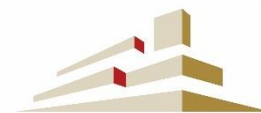




ELITE COMMERCIAL REIT

(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 Six Months Ended 30 June 2022**



ELITE COMMERCIAL REIT

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

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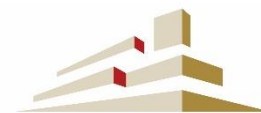
ELITE COMMERCIAL REIT

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

(I) Unaudited Condensed Interim Consolidated Financial Statements

A. Condensed interim statements of financial position

	Note	Group		Trust	
		30/06/2022 £'000	31/12/2021 £'000	30/06/2022 £'000	31/12/2021 £'000
Non-current assets					
Investment properties	5	511,559	501,347	-	-
Investments in subsidiaries		-	-	88,900	78,505
Financial derivatives		953	508	-	-
Notes receivable	6	-	-	201,133	201,133
		512,512	501,855	290,033	279,638
Current assets					
Trade and other receivables	7	10,839	12,030	5,681	5,082
Prepayment for capital expenditure	5	7,337	-	-	-
Cash and cash equivalents	8	9,460	19,479	1,631	4,915
		27,636	31,509	7,312	9,997
Total assets		540,148	533,364	297,345	289,635
Non-current liabilities					
Loans and borrowings	9	124,176	217,254	-	-
Lease liabilities		1,233	1,237	-	-
Deferred tax liabilities	10	6,072	3,799	-	-
		131,481	222,290	-	-
Current liabilities					
Loans and borrowings	9	100,200	6,600	-	-
Lease liabilities		7	7	-	-
Trade and other payables		2,164	5,625	198	616
Deferred income		7,836	8,705	-	-
Current tax liabilities		1,219	1,118	-	-
		111,426	22,055	198	616
Total liabilities		242,907	244,345	198	616
Net assets		297,241	289,019	297,147	289,019
Represented by:					
Units in issue and to be issued	11	306,302	304,794	306,302	304,794
Unit issue costs		(5,903)	(5,903)	(5,903)	(5,903)
Accumulated losses		(3,158)	(9,872)	(3,252)	(9,872)
Unitholders' funds		297,241	289,019	297,147	289,019
Number of Units in issue and to be issued ('000)	11	478,923	476,506	478,923	476,506
Net asset value per Unit attributable to unitholders (£)	12	0.62	0.61	0.62	0.61



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B. Condensed interim consolidated statement of comprehensive income

	Note	6 months ended 30/06/2022 £'000	6 months ended 30/06/2021 £'000
Revenue	13	18,708	15,896
Property operating expenses		(606)	(510)
Net property income		18,102	15,386
Manager's management fee		(1,224)	(1,116)
Trustee's fee		(51)	(49)
Other trust expenses		(768)	(828)
Finance income		445	-
Finance costs		(2,912)	(2,157)
Net finance costs		(2,467)	(2,157)
Change in fair value of investment properties	5	10,212	(13,107)
Profit/(Loss) before tax	14	23,804	(1,871)
Tax expense	15	(3,748)	(3,558)
Profit/(Loss) after tax		20,056	(5,429)
Earnings per Unit (pence)			
Basic	16	4.20	(1.29)
Diluted	16	4.20	(1.29)



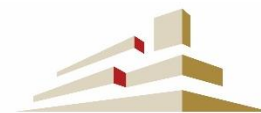
ELITE COMMERCIAL REIT

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C. Condensed interim statement of movements in unitholders' funds

Group	Units in issue and to be issued £'000	Unit issue costs £'000	Accumulated losses £'000	Total £'000
At 01/01/2022	304,794	(5,903)	(9,872)	289,019
<u>Total comprehensive income for the period from 01/01/2022 to 30/06/2022</u>				
Profit for the period	-	-	20,056	20,056
Total comprehensive income for the period	-	-	20,056	20,056
<u>Transactions with unitholders, recognised directly in unitholders' funds from 01/01/2022 to 30/06/2022</u>				
Units issued under distribution reinvestment plan	1,508	-	-	1,508
Distribution to unitholders	-	-	(13,342)	(13,342)
Total transactions with unitholders for the period	1,508	-	(13,342)	(11,834)
At 30/06/2022	306,302	(5,903)	(3,158)	297,241

