:

£135.0 million term loan and revolving credit facilities

- A £100.0 million secured term loan facility. At the reporting date, £100.0 million was drawn down and is due for repayment in October 2027.
- A £35.0 million revolving credit facility. At the reporting date, £12.3 million was drawn down and is due for repayment in October 2027.

The shares of a subsidiary, Elite Gemstones Properties Limited, and the 95 properties held by the subsidiary with carrying values of £263.4 million as at 31 December 2024 (Note 5), were pledged and a corporate guarantee from the Trust was provided to secure the facilities.

£80.0 million term loan and revolving credit facilities

- A £65.0 million secured term loan facility. At the reporting date, £63.8 million was drawn down and is due for repayment in October 2027.
- A £15.0 million revolving credit facility. At the reporting date, £14.4 million was drawn down and is due for repayment in October 2027.

The shares of two subsidiaries, Elite Amphora Limited and Elite Cask Limited, and the 54 properties held by these entities with carrying values of £154.0 million as at 31 December 2024 (Note 5), were pledged and a corporate guarantee from the Trust was provided to secure the facilities.



ELITE UK REIT

Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024

In September 2024, the Group entered into interest rate swap arrangements with financial institutions for a total notional amount of £165.0 million to hedge its interest rate exposures.

As at 31 December 2023, the Group has the following facilities:

£140.0 million term loan and bridge loan facilities

- A £125.0 million secured term loan facility. As at 31 December 2023, £125.0 million was drawn down and was due for repayment in November 2024.
- A £15.0 million bridge loan facility. The bridge loan facility can be drawn down under multiple tranches, and each tranche was to be repaid within the earlier of one year from drawn down date, and five years after the first drawn down date (where the amount was drawn down in multiple tranches). As at 31 December 2023, £3.2 million was drawn down and repayable in March 2024.

As at 31 December 2024, the term loan and bridge loan facilities have been fully repaid.

The shares of a subsidiary, Elite Gemstones Properties Limited, which held 95 properties with carrying values of £256.2 million as at 31 December 2023, were pledged to secure the facilities.

£94.0 million term loan and revolving credit facilities

- A £76.0 million secured term loan facility. As at 31 December 2023, £76.0 million was drawn down and was due for repayment in January 2025.
- A £18.0 million revolving credit facility. As at 31 December 2023, £7.5 million was drawn down and was due for repayment in January 2025.

As at 31 December 2024, the term loan and revolving credit facilities have been fully repaid.

The shares of two subsidiaries, Elite Amphora Limited and Elite Cask Limited, and the 55 properties held by these entities with carrying values of £157.5 million as at 31 December 2023, were pledged to secure the facilities (Note 5).

£15.0 million green revolving credit facilities

- A £15.0 million green revolving credit facility was obtained in November 2022. As at 31 December 2023, £11.2 million was drawn down and was due for repayment in May 2026. As at 31 December 2024, the revolving credit facilities have been fully repaid.

\$300.0 million multicurrency debt issuance programme

- The Trust has in place a \$300.0 million multicurrency debt issuance programme (the 'Programme'), which was set up in October 2022 for the issuance of notes and/or perpetual securities. At the reporting date, there were no issuances made under the Programme.

11. Deferred tax liabilities

The movement in deferred tax liabilities during the financial year is as follows:

Group	At 1/1/2023 £'000	Recognised in profit or loss £'000	At 31/12/2023 £'000	Recognised in profit or loss £'000	At 31/12/2024 £'000
Deferred tax liabilities					
Investment properties	(1,984)	1,984	-	-	-
Lease liabilities	(185)	185	-	-	-
	<u>(2,169)</u>	<u>2,169</u>	<u>-</u>	<u>-</u>	<u>-</u>



ELITE UK REIT

Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024

12. Trade and other payables

	Group		Trust	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	£'000	£'000	£'000	£'000
Trade payables	264	275	-	254
Bank interest payable	15	1,430	-	10
Accrued operating expenses	1,500	1,738	710	386
Other payables	1,364	1,315	-	-
	<u>3,143</u>	<u>4,758</u>	<u>710</u>	<u>650</u>

Trade payables comprise mainly property expenses on the vacant units during the year.

Other payables comprise mainly Value Added Tax ("VAT") payable to HM Revenue and Customs ("HMRC") for the following quarter, predominantly on the Group's rental receipts.

13. Deferred income

Deferred income relates to the advance rental received from tenants.

