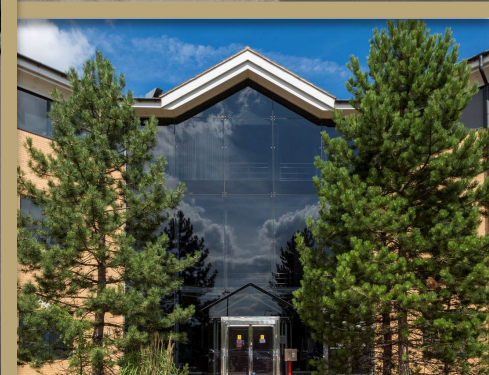


ELITE COMMERCIAL REIT

Results Presentation for 1H2021

2 August 2021

Important Notice



This announcement is for information only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for units in Elite Commercial REIT ("Units") in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever. This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses, property expenses, governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business.

You are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view on future events. No representation or warranty express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Neither the Manager nor any of its affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising, whether directly or indirectly, from any use of, reliance on or distribution of this presentation or its contents or otherwise arising in connection with this presentation.

The past performance of Elite Commercial REIT is not indicative of future performance. The listing of the Units on the Singapore Exchange Securities Trading Limited ("SGX-ST") does not guarantee a liquid market for the Units. 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 Commercial 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 Singapore Exchange Securities Trading Limited ("SGX-ST"). Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units.

Oversea-Chinese Banking Corporation Limited ("OCBC") and UBS AG, Singapore Branch ("UBS") are the joint issue managers for the Offering. OCBC, UBS, CGS-CIMB Securities (Singapore) Pte. Ltd. and China International Capital Corporation (Singapore) Pte. Limited are the joint bookrunners and underwriters for the Offering (collectively, the "Joint Bookrunners").

Content



I. Overview of Elite Commercial REIT



II. Financial Highlights – 1H2021



III. Portfolio Highlights – 1H2021



IV. Market Outlook



V. Appendix

Section I

Overview of Elite Commercial REIT



Nutwood House, Canterbury

First & Only UK-Focused S-REIT

Over 99% Leased to the AA-rated UK Government¹



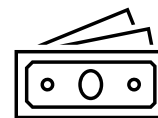
£515.3m⁽²⁾

Portfolio value



155

Office Assets



AA-rated

UK Government
credit rating



100%

Occupancy Rate



97%

Freehold⁽³⁾



Triple Net

Full Repairing &
Insuring Leases⁽⁴⁾



Every 5 years

Built in Inflation-
linked Rent Uplift



6.6 years⁽⁵⁾

Long WALE



High Road, Ilford



Holborn House, Derby



Glasgow Benefits Centre, Glasgow

Notes:

1. Majority of the leases are signed by the Secretary of State for Housing, Communities and Local Government, which is a Crown Body.
2. As at 31 December 2020.
3. 150 properties are on freehold tenures and 5 properties are on long leasehold tenures.

Notes:

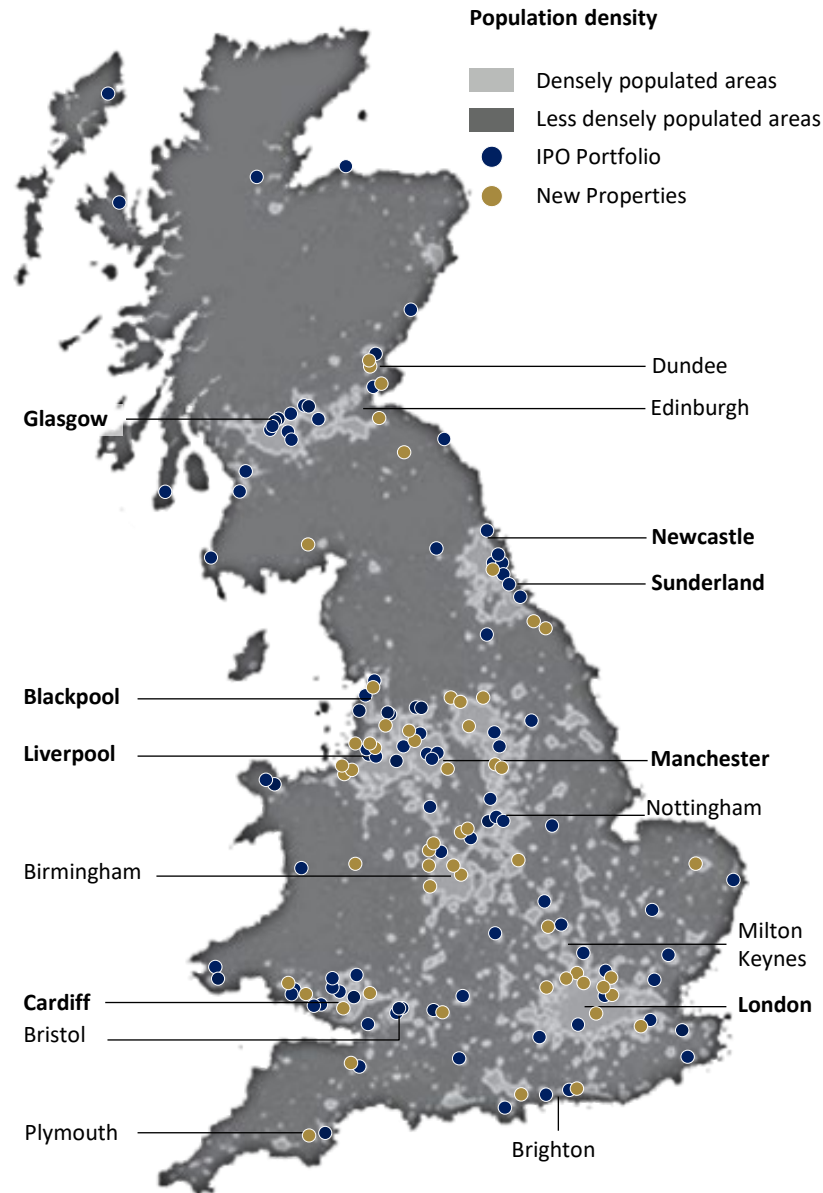
4. The Tenant (UK Government) is responsible for the full maintenance and repair of external, internal and structural format of the property and landlord (Elite Commercial REIT) has no repairing or insuring liability.
5. As at 30 June 2021.