Group	Units in issue and to be issued £'000	Unit issue costs £'000	Retained earnings/ (Accumulated losses) £'000	Total £'000
At 01/01/2021	208,689	(5,903)	14,372	217,158
<u>Total comprehensive income for the period from 01/01/2021 to 30/6/2021</u>				
Loss for the period	-	-	(5,429)	(5,429)
Total comprehensive income for the period	-	-	(5,429)	(5,429)
<u>Transactions with unitholders, recognised directly in unitholders' funds from 01/01/2021 to 30/6/2021</u>				
Units issued and to be issued for Manager's management fee paid/payable in Units	1,116	-	-	1,116
Units issued and to be issued for lease management fee paid/payable in Units	115	-	-	115
Units issued for Manager's acquisition fee paid in Units	2,125	-	-	2,125
Units issued in satisfaction of part of the purchase consideration for subsidiaries acquired	89,382	-	-	89,382
Distribution to unitholders	-	-	(11,352)	(11,352)
Total transactions with unitholders for the period	92,738	-	(11,352)	81,386
At 30/06/2021	301,427	(5,903)	(2,409)	293,115



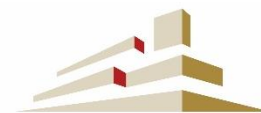
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C. Condensed interim statement of movements in unitholders' funds (cont'd)

Trust	Units in issue and to be issued £'000	Unit issue costs £'000	Accumulated losses £'000	Total £'000
At 01/01/2022	304,794	(5,903)	(9,872)	289,019
<u>Total comprehensive income for the period from 01/01/2022 to 30/6/2022</u>				
Profit for the period	-	-	19,962	19,962
Total comprehensive income for the period	-	-	19,962	19,962
<u>Transactions with unitholders, recognised directly in unitholders' funds from 01/01/2022 to 30/06/2022</u>				
Units issued under distribution reinvestment plan	1,508	-	-	1,508
Distribution to unitholders	-	-	(13,342)	(13,342)
Total transactions with unitholders for the period	1,508	-	(13,342)	(11,834)
At 30/06/2022	306,302	(5,903)	(3,252)	297,147

Trust	Units in issue and to be issued £'000	Unit issue costs £'000	Retained earnings £'000	Total £'000
At 01/01/2021	208,689	(5,903)	6,489	209,275
<u>Total comprehensive income for the period from 01/01/2021 to 30/06/2021</u>				
Profit for the period	-	-	6,718	6,718
Total comprehensive income for the period	-	-	6,718	6,718
<u>Transactions with unitholders, recognised directly in unitholders' funds from 01/01/2021 to 30/06/2021</u>				
Units issued and to be issued for Manager's management fee paid/payable in Units	1,116	-	-	1,116
Units issued and to be issued for lease management fee paid/payable in Units	115	-	-	115
Units issued for Manager's acquisition fee paid in Units	2,125	-	-	2,125
Units issued in satisfaction of part of the purchase consideration for subsidiaries acquired	89,382	-	-	89,382
Distribution to unitholders	-	-	(11,352)	(11,352)
Total transactions with unitholders for the period	92,738	-	(11,352)	81,386
At 30/06/2021	301,427	(5,903)	1,855	297,379



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D Condensed interim consolidated statement of cash flows