14. Units in issue

	31/12/2024		31/12/2023	
	Number of Units '000	£'000	Number of Units '000	£'000
Group and Trust Units issued				
At beginning of the year	482,966	308,337	481,128	307,611
- Preferential offering	103,355	27,906	-	-
- Distribution reinvestment plan	7,873	1,972	1,838	726
At end of the year	<u>594,194</u>	<u>338,215</u>	<u>482,966</u>	<u>308,337</u>

On 18 December 2023, the Trust launched a preferential offering of new units ("Preferential Offering Units") and raised gross proceeds of approximately £28.0 million by way of a fully underwritten pro rata and non-renounceable preferential offering of 103,355,000 new Units on the basis of 214 Preferential Offering Units for every 1,000 existing Units at an issue price of £0.27 per Preferential Offering Unit. The Preferential Offering Units were fully subscribed, issued and listed on the Mainboard of SGX-ST on 18 January 2024. The Preferential Offering Units issued rank pari passu in all respects with the existing Units in issue on the day immediately prior to the date on which the Preferential Offering Units were issued, including the right to any distributions out of the Group's distributable income from the date of issuance, as well as all distributions thereafter.

The Group and the Trust do not hold any treasury units as at 31 December 2024 and 31 December 2023.

15. Net asset value per Unit

	Group		Trust	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
	£'000	£'000	£'000	£'000
Net asset value per Unit is based on:				
Net assets attributable to unitholders	<u>241,171</u>	<u>207,242</u>	<u>236,597</u>	<u>207,916</u>
Total issued Units at the end of the period ('000) (Note 14)	<u>594,194</u>	<u>482,966</u>	<u>594,194</u>	<u>482,966</u>
Net asset value per Unit (£)	<u>0.41</u>	<u>0.43</u>	<u>0.40</u>	<u>0.43</u>



ELITE UK REIT

*Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024*

16. Revenue

Revenue mainly relates to rental income derived from leasing of the Group's investment properties recognised on straight-line basis over the lease terms.

Over 99% (2023: 99%) of the contracted rental income under the current leases is derived from the UK Government via various government agencies which includes The Secretary of State for Housing, Communities and Local Government (with the Department of Works and Pensions ("DWP") occupying each property under a group sharing arrangement).

17. Other property income

	6 months ended 31/12/2024 £'000	6 months ended 31/12/2023 £'000	Year ended 31/12/2024 £'000	Year ended 31/12/2023 £'000
Dilapidation income	1,050	5,063	2,495	6,947
Other property income	58	264	109	622
	<u>1,108</u>	<u>5,327</u>	<u>2,604</u>	<u>7,569</u>

Dilapidation income relates to dilapidation settlements paid and payable by tenants upon the surrender of certain leases of vacant assets.

18. Finance income and finance costs

	6 months ended 31/12/2024 £'000	6 months ended 31/12/2023 £'000	Year ended 31/12/2024 £'000	Year ended 31/12/2023 £'000
Finance income:-				
- Interest income	98	15	192	15
- Fair value gain on financial derivative	1,212	-	1,146	416
	<u>1,310</u>	<u>15</u>	<u>1,338</u>	<u>431</u>
Finance costs:-				
- Fair value loss on financial derivative	-	1,534	-	-
- Interest expense on:				
- loans and borrowings	4,999	5,914	10,036	11,298
- lease liabilities	19	19	38	38
- Amortisation of transaction costs relating to loans and borrowings	2,520	479	3,077	999
- (Reversal of accrued commitment fee no longer required)/Commitment fee	(28)	7	(24)	21
	<u>7,510</u>	<u>7,953</u>	<u>13,127</u>	<u>12,356</u>
Net finance costs recognised in statement of comprehensive income	<u>(6,200)</u>	<u>(7,938)</u>	<u>(11,789)</u>	<u>(11,925)</u>



ELITE UK REIT

Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024

19. Tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected distribution from subsidiaries. The income tax expense in the condensed interim consolidated statement of comprehensive income relates to:

	6 months ended 31/12/2024 £'000	6 months ended 31/12/2023 £'000	Year ended 31/12/2024 £'000	Year ended 31/12/2023 £'000
Withholding tax expense	1,109	1,529	2,557	2,957
Deferred tax credit relating to origination and reversal of temporary differences	-	(2,169)	-	(2,169)
	1,109	(640)	2,557	788

20. Earnings/(Loss) per Unit

Basic earnings/(loss) per Unit

The calculation of basic earnings/(loss) per Unit is based on the profit/(loss) attributable to unitholders and the weighted average number of Units outstanding.