Unique Social Infrastructure Play

Key Occupier is UK's largest public service department DWP



A Network of Assets Across the UK



Department
for Work &
Pensions



Stable Key Occupier

Department for Work & Pensions is integral in supporting UK's social fabric



UK's Largest Public Service Department

- Responsible for welfare, pensions and child maintenance policy
- **Over 22 million claimants⁽¹⁾; £212.4 billion** benefit spent in FY20/21 and **£218.3 billion** benefit planned for FY21/22⁽²⁾
- Services provided primarily via Jobcentre Plus centres ("**JCP**")

Front Line in UK's Emergency Economic Response

- Leading UK's national recovery through Plan for Jobs and more
- In March 2021, the **UK Government met its pledge to recruit 13,500 new Work Coaches⁽³⁾** which has boosted jobseeker support in towns and cities UK-wide, in one of their fastest and largest ever recruitment rounds⁽⁴⁾
- JCP locations **remained open** throughout the nation's first, second and third lockdowns to process and disburse benefits to claimants
- COVID-19 situation does not trigger force majeure or termination clauses of the leases with the UK Government

Built-in Upside from Inflation-Linked Rental Uplift

- Rent reviews in the fifth year (2023) for UK Government leases
- Based on the UK Consumer Price Index ("CPI"), subject to an annual **minimum increase of 1.0% and maximum of 5.0%**
- Potential revaluation upon lease breaks not exercised

Notes:

1. "National Statistics, DWP benefits statistics: February 2021", Gov.UK, 23 February 2021

2. "Corporate report, DWP Annual Report & Accounts 2020 to 2021", Gov.UK, 15 July 2021

3. Work Coaches provide jobseekers with tailored support to build their skills, develop CVs and find new jobs in expanding sectors

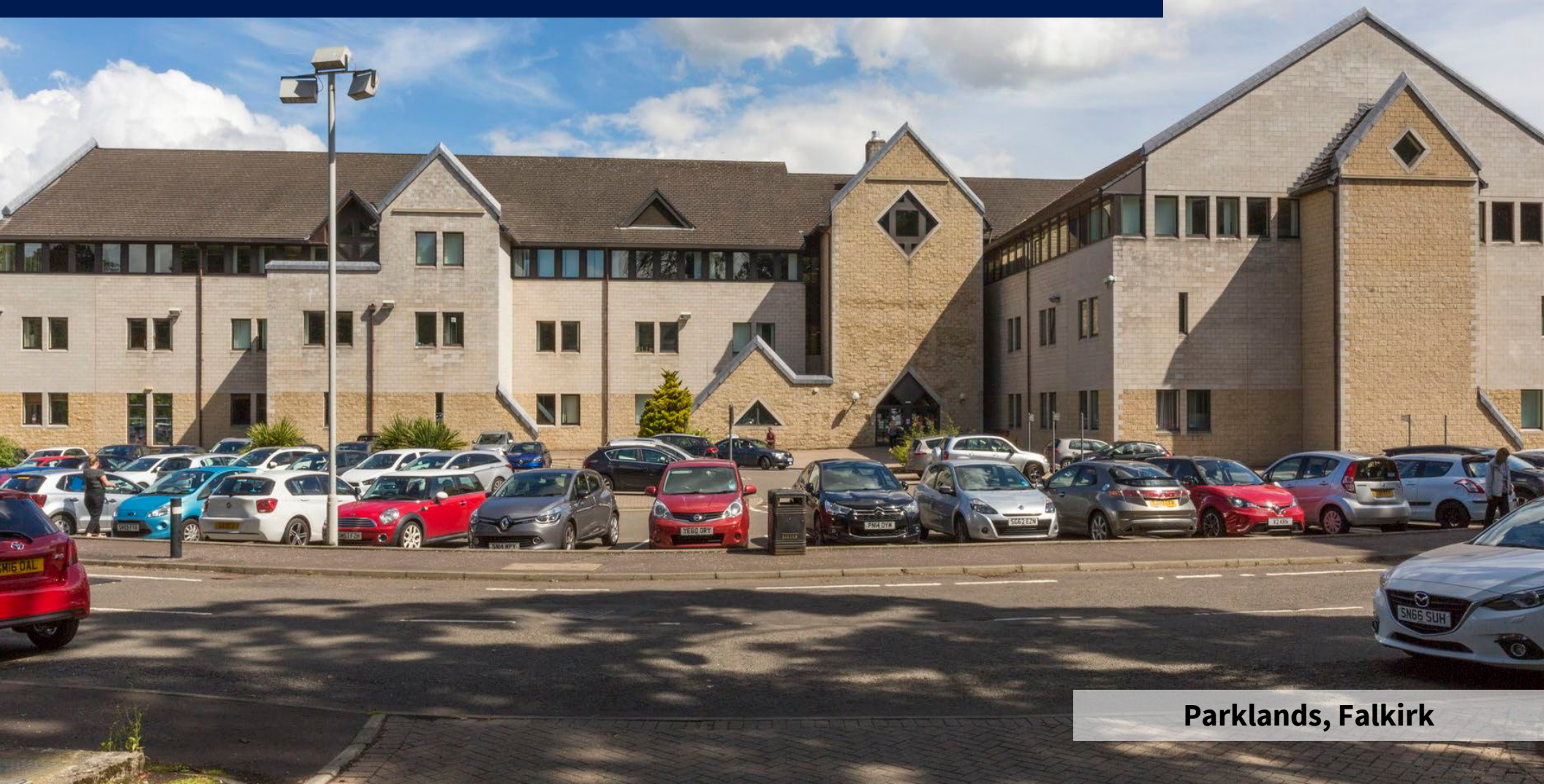
4. "Government delivers 13,500 Work Coaches to boost Britain's Jobs Army", Gov.UK, 29 March 2021



Section II

Financial Highlights

1H2021



Parklands, Falkirk

Key Highlights – 1H2021

Delivering with resilience, backed by strong support



Outperformance over IPO Projection⁽¹⁾ and Actual 1H2020⁽²⁾

Boosted by ~ **4 months contribution** from newly acquired portfolio

- Actual distributable income to Unitholders was up 37.1% against IPO Projection and 71.3% year-on-year (y-o-y) to **£11.2 million**
- Actual DPU of 2.63⁽³⁾ pence up 8.7% over IPO Projection and 34.9% y-o-y



Completion of Maiden Acquisition

58 strategic assets across the UK for **£212.5M**

- 60% increase in total number of properties to 155
- Enhanced portfolio quality with increased overall portfolio exposure to London by 14.1% and tenant diversification
- Issued up to 131.4 million New Units at £0.68 per Unit
- European institution PartnerRE increases stake from its original 1% to 23% of the REIT's enlarged share capital