	6 months ended 30/06/2022 £'000	6 months ended 30/06/2021 £'000
Cash flows from operating activities		
Profit/(Loss) before tax	23,804	(1,871)
Adjustments for:		
Finance income	(445)	-
Finance costs	2,912	2,157
Management fee paid/payable in Units	-	1,116
Lease management fee paid/payable in Units	-	115
Change in fair value of investment properties	(10,212)	13,107
Unrealised foreign exchange gain	3	-
Operating income before working capital changes	16,062	14,624
Changes in:		
Trade and other receivables	1,191	(9,316)
Trade and other payables	(3,512)	1,248
Deferred income	(869)	2,622
Cash generated from operating activities	12,872	9,178
Tax paid	(1,374)	(2,265)
Net cash generated from operating activities	11,498	6,913
Cash flows from investing activities		
Prepayment for capital expenditure on investment properties	(7,337)	-
Acquisition of subsidiaries, net of cash acquired	-	(9,399)
Net cash used in investing activities	(7,337)	(9,399)
Cash flows from financing activities		
Interest paid	(2,342)	(1,363)
Proceeds from bank loans	-	30,800
Repayment of bank loans	-	(19,837)
Payment of transaction costs related to loans and borrowings	-	(1,249)
Distribution to unitholders	(11,834)	(11,352)
Payment of lease liability	(4)	(14)
Increase in restricted cash	-	(100)
Net cash used in financing activities	(14,180)	(3,115)
Net decrease in cash and cash equivalents	(10,019)	(5,601)
Cash and cash equivalents at beginning of the period	18,171	18,976
Cash and cash equivalents at 30 June ⁽¹⁾	8,152	13,375

⁽¹⁾ Cash and cash equivalents at the end of period exclude restricted cash balance of £1,308,000 (30 June 2021: £1,277,000).



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D Condensed interim consolidated statement of cash flows (cont'd)

Significant non-cash transactions

For the period from 1 January 2022 to 30 June 2022, there were the following significant non-cash transactions:

- (i) approximately 950,000 Units, amounting to approximately £631,000, were issued to the Manager as satisfaction of the management fee paid to the Manager.
- (ii) approximately 88,000 Units, amounting to approximately £58,000, were issued to the Manager as satisfaction of the lease management fee paid to the Manager.
- (iii) approximately 2,417,000 Units, amounting to approximately £1,508,000, were issued as payment for distributions under the distribution reinvestment plan.

For the period from 1 January 2021 to 30 June 2021, there were the following significant non-cash transactions:

- (i) approximately 678,000 Units, amounting to approximately £451,000, were issued to the Manager as satisfaction of the management fee paid to the Manager.
- (ii) approximately 86,000 Units, amounting to approximately £57,000, were issued to the Manager as satisfaction of the management fee paid to the Manager.
- (iii) approximately 131,444,000 Units, amounting to approximately £89,382,000, were issued in satisfaction of part of the purchase consideration for the subsidiaries acquired during the period.
- (iv) approximately 3,199,000 Units, amounting to approximately £2,125,000, were issued to the Manager as satisfaction of the acquisition fee for the subsidiaries acquired during the period.



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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 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).

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 six months ended 30 June 2022 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 2021. 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 2021.

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.

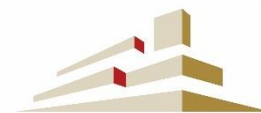
2.2 Use of estimates and judgements

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 year ended 31 December 2021.

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.



2. Basis of preparation (cont'd)

2.2 Use of estimates and judgements (cont'd)

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 has occurred.

3. Seasonal operations

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

4. Segment reporting

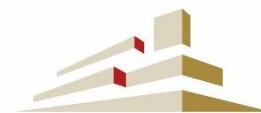
An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

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	
	30/06/2022	31/12/2021
	£'000	£'000
As at 1 January 2022/1 January 2021	501,347	311,855
Acquisition of subsidiaries (including acquisition costs) ⁽¹⁾	-	217,709
Net change in fair value recognised in profit or loss	10,212	(28,217)
As at 30 June 2022/31 December 2021	511,559	501,347

⁽¹⁾ The acquired subsidiaries, Elite Amphora Limited and Elite Cask Limited, held 58 properties located across the United Kingdom.