	6 months ended 31/12/2024 £'000	6 months ended 31/12/2023 £'000	Year ended 31/12/2024 £'000	Year ended 31/12/2023 £'000
Profit/(Loss) for the period/year attributable to unitholders	9,724	(31,103)	20,495	(18,332)
Weighted average number of Units:				
- Units issued at the beginning of the year	482,966	481,128	482,966	476,506
- Effect of Units issued under preferential offering	103,355	-	98,554	-
- Effect of Units issued under distribution reinvestment plan	4,628	1,469	2,525	2,438
Weighted average number of Units	590,949	482,597	584,045	478,944

Diluted earnings/(loss) per Unit

The calculation of diluted earnings/(loss) per Unit is based on the profit/(loss) attributable to unitholders and the weighted average number of Units outstanding after adjustment for the effects of all dilutive potential Units.

For the 6 months periods and years ended 31 December 2024 and 31 December 2023, the diluted earnings/(loss) per Unit is the same as the basic earnings/(loss) per Unit as there are no outstanding dilutive Units at the end of the reporting periods.

21. Amount available for distribution

	6 months ended 31/12/2024 £'000	6 months ended 31/12/2023 £'000	Year ended 31/12/2024 £'000	Year ended 31/12/2023 £'000
Amount available for distribution at beginning of the period	8,348	8,437	7,881	10,857
Profit/(Loss) for the period/year	9,724	(31,103)	20,495	(22,170)
Distribution adjustments (Note A)	(453)	39,806	(2,041)	40,213
	9,271	8,703	18,454	18,043
Less: Amount retained for general corporate and working capital ("Retention")	(464)	(870)	(1,382)	(1,804)
Amount available for distribution to unitholders	17,155	16,270	24,953	27,096



ELITE UK REIT

Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024

	6 months ended 31/12/2024 £'000	6 months ended 31/12/2023 £'000	Year ended 31/12/2024 £'000	Year ended 31/12/2023 £'000
Distributions to unitholders:				
Distribution of GBP 2.25 pence for the period from 1 July 2022 to 31 December 2022	-	-	-	(10,826)
Distribution of GBP 1.74 pence for the period from 1 January 2023 to 30 June 2023	-	(8,389)	-	(8,389)
Distribution of GBP 1.33 pence for the period from 1 July 2023 to 31 December 2023	-	-	(7,798)	-
Distribution of GBP 1.40 pence for the period from 1 January 2024 to 30 June 2024	(8,219)	-	(8,219)	-
	(8,219)	(8,389)	(16,017)	(19,215)
Amount available for distribution to unitholders (after retention) at end of the period	8,936	7,881	8,936	7,881
Distribution per Unit (before retention) (pence)	1.55	1.48	3.11	3.42
Distribution per Unit (after retention) (pence)	1.47	1.33	2.87	3.07

Note A

Distribution adjustments relate to the following items:

Amortisation of debt-related upfront fee and transaction costs	2,520	479	3,077	999
Deferred tax credit	-	(2,169)	-	(2,169)
Dilapidation settlements, net	(980)	(4,439)	(2,338)	(6,323)
Fair value (gain)/loss on financial derivative	(1,212)	1,534	(1,146)	(416)
Net change in fair value of investment properties	(1,026)	43,787	(2,442)	47,827
Gain on divestment of investment properties	(321)	(124)	(321)	(124)
Effect of recognising rental income on a straight-line basis over the lease term	516	685	1,031	317
Trustee's fee	53	54	106	109
Others	(3)	(1)	(8)	(7)
Distribution adjustments	(453)	39,806	(2,041)	40,213

22. Related party transactions

In the normal course of the operations of the Group, the Manager's management fee and the Trustee's fee have been paid or are payable to the Manager and Trustee respectively. Other than as disclosed elsewhere in the financial statements, there were the following significant related party transactions during the period/year.

	6 months ended 31/12/2024 £'000	6 months ended 31/12/2023 £'000	Year ended 31/12/2024 £'000	Year ended 31/12/2023 £'000
Property management fee paid/payable to a related corporation of the Manager	109	129	229	257
Lease management fee paid/payable to the Manager	122	124	244	244
Lease commission fee paid/payable to the Manager	-	-	-	23
Lease commission fee paid/payable to a related corporation of the Manager	-	19	33	67
Divestment fee paid/payable to a related corporation	4	17	4	17



ELITE UK REIT

Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024

23. Financial assets and financial liabilities

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. The fair value disclosure of lease liabilities is also not required.