Future-Proofing Financials

Initiatives to **enhance tax efficiencies** and **strengthen balance sheet**

- Proposed listing of Elite UK Commercial REIT (“**ECHL**”) on The International Stock Exchange (“**TISE**”) for enhanced tax treatment as a listed UK REIT
- Establishment & application of Distribution Reinvestment Plan (“**DRP**”) to 1H 2021 DPU for stronger balance sheet



Proactive Asset Management

Enhanced **portfolio resilience** and **income visibility**

- The Forum, Stevenage – break option not exercised, lease expiry extended to 31 March 2028
- East Street, Epsom – break option exercised, received buy offer of £2.9 million, ~21% over valuation of £2.4 million⁽⁴⁾
- Management reinforcement on the ground in the UK for ongoing active tenant engagement and dialogue

Notes:

1. IPO Projection refers to the profit projection for the period from 1 January 2021 to 30 June 2021.

2. Actual 1H2020 refers to the financial period from Listing Date of 6 February 2020 to 30 June 2020.

3. The DPU of 2.63 pence includes the advanced distribution of 0.90 pence per Unit for the period from 1 January 2021 to 8 March 2021 that was paid on 15 April 2021.

4. As at 31 December 2020.

Financial Highlights – 1H2021

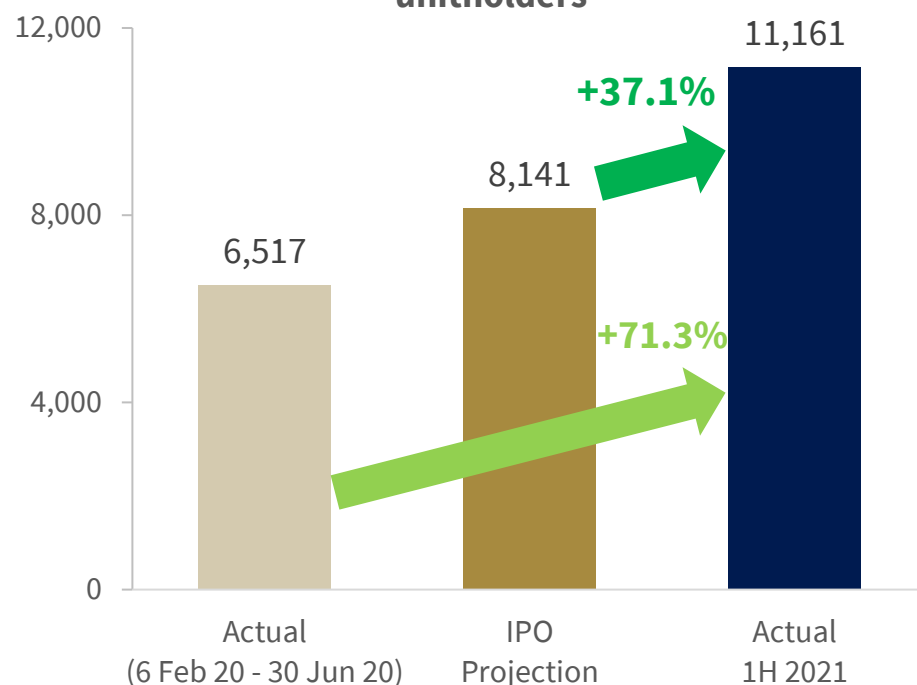
Delivering with resilience, backed by strong support



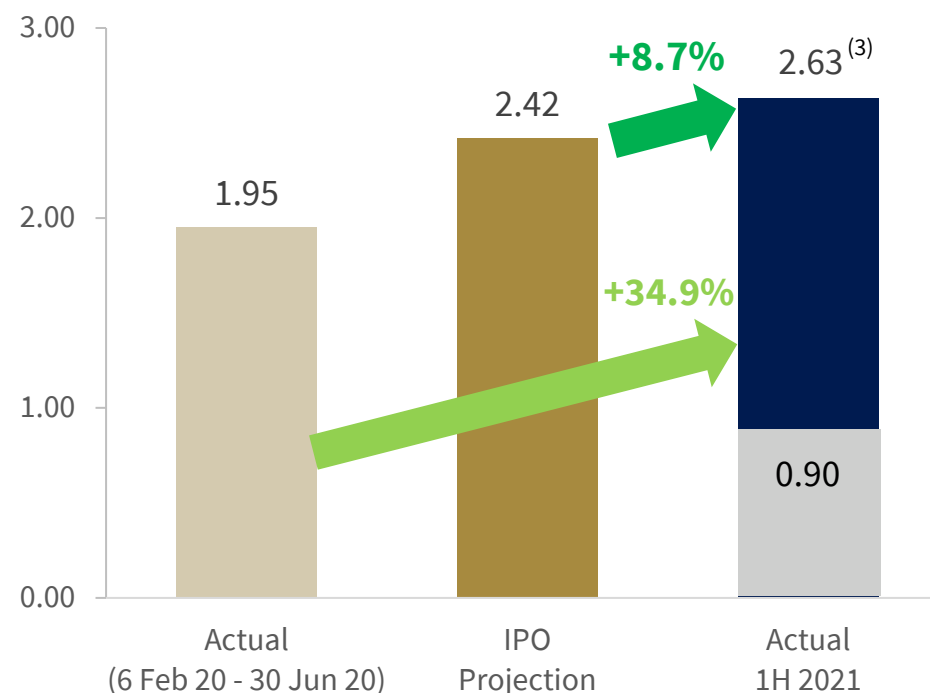
Outperformance over IPO Projection⁽¹⁾ and Actual 1H2020⁽²⁾

Boosted by ~ **4 months contribution** from newly acquired portfolio

Income available for distribution to unitholders



Distribution per unit (pence)



Notes:

1. IPO Projection refers to the profit projection for the period from 1 January 2021 to 30 June 2021. The projection figures were derived by pro-rating the financials of IPO Projection Year 2021 as disclosed in the Prospectus.
2. Actual 1H2020 refers to the financial period from Listing Date of 6 February 2020 to 30 June 2020. Actual financial results from Listing Date to 30 June 2020 is the first reporting period incorporating the results of the initial portfolio held directly by Elite Commercial REIT. Although Elite Commercial REIT was constituted on 7 June 2018, the initial public offering was completed on 6 February 2020 which was the official listing date of Elite Commercial REIT.
3. The DPU of 2.63 pence includes the advanced distribution of 0.90 pence per Unit for the period from 1 January 2021 to 8 March 2021 that was paid on 15 April 2021.

Review of financial performance – 1H2021

	1H2021			1H2020 (6 Feb 2020 to 30 June 2020)	
	Actual £'000	Projection ⁽¹⁾ £'000	Variance %	Actual ⁽²⁾ £'000	Variance %
Revenue	15,896	11,541	37.7	9,316	70.6
Net property income	15,386	11,234	37.0	9,055	69.9
Income available for distribution to Unitholders	11,161	8,141	37.1	6,517	71.3
Distribution per unit ("DPU") - pence	2.63 ⁽³⁾	2.42	8.7	1.95	34.9

Notes:

1. IPO Projection refers to the profit projection for the period from 1 January 2021 to 30 June 2021. The projection figures were derived by pro-rating the financials of IPO Projection Year 2021 as disclosed in the Prospectus.
2. Actual 1H2020 refers to the financial period from Listing Date of 6 February 2020 to 30 June 2020. Actual financial results from Listing Date to 30 June 2020 is the first reporting period incorporating the results of the initial portfolio held directly by Elite Commercial REIT. Although Elite Commercial REIT was constituted on 7 June 2018, the initial public offering was completed on 6 February 2020 which was the official listing date of Elite Commercial REIT.
3. The DPU of 2.63 pence includes the advanced distribution of 0.90 pence per Unit for the period from 1 January 2021 to 8 March 2021 that was paid on 15 April 2021.

Healthy Balance Sheet

As at 30 June 2021

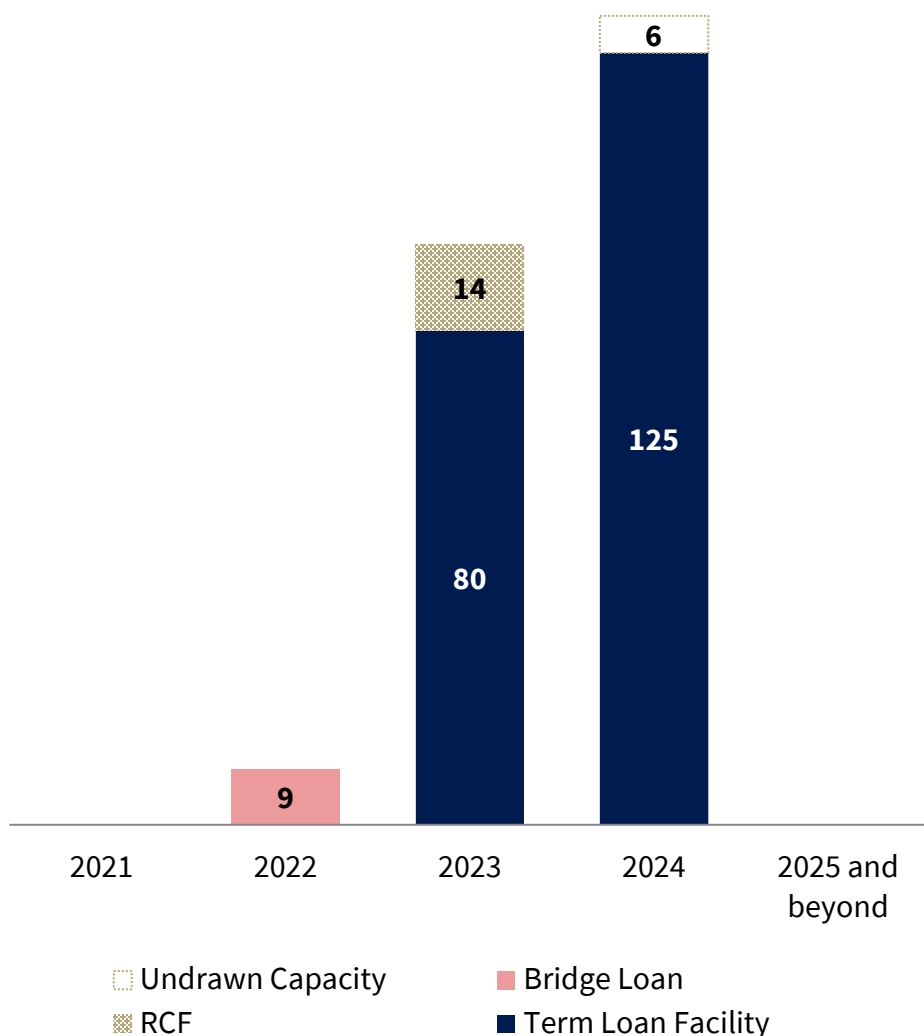
	£'000
Non-current assets	516,528 ⁽¹⁾
Current assets	24,996
Total assets	541,524
Non-current liabilities	225,807
Current liabilities	22,602
Total liabilities	248,409
Net assets / Unitholders' funds	293,115
Units in issue and issuable ('000)	471,363
Net asset value per unit (£)	0.62

Notes:

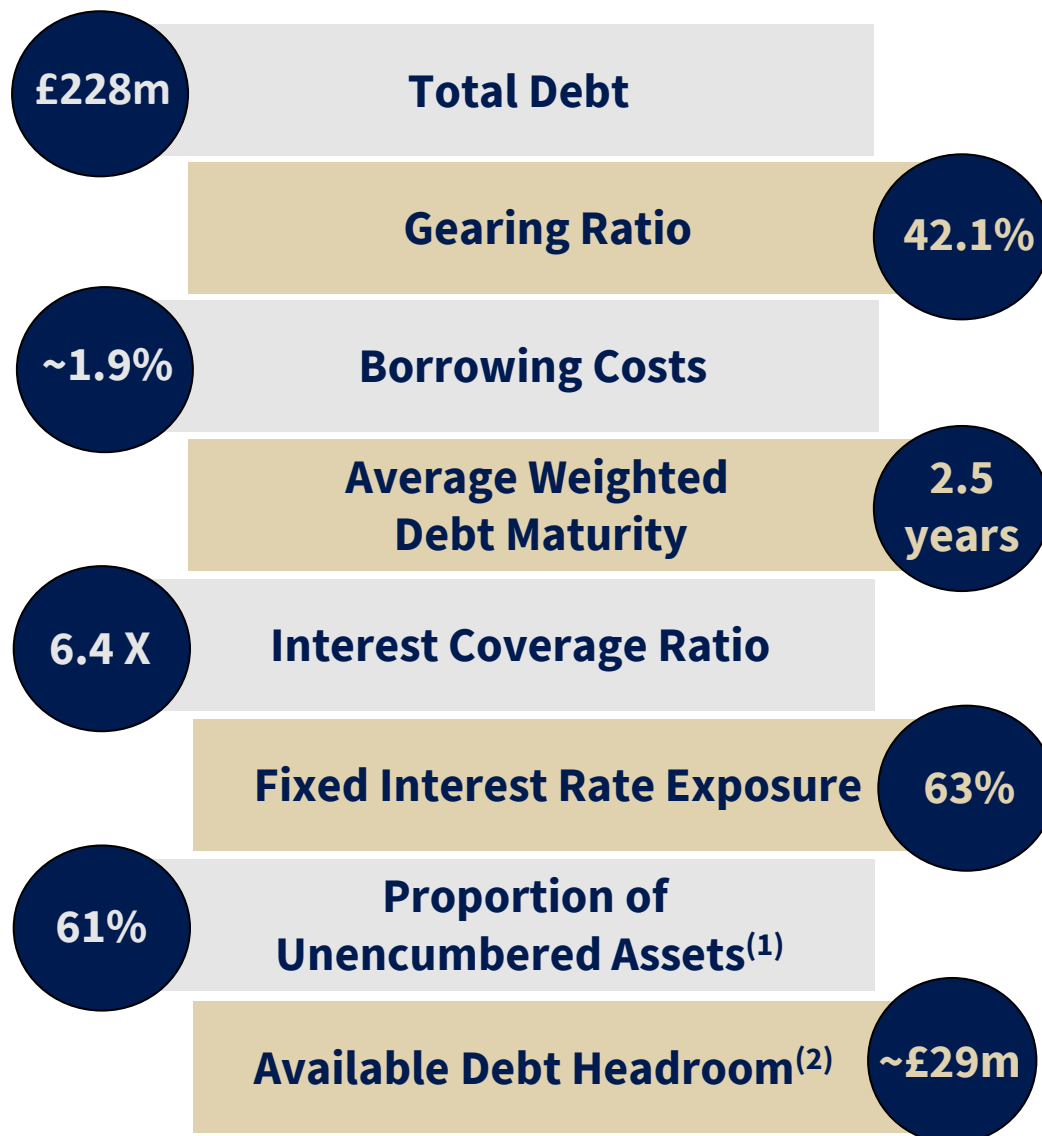
1. Non-current assets comprise investment properties, which are stated at their fair values. The carrying values of the investment properties as at 30 June 2021 were subject to both external and internal assessments. Colliers International Valuation UK LLP were instructed to conduct desktop assessment of the fair values for a sample of properties. The Manager also undertook an internal assessment of the assets not included in the Colliers' assessment sample. The Manager has taken into consideration the portfolio being 100% occupied, the close to 100% rental collection statistics, the stability of market rents, the current pricing of comparable investment transactions in the UK, the yield rates and the current relatively stable condition of the UK economy. Overall, the Manager has assessed that the carrying values of the investment properties as at 30 June 2021 approximate their fair values.

Prudent Capital Management

Debt Maturity Profile (£ m)



Credit Metrics



Notes:

1. Based on valuations; unencumbered assets refer to properties without land mortgages
2. Based on gearing ratio of 45%; available debt headroom is ~£85m based on gearing ratio of 50%

Future-Proofing the REIT



Enhancing Tax Efficiencies

Application for Elite UK Commercial Holdings Limited (“**ECHL**”) to be admitted on The International Stock Exchange (“**TISE**”) as a listed UK REIT

Rationale:

- Tax treatment of Elite Commercial REIT is expected to be on par with other UK REITs
- The principal tax rate applicable to Elite Commercial REIT is expected to be reduced to 15% from the current 19%
- Any latent capital gains and its corresponding deferred tax liabilities of the properties currently held by Elite Commercial REIT will be eliminated



Estimated completion
3Q 2021¹



Strengthening Balance Sheet

Establishment of **Distribution Reinvestment Plan (“DRP”)**

Rationale:

- Provide unitholders with an opportunity to increase unitholding in Elite Commercial REIT without incurring brokerage fees, stamp duties (if any) and other related costs
- Will strengthen Elite Commercial REIT’s balance sheet, enhance its working capital reserves and improve the liquidity of the Units
- Unitholders may elect to receive fully paid new units in lieu of distribution, or to receive distribution entirely in GBP or SGD



Application of DRP to
1H2021 Distribution

Notes:

1. There is no assurance that it will be successfully completed. Prior to ECHL’s admission to the International Stock Exchange (“TISE”), the income and gains of Elite Commercial REIT’s subsidiaries in the UK would continue to be subjected to the prevailing UK corporate tax.

Application of DRP to 1H2021 Distribution

For the Period From 9 March to 30 June 2021

Distribution per unit	1.73 pence
Units will be traded ex-dividend	Tuesday, 10 August 2021, 9.00 a.m.
Record Date and Time	Wednesday, 11 August 2021, 5.00 p.m.
Announcement of Issue Price for DRP	Thursday, 12 August 2021
Deadline for Unitholders to complete and return the Distribution Election Notice to CDP in order to participate in the DRP and/or receive the distribution in GBP ^{(1) (2)}	Friday, 3 September 2021, 5.00 p.m.
Distribution Payment Date and Listing of Units issued pursuant to the DRP	Friday, 24 September 2021

Notes:

1. Save for approved depository agents (acting as nominees of their individual customers), each Unitholder may elect to receive the entire Distribution in either Singapore dollars or GBP and will not be able to elect to receive the Distribution in a combination of Singapore dollars and GBP.
2. No action is needed for Unitholders who wish to receive the Distribution in Singapore dollars.

Section III

Portfolio Highlights

1H 2021



Nutwood House, Canterbury

Resilient Portfolio with Income Visibility

Assets stay relevant as utilisation by tenant remains high

Steady Portfolio Performance

- **100% portfolio occupancy rate** as at 30 June 2021
- Long weighted average lease to expiry (WALE) of **6.6 years**

Consistent Rent Collection in Advance

- **Received in advance 99.7% of the rent** for the period spanning across the three months of July 2021 to September 2021, within seven days of the due date
- Consistently achieved ~100% of rent collection in advance since listing, amid Brexit and UK lockdowns

Lease Event

- Lease break option for **The Forum, Stevenage** is not exercised
- Lease will **continue to run** until 31 March 2028