	Carrying amount				Fair value			
	Financial assets at amortised cost £'000	At fair value through profit or loss ("FVTPL") £'000	Other financial liabilities £'000	Total carrying amount £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Group								
31 December 2024								
Financial asset measured at fair value								
Financial derivatives	-	1,629	-	1,629	-	1,629	-	1,629
Financial assets not measured at fair value								
Trade and other receivables*	6,909	-	-	6,909				
Cash and cash equivalents	6,626	-	-	6,626				
	13,535	-	-	13,535				
Financial liabilities not measured at fair value								
Trade and other payables^	-	-	(1,808)	(1,808)				
Loans and borrowings	-	-	(183,334)	(183,334)	-	(190,463)	-	(190,463)
	-	-	(185,142)	(185,142)				
31 December 2023								
Financial asset measured at fair value								
Financial derivatives	-	483	-	483	-	483	-	483
Financial assets not measured at fair value								
Trade and other receivables*	2,368	-	-	2,368				
Cash and cash equivalents	20,816	-	-	20,816				
	23,184	-	-	23,184				
Financial liabilities not measured at fair value								
Trade and other payables^	-	-	(3,472)	(3,472)				
Loans and borrowings	-	-	(220,312)	(220,312)	-	(207,993)	-	(207,993)
	-	-	(223,784)	(223,784)				

* Excluding VAT & GST receivables, and prepayments

^ Excluding VAT payables



ELITE UK REIT

Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024

	Carrying amount				Fair value			
	Financial assets at amortised cost £'000	At fair value through profit or loss ("FVTPL") £'000	Other financial liabilities £'000	Total carrying amount £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Trust								
31 December 2024								
Financial assets not measured at fair value								
Notes receivable	201,133	-	-	201,133	-	195,260	-	195,260
Trade and other receivables*	19,546	-	-	19,546				
Cash and cash equivalents	572	-	-	572				
	<u>221,251</u>	<u>-</u>	<u>-</u>	<u>221,251</u>				
Financial liabilities not measured at fair value								
Trade and other payables	-	-	(710)	(710)				
31 December 2023								
Financial assets not measured at fair value								
Notes receivable	192,029	-	-	192,029	-	177,515	-	177,515
Trade and other receivables*	27,041	-	-	27,041				
Cash and cash equivalents	442	-	-	442				
	<u>219,512</u>	<u>-</u>	<u>-</u>	<u>219,512</u>				
Financial liabilities not measured at fair value								
Trade and other payables	-	-	(650)	(650)				
Loans and borrowings	-	-	(11,165)	(11,165)	-	(11,165)	-	(11,165)
	<u>-</u>	<u>-</u>	<u>(11,815)</u>	<u>(11,815)</u>				

* Excluding VAT & GST receivables, and prepayments

^ Excluding VAT payables

Measurement of fair value

The following table shows the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique
Loans and borrowings, and Notes receivable	Discounted cash flows: The fair value is based on the present value of future payments, discounted at the market rate of interest at the measurement date.
Financial derivatives – interest rate swaps	Market comparison technique: The fair values are based on bank quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.



ELITE UK REIT

*Elite UK REIT and its subsidiaries
Condensed Interim Financial Statements
for the year ended 31 December 2024*

24. Financial ratios

	Group	
	31/12/2024	31/12/2023
	£'000	£'000
Leverage ratio (%)	43.4%	50.0%
Interest coverage ratio (times)	2.5	3.1

The interest coverage ratio is computed by dividing the trailing 12 months earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties and foreign exchange translation) ("EBITDA"), over the trailing 12 months interest expense and borrowing related fees (excluding interest expense on lease liabilities). Interest expense on lease liabilities is excluded as it does not reflect the serviceability of loans and does not have any impact on the Group's debt servicing ability.

25. Commitments

At the reporting date, the Group had the following commitment:

	Group	
	31/12/2024	31/12/2023
	£'000	£'000
Capital expenditure on investment properties	-	3,669

(II) Other Information Required By Listing Rule Appendix 7.2

1. Overview

The condensed interim consolidated financial statements comprise the condensed interim statement of financial position of Elite UK REIT and its subsidiaries ("the Group") and statement of financial position of Elite UK REIT ("the Trust") as at 31 December 2024 and the related condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of movements in unitholders' funds and condensed consolidated interim statement of cash flows for the period then ended and certain explanatory notes.