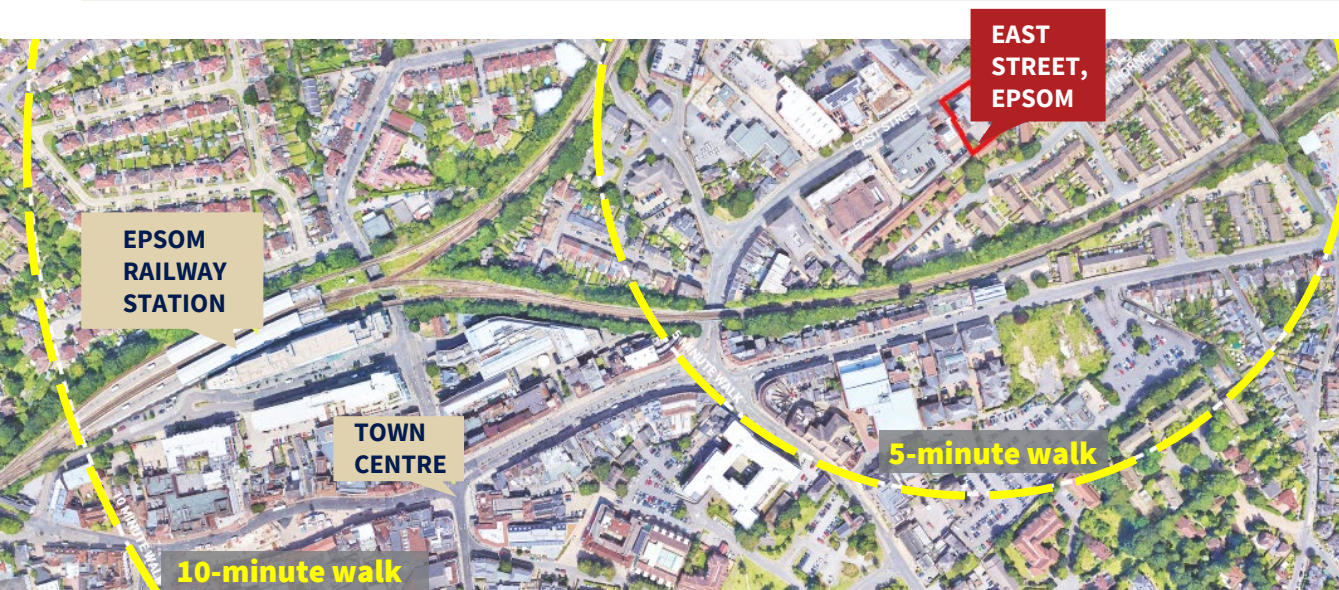


Notable Property Developments

Buy offer above valuation received for East Street, Epsom

Demand for Well-Located Assets

- Lease break for the property at East Street, Epsom, has been exercised
- Received a buy offer at £2.9 million, **~21% above valuation** of £2.4 million⁽¹⁾
- The Manager is undertaking due diligence on the offer and purchaser; and is also reviewing potential asset enhancement initiatives
- The building is **well-located within Epsom**, as it is within **7 minutes' walk to the town centre** and less than **10 minutes' walk to the Epsom Railway Station**
- The asset offers potential for continued commercial use or conversion or redevelopment for alternative uses



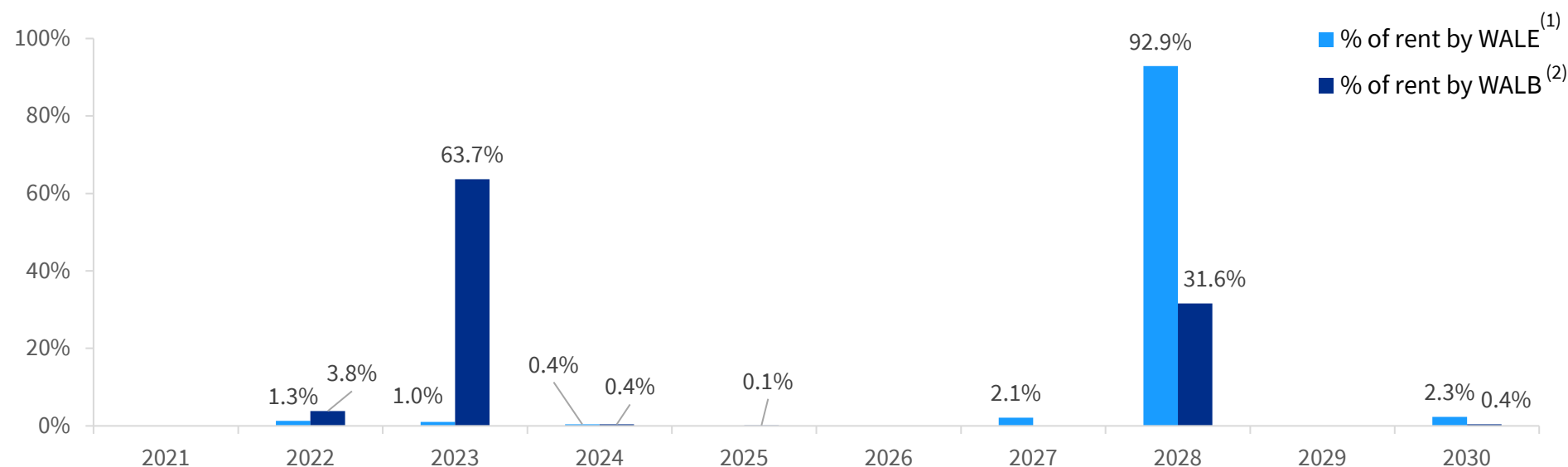
Note:

1. As at 31 December 2020.

Resilient Portfolio and Income Visibility

Full occupancy, Long WALE of 6.6 years

Lease Expiry Profile as at 30 June 2021 (% of total portfolio rent)



Proactive asset management steps taken



Tenant Engagement

Regular active dialogue with tenants



Management Reinforcement

Additional boots on the ground



Data Collection & Analysis

Insight into utilisation of assets by tenants

Notes:

1. Percentage of rent by WALE (Weighted Average Lease to Expiry) – Based on the final termination date of the agreement (assuming the tenant does not terminate the lease on the permissible break dates)
2. Percentage of rent by WALB (Weighted Average Lease to Break) – Based on the next permissible break date at the tenant's election and pursuant to the lease agreement

Maiden Acquisition Completed on 9 March 2021

Rationale: Executing growth strategy

1. Extends the REIT's exposure to UK sovereign credit, whilst diversifying occupier mix
2. Stable cashflows and CPI-linked growth from uniquely counter-cyclical occupier
3. Increases exposure to London
4. Increases size, market cap, free float and liquidity
5. DPU accretive, with attractive yields relative to Existing Portfolio

Expansion of Current Portfolio

 **60%** increase in number of properties

 **39%** increase in market cap

About the Acquisition

58

Number of Assets

WALE
(Weighted Average
Lease Expiry)

7.4
years

98.8%

Annual GRI from UK
Government tenants

Acquisition Value **£212.5 mil**

100%

Occupancy Rate

London Exposure
(by value)

35.9%

92.3%

Freehold Properties
(by NIA)

New UK
Government
Vendors

5



More Diversified and Resilient

Enlarged Portfolio with ~14.1% exposure to London

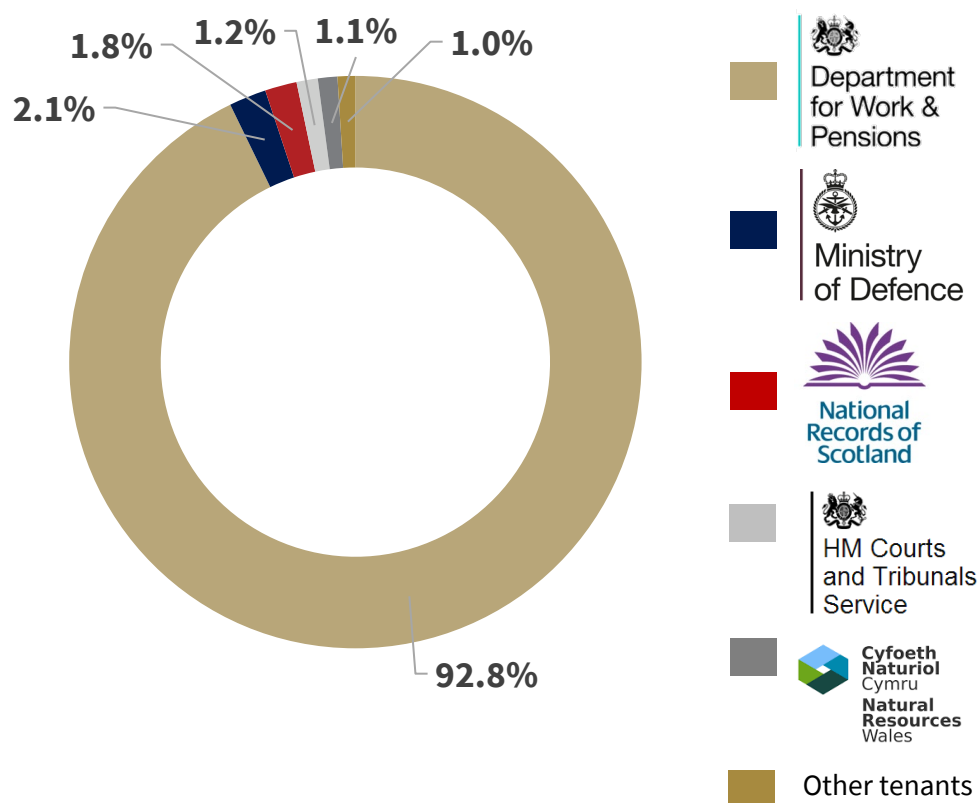


Extends exposure to UK sovereign credit



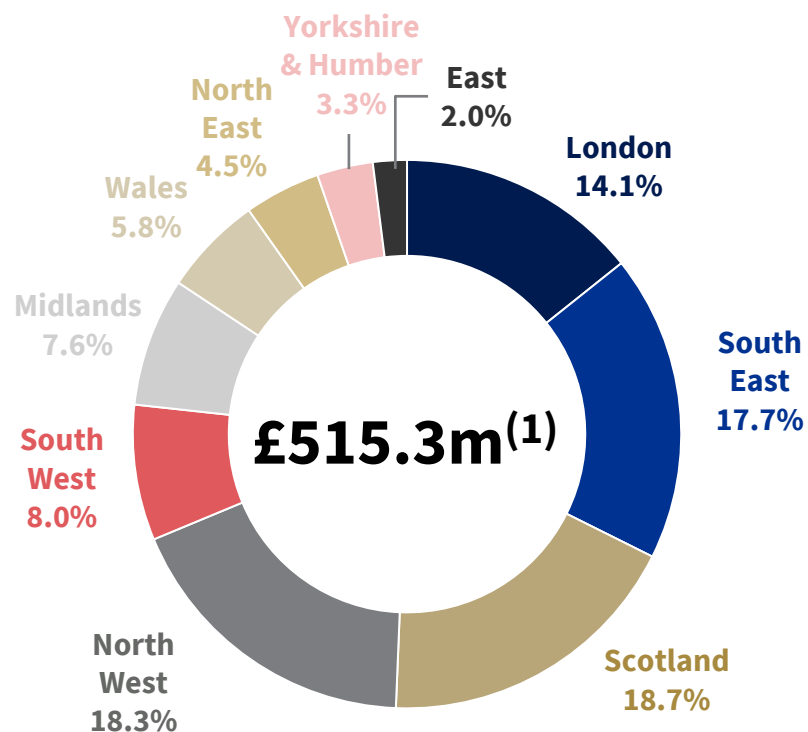
Diversify Tenant Mix

Tenant Breakdown by Gross Rental Income



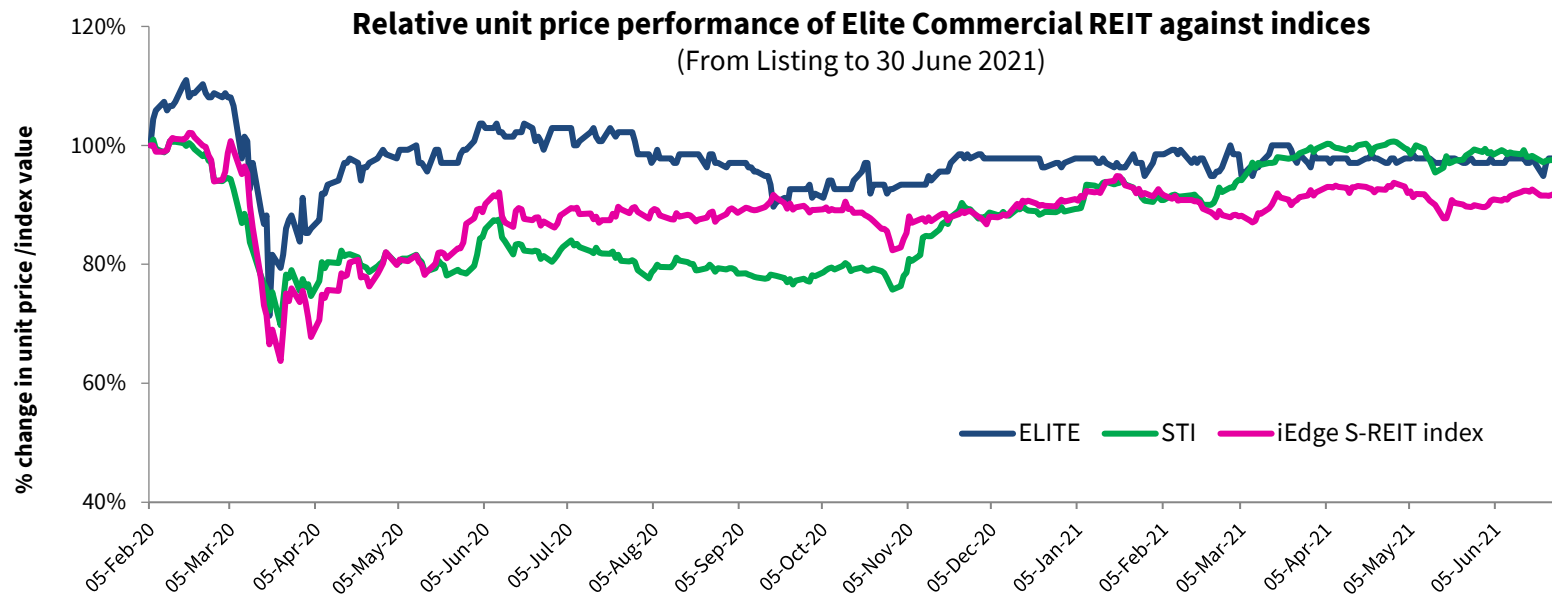
Note:
1. As at 31 December 2020.

Portfolio Breakdown by Valuation



Resilient Trading Performance

Recession-proof amid COVID-19 Pandemic and Brexit



ELITE: -1.5%
STI: -2.1%
iEdge S-REIT: -7.8%

Note:

1. Percentage change in unit price/index value for Elite Commercial REIT is based on IPO price of GBP0.68 and indices are based on 5 February 2020 closing price.

Intensified Investor Relations Efforts

Research House Coverage

UOB Kay Hian

“BUY”

Target price

£0.95

CGS-CIMB

“ADD”

Target price

£0.83

DBS

Initiated coverage

“BUY”

Target price

£0.80



- Included in the **RHB Small Cap Top 20 Jewels 2021 Edition** in May 2021

Virtual Conferences and Webinars

- **RHB Webinar: Building A Nest Egg With Singapore Real Estate Investments Trusts**
- **SGX-REITAS Webinar**
- **REITs Symposium 2021**
- **CGS-CIMB Malaysia and Singapore Joint Retail Investors Webinar**
- **The Edge REITs Investment Forum**



ELITE COMMERCIAL REIT

Section IV

Market Outlook



Nutwood House, Canterbury

Market Outlook

Rebound in UK Economy



7.25%

UK economy's GDP
growth forecast
in 2021



19 July

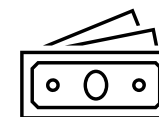
Most COVID-19
legal restrictions
eased in England

Increased Utilisation of DWP's Services



4.8%

Unemployment
rate in UK
March-May 2021



2.33mil

DWP's claimant count
in May 2021 remains
high vs pre-pandemic

Steady Operations & Growth Potential



**Stable
income**

Minimal COVID-19
impact on business
and rent collection



**Acquisition
opportunities**

ROFR pipeline from
Sponsors & open
market supply

Expected Increase in Utilisation of Assets



5.5%

Unemployment
projected to peak
in 3Q2021



Sept 30

Coronavirus Job
Retention Scheme
(furlough) expiry



Thank You

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Website



Section V

Appendix



Nutwood House, Canterbury

Typical Lease Arrangements for the UK Office Sector



- **Lease terms:**
 - Lease terms are fixed and typically for 5-10 years
- **Rent increase/review:**
 - Rents are reviewed against the open market rent typically every 5 years. Reviews for shorter leases may be more frequent. Commercial leases typically impose upward only rent reviews which allow for rents to be increased but never decreased
- **Service charge:**
 - The tenant is responsible for pro-rated share in addition to the rent, payable quarterly