The condensed interim consolidated financial statements have not been audited or reviewed by the auditors.

Elite UK REIT Management Pte. Ltd. (formerly known as "Elite Commercial REIT Management Pte. Ltd.") is the manager of Elite UK REIT (the "Manager") and Perpetual (Asia) Limited is the trustee of Elite UK REIT (the "Trustee").

The REIT commenced trading on the Singapore Exchange Securities Trading Limited ("SGX-ST") on 6 February 2020 ("Listing Date") with an initial portfolio of 97 commercial buildings located across the UK (the "Initial Portfolio"). On 9 March 2021, the Group completed its acquisition of 58 properties located across the United Kingdom (the "New Properties").

As at 31 December 2024, the Group's portfolio comprised of a total of 149 commercial buildings located across the UK, of which 143 of them are currently occupied, with over 99% of the Group's revenue derived from the current leases with the UK Government via Secretary of State for Levelling Up, Housing and Communities and other government departments.

On 16 January 2024, the Group completed a preferential offering of new units ("Preferential Offering Units") and raised gross proceeds of approximately £28.0 million by way of a fully underwritten pro rata and non-renounceable preferential offering of 103,355,000 new Units on the basis of 214 Preferential Offering Units for every 1,000 existing Units at an issue price of £0.27 per Preferential Offering Unit. The Preferential Offering Units were fully subscribed, issued and listed on the Mainboard of SGX-ST on 18 January 2024.

On 15 May 2024, the Group has revised its investment strategy to encompass a wider scope of real estate and real estate related assets to enhance the diversification of its portfolio, allowing for latent value to be unlocked and position the Group for future growth. In line with the expansion of investment strategy, the name of the Trust has changed from "Elite Commercial REIT" to "Elite UK REIT" and the name of a wholly owned subsidiary has changed from "Elite UK Commercial Holdings Limited" to "Elite REIT Holdings Limited" ("ERHL") on 16 May 2024 and 24 June 2024, respectively.

On 15 July 2024, the Group entered into a facilities agreement with financial institutions for a 3.25-year term and revolving facilities sum up to £135.0 million, with a 2-year extension option subject to certain conditions, to refinance its existing bank loans of £114.4 million and to finance working capital requirement. On 31 July 2024, £120.0 million of the facilities have been drawn down to repay the £114.4 million bank loans and the associated fees and expenses incurred for the new facilities.

On 23 July 2024, the Group entered into a facilities agreement with financial institutions for a 3.25-year term and revolving facilities sum up to £80.0 million, with a 2-year extension option subject to certain conditions, to refinance its existing bank loans of £64.0 million and to finance working capital requirement. On 30 July 2024 and 31 July 2024, £65.0 million and £15.0 million of the facilities have been drawn down to repay the £64.0 million bank loans and the £15.0 million revolving credit facilities of the Trust, respectively.

On 19 December 2024, the Trust subscribed additional £26,905,766 ordinary shares in Elite REIT Holdings Limited ("ERHL") for a consideration of £1 per ordinary share, through capitalisation of advances of £26.9 million granted to ERHL and its subsidiaries during the year for repayment of external debts. There is no change in equity interests in ERHL and its subsidiaries following the additional shares subscription.



ELITE UK REIT

Elite UK REIT and its subsidiaries
Other Information Required By Listing Rule Appendix 7.2
for the year ended 31 December 2024

2. Review of performance of the Group

2.1 Year ended 31 December 2024 ("FY2024") vs Year ended 31 December 2023 ("FY2023") 6 months period ended 31 December 2024 ("2H2024") vs 6 months period ended 31 December 2023 ("2H2023")

	Note	FY2024 £'000	FY2023 £'000	Variance %	2H2024 £'000	2H2023 £'000	Variance %
Revenue	(a)	36,472	37,637	(3.1)	18,375	18,539	(0.9)
Other property income	(b)	2,604	7,569	(65.6)	1,108	5,327	(79.2)
Property operating expenses	(c)	(2,734)	(3,842)	28.8	(1,358)	(2,499)	45.7
Net property income		36,342	41,364	(12.1)	18,125	21,367	(15.2)
Manager's management fee	(d)	(1,845)	(1,804)	(2.3)	(927)	(870)	(6.6)
Trustee's fee		(106)	(109)	2.8	(53)	(54)	1.9
Other trust expenses	(e)	(2,313)	(1,205)	(92.0)	(1,459)	(585)	n.m.
Finance income		1,338	431	n.m.	1,310	15	n.m.
Finance costs		(13,127)	(12,356)	(6.2)	(7,510)	(7,953)	5.6
Net finance costs	(f)	(11,789)	(11,925)	1.1	(6,200)	(7,938)	21.9
Gain on divestment of investment properties		321	124	n.m.	321	124	n.m.
Net change in fair value of investment properties	(g)	2,442	(47,827)	n.m.	1,026	(43,787)	n.m.
Profit/(Loss) before tax		23,052	(21,382)	n.m.	10,833	(31,743)	n.m.
Tax (expense)/credit	(h)	(2,557)	(788)	n.m.	(1,109)	640	n.m.
Profit/(Loss) after tax		20,495	(22,170)	n.m.	9,724	(31,103)	n.m.
Amount available for distribution to unitholders (after retention) at end of the period		8,473	7,881	7.5	8,473	7,881	7.5
Distribution per Unit (after retention) (pence)		2.87	3.07	(6.5)	1.47	1.33	10.5

n.m. denotes not meaningful

(a) Revenue

Revenue is contracted rental income from leasing of the office spaces of the Initial Portfolio and New Properties and the effect of recognising rental income on a straight-line basis over the lease term of £1.0 million (2H2024: £0.5 million).

(b) Other property income

Included in other income were £2.5 million (2H2024: £1.1 million) of dilapidation settlements.

(c) Property operating expenses

Property operating expenses includes the following items:

	FY2024 £'000	FY2023 £'000	Variance %	2H2024 £'000	2H2023 £'000	Variance %
Property management fee	686	708	3.1	337	349	3.4
Lease management fee	244	244	-	122	124	1.6
Property insurance expenses	246	247	0.4	122	125	2.4
Other property expenses	1,558	2,643	41.1	777	1,901	59.1
	2,734	3,842	28.8	1,358	2,499	45.7

Property management fee is the fee payable to the Property Manager of the Group. The property manager of the Initial Portfolio is Jones Lang LaSalle Limited, an external party, while the New Properties are currently managed by Elite Real Estate Services UK Limited ("ERESUK"), a related corporation of the Manager.



ELITE UK REIT

*Elite UK REIT and its subsidiaries
Other Information Required By Listing Rule Appendix 7.2
for the year ended 31 December 2024*

Property management fee incurred by the Initial Portfolio's properties includes the following:

- a property management fee to be paid either directly (by the Trustee) or indirectly (by the entity which is held by the Trust) out of the Deposited Assets (as defined in the Trust Deed).

Property management fee incurred by the New Properties includes the following:

- a property management fee of 2.0% per annum of the gross revenue income of the New Properties
- a lease management fee of 1.0% per annum of the gross revenue income of the New Properties
- market services commissions for procuring or renewing leases, which range from 0.5 to 2.0 months' gross revenue income of the New Properties if there is no third party agent involvement; and
- a property management services fee for the development or redevelopment of the New Properties, which ranges from 1.5% to 3.0% of the construction cost.

(d) Manager's management fee

Manager's management fee relates to the base fee which is calculated based on 10% of the income available for distribution. The decrease in manager's management fee was in line with the decreased income available for distribution to unitholders.

(e) Other trust expenses

Other trust expenses consist mainly statutory fees such as audit fees, tax agent fees and corporate secretarial fees, valuation expenses and other trust related expenses.

(f) Net finance costs

Net finance costs consist of amortisation of transaction costs relating to loans and borrowings, commitment fee, net change in fair value of financial derivative, interest expense on lease liabilities, and interest expense on borrowings. Decrease in net finance costs was due to lower loan quantum because of repayments and reduction in interest costs on borrowings, offset by one-off fees paid for the refinancing of external debts during the financial year.

(g) Net change in fair value of investment properties

Fair value gain on investment properties for the period of £2.4 million arose from the valuation conducted for the Group's investment properties as of 31 December 2024.

(h) Tax (credit)/expense

Tax expense of the Group comprised withholding tax expenses on distribution received/receivable from overseas subsidiaries. Excluding the effect of reversal of deferred tax liabilities in FY2024 of £2.2 million, the decrease in withholding tax expense was due to tax benefits arising from (i) capital allowances claimed on expenditure incurred for sustainability enhancement works and (ii) increase in deductible interest expenses, offset by higher income mandatorily distributable by the property rental business of ERHL and its subsidiaries to the REIT.