- **Break clauses:**
 - The landlord may grant a break clause which gives one or either party the right to end the lease sooner by giving notice either at any time or between specified dates
- **Assignment/Subletting:**
 - Landlords' approval for subletting and assignment is generally not to be unreasonably withheld but parameters are set out in the lease terms. Subleases are often granted outside the protection of the Landlord and Tenant Act 1954 (as amended)
- **Repairs and insurance:**
 - Usually, the tenant will have direct responsibility for repairing the internal parts included in the lease terms and the landlord will agree to repair and insure the external structure and the common parts retained by the landlord. The landlord's costs for repairs and insurance are typically borne by the tenants via the service charge
 - Tenants will usually be made responsible for the regular redecoration of the premises let out under the leases
- **Alterations:**
 - The landlord may restrict alterations that can be made to the demise and alterations will usually require the landlord's consent. The landlord has the right to insist that the tenant removes the alterations and restores the premises at the end of the lease
- **Dilapidations:**
 - The tenant has the responsibility to return the building to its original condition at the end of the lease. The term 'dilapidations' is normally used to cover defects and disrepair that the tenant will be required to deal with or pay to have remedied when they vacate the premises at the end of the lease. Landlords cannot generally make dilapidations claims earlier than three years before the end of the lease

Elite Commercial REIT Sponsors



Elite Partners Holdings Pte. Ltd. ("EPH")

- The investment holding firm for Elite Partners Group, established to deliver lasting value for investors based on common interests, long-term perspectives and a disciplined approach
- Backed by a team with proven expertise in private equity and REITs
- Investment philosophy aims to protect investors' initial capital, enhance investment value and create new growth opportunities



Ho Lee Group Pte. Ltd. ("HLG")

- Incorporated in 1996 through the amalgamation of various construction-related businesses, and acquired Wee Poh Construction Co. Pte. Ltd. in 2005
- Extensive experience in development of industrial and residential properties
- One of the major sponsors of Viva Industrial Trust during its IPO listing in November 2013



Sunway RE Capital Pte. Ltd. ("Sunway")

- Wholly-owned subsidiary of Sunway Berhad, one of Malaysia's largest conglomerates
- Has businesses in property development, property investment and REIT, construction, healthcare, hospitality, leisure, quarry, building materials, and trading and manufacturing
- Sunway Berhad Group comprises three public listed entities: Sunway Berhad, Sunway Construction Group Berhad and Sunway REIT