2.2 Review of statement of financial position

Investment properties of the Group increased from £413.7 million as at 31 December 2023 to £417.4 million as of 31 December 2024 mainly due to capital expenditure incurred during the period of £3.2 million and revaluation gain of £2.4 million, offset by the divestment during the year of £0.9 million and effect of straight-line rent adjustments of £1.0 million.

During 2024, the Group has disbursed additional sustainability contribution of £3.6 million, which has been included as prepayment for capital expenditure.

Included in trade and other receivables as at 31 December 2024 of £8.0 million (2023: £2.9 million) are mainly (i) trade receivables of £6.3 million (2023: £2.3 million) which have been subsequently received by the Group and (ii) prepayments of £1.1m (2023: £0.5 million) which mainly comprise of property expenses prepaid by the Group. The property expenses were previously borne by the tenant when the properties were leased out.

During 2024, the Group completed its refinancing of loans and borrowings of £221.3 million. The £221.3 million loans were partially repaid using proceeds from preferential offering and balances were repaid using the £201.8 million new loans drawdown during the year. The Group has subsequently repaid £11.3 million of the new loans using proceeds from divestment of investment properties and advance rents received from tenant.

Included in trade and other payables of £3.1 million as at 31 December 2024 (2023: £4.8 million) are mainly i) accrued operating expenses of £1.5 million (2023: £1.7 million) and ii) other payables of £1.4 million (2023: £1.3 million), which mainly consist of VAT payable to HMRC.

During 2024, the Group raised net proceeds of £27.5 million through issuance of preferential offering units.

2.3 Review of statement of cashflows

Net cash generated from operating activities for the year ended 31 December 2024 amounted to £26.4 million, being £18.2 million lower when compared to £44.6 million for the year ended 31 December 2023. This was driven partly by (i) lower amount of dilapidation receipts in 2024 and (ii) increase in trade and other receivables due to timing of rents collection.

Net cash used in investing activities for the year ended 31 December 2024 amounted to £2.5 million, being £2.0 million higher when compared to £0.5 million for the year ended 31 December 2023. This was driven by a lower net proceeds from divestment of investment properties.

Net cash used in financing activities for the year ended 31 December 2024 amounted to £32.9 million, being £1.0 million lower when compared to £33.9 million for the year ended 31 December 2023. This was driven by (i) £27.5million net proceeds raised from the preferential offering completed in January 2024, (ii) decrease in restricted cash balance upon completion of refinancing and (iii) lower distribution to unitholders, offset by net repayment of loans of £37.8 million made during the year and payment of £2.2 million transaction costs for the refinancing of loans.

2.4 Variance between actual results and projection statement

There was no forecast or prospect statement previously disclosed to unitholders for the financial period/year ended 31 December 2024.

3. Commentary on the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

Elite Gemstones Properties Limited, a wholly owned subsidiary of Elite UK REIT, has on 15 July 2024 entered into a facilities agreement in relation to a 39 months' term and revolving facilities of up to £135,000,000. On 23 July 2024, Elite Amphora Limited and Elite Cask Limited, wholly owned subsidiaries of Elite UK REIT, entered into a facilities agreement in relation to a 39 months' term and revolving facilities of up to £80,000,000. The funds from both facilities will be used for *inter alia* the refinancing of Elite UK REIT's existing loan facilities. Following the completion of the refinancing in advance of maturities for all debts, there are no refinancing risk until 2027.

On 5 July 2024, the Manager secured a lease renewal for Units 1-2 Dallas Court, Salford, with about 30.3% rental reversion for the next 10 years¹, extending the lease expiry to June 2034. Meanwhile, the lease for Newport Road, Cardiff has been extended to March 2025. Following these developments, the Manager has dealt with all lease expiries in FY2024 and continues to pursue proactive asset management and active tenant engagement.

A planning application to the local authority for a proposed development of a data centre site at Peel Park, Blackpool in October 2024 has made steady progress and is currently in its final stages. The Manager has also secured 120 MVA of power supply in February 2025 for a planned hyperscale and artificial intelligence-enabled capacity data centre for Peel Park, Blackpool. The Manager is actively exploring the potential monetisation of Peel Park, Blackpool to maximise value for Unitholders.

Macro Environment

The Consumer Prices Index in the UK was 2.5% in December, compared to 2.6% in the 12 months to November 2024. On 6 February 2025, the Bank of England released updated GDP growth projections showing expectations of slower GDP growth in 2025. Hence, the central bank decided to reduce its benchmark rate by another quarter-point to 4.5% on 6 February 2025, following 50 basis point cuts in 2024. However, the central bank also articulated that it will be careful about future rate cuts to ensure inflation stays low. Bank of England's decision comes after the release of the UK Autumn Budget in October 2024 which introduced new public spending initiatives and higher employer and personal taxes.

The Claimant Count, which measures the number of people who are receiving a benefit principally for the reason of being unemployed, increased both on the month and on the year to 1.769 million in November 2024. The UK Government has announced a Get Britain Working white paper that focused on reaching an 80% employment rate from 75% as at October 2024. Elite UK REIT's primary occupier, the Department for Work and Pensions ("DWP"), will see its total operational funding grow 6.3% to £10.8 billion. The DWP will also be hiring 3,000 additional staff to combat fraud and error, potentially increasing the physical utilisation of many Jobcentres and DWP workspaces.

Elite UK REIT is one of the largest providers of critical social infrastructure to the DWP and other UK Government departments. Besides social infrastructure, Elite UK REIT has expanded its investment mandate to the counter-cyclical living sector assets such as student accommodation and built-to-rent residential properties. The Manager is expected to continue providing a stable income to its Unitholders as it continues to benefit from advanced rental collection despite ongoing macroeconomic and political uncertainties. Elite UK REIT's portfolio of assets is leased on a triple net basis, and supported by a stable government-backed income stream with AA-rated sovereign credit strength.

¹ Lease renewal for 10 years commencing in June 2024 and maturing in June 2034.



ELITE UK REIT

*Elite UK REIT and its subsidiaries
Other Information Required By Listing Rule Appendix 7.2
for the year ended 31 December 2024*

4. Distribution information

4(a) Current financial period

Any distribution declared for the current period? Yes.

Name of distribution: Interim distribution for the period from 1 July 2024 to 31 December 2024

Distribution type: Tax-exempt income

Distribution rate: 1.47 pence per Unit
(being 95.0% of the total amount available for distribution to unitholders at end of the period)

Tax Rate: Tax exempt income distribution
Tax-exempt income distribution is exempt from Singapore income tax in the hands of all Unitholders. No tax will be deducted from such distribution.

4(b) Corresponding period of the immediately preceding financial year

Any distributions declared for the corresponding period of the immediately preceding financial year? Yes

4(c) Notice of Record Date: 18 February 2025

4(d) Date Payable: 28 March 2025

5. If the Group has obtained a general mandate from Unitholders for IPTs, the aggregate value of each transaction as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No general mandate had been obtained from Unitholders for Interested Person Transactions.

6. Confirmation pursuant to Rule 720(1) of the Listing Manual

Tan Hai Peng Micheal and Victor Song Chern Chean, Non-Independent Non-Executive Directors, on behalf of the board of directors of the Manager, confirm that the Manager has procured undertakings from all its directors and executive officers in the form as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

7. Negative confirmation pursuant to Rule 705(5) of the Listing Manual

Tan Hai Peng Micheal and Victor Song Chern Chean, Non-Independent Non-Executive Directors, on behalf of the board of directors of the Manager confirmed that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Manager which may render the unaudited financial results of Elite UK REIT for the financial year from 1 January 2024 to 31 December 2024 to be false or misleading in any material aspect.

8. Confirmation pursuant to Rule 704(13) of the Listing Manual

Pursuant to Rule 704(13) of the Listing Manual of Singapore Exchange Securities Trading Limited, the REIT Manager confirm that there is no person occupying managerial position in the REIT Manager who is a relative of a director, chief executive officer, substantial shareholder of the Company or substantial Unitholder of Elite UK REIT.



ELITE UK REIT

*Elite UK REIT and its subsidiaries
Other Information Required By Listing Rule Appendix 7.2
for the year ended 31 December 2024*

Certain statements in this release constitute “forward-looking statements”. This release also contains forward-looking financial information. Such forward-looking statements and financial information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding the Manager’s present and future business strategies and the environment in which the Group will operate in the future. Because these statements and financial information reflect the current views of the Manager concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information. You should not place any reliance on these forward-looking statements and financial information.

BY ORDER OF THE BOARD

ELITE UK REIT MANAGEMENT PTE. LTD.

(Company Registration Number: 201925309R)

(as Manager of Elite UK REIT)

Liaw Liang Huat Joshua
Chief Executive Officer
10 February 2025