**5. Investment properties (cont'd)****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	
	30/06/2022	31/12/2021
	£'000	£'000
Fair value of investment properties (based on valuation report)	517,656	500,103
Less: Prepayment for capital expenditure on investment properties ⁽¹⁾	(7,337)	-
Add: Carrying amount of lease liabilities	1,240	1,244
As at 30 June 2022/31 December 2021	511,559	501,347

⁽¹⁾ This relates to the 50% disbursement of the total agreed Sustainability Contribution that was announced during the current financial period. The capital expenditure is yet to be fully incurred as at 30 June 2022. However, as disbursement was made for the capital expenditure, the valuer has reflected the disbursement within their valuation as at 30 June 2022.

Measurement of fair value

Investment properties are stated at fair value. The fair values were based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after property marketing wherein the parties had acted knowledgeably, prudently and without compulsion.

The carrying values of the investment properties as at 30 June 2022 and 31 December 2021 were based on independent professional valuations undertaken by Knight Frank UK LLP.

The independent professional valuations were based on the investment method (also known as income capitalisation method). The valuation method used in determining the fair value involve certain estimates including 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 judgement and is satisfied that the valuation method and estimates used are reflective of market conditions prevailing at the end of the financial period.

Recognising the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19, the valuer had highlighted the importance of the valuation date of the valuations in its valuation report in respect of the valuations as at 31 December 2021.

Security

As at 30 June 2022 and 31 December 2021, 58 properties with a carrying value of £190.6 million (31 December 2021: £196.0 million) were pledged as security to secure a credit facility (Note 9).

6. Notes receivable

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

£111.8 million and £89.4 million of the loan notes will mature on 16 November 2023 and 25 October 2025 respectively. The unsecured notes carry interest at a fixed interest rate of 5% (2021: 5%) per annum.

Under the terms of the loan notes, the Trust, as a noteholder, has the right, at its sole discretion, to require the EUKCH to purchase all of its notes on specified put option exercise dates, being 16 November 2021 and 16 November 2022 for the £111.8 million loan note, and 9 March 2024 and 9 March 2025 for the £89.4 million loan note. At the reporting date, the Trust has not required and does not intend to require the issuer to redeem the loan notes that it holds.



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7. Trade and other receivables

	Group		Trust	
	30/06/2022 £'000	31/12/2021 £'000	30/06/2022 £'000	31/12/2021 £'000
Trade receivables	10,023	11,299	-	-
Other receivables	89	37	-	-
Amount due from subsidiaries	-	-	5,508	4,906
	10,112	11,336	5,508	4,906
VAT & GST receivables	240	307	168	173
Tax receivables	200	200	-	-
Prepayments	287	187	5	3
	10,839	12,030	5,681	5,082

As at 30 June 2022 and 31 December 2021, the trade receivables of the Group relate to a receivable from the property manager in respect of advance rental collected by the property manager on behalf of the Group from tenants.

8. Cash and cash equivalents

	Group		Trust	
	30/06/2022 £'000	31/12/2021 £'000	30/06/2022 £'000	31/12/2021 £'000
Cash at banks	9,460	19,479	1,631	4,915
Restricted cash	(1,308)	(1,308)	-	-
Cash and cash equivalents in the statement of cash flows	8,152	18,171	1,631	4,915

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

9. Loans and borrowings

	Group	
	30/06/2022 £'000	31/12/2021 £'000
Secured bank loans	225,600	225,600
Less: Unamortised transaction costs	(1,224)	(1,746)
As at 30 June 2022/31 December 2021	224,376	223,854
Current	100,200	6,600
Non-current	124,176	217,254
Total	224,376	223,854

The Group has loan facilities comprising:

£140.0 million term loan and bridge loan facilities

- A £125.0 million (2021: £125.0 million) secured term loan facility. At the reporting date, £125.0 million (2021: £125.0 million) was drawn down and is due for repayment in November 2024
- An uncommitted £15.0 million (2021: £15.0 million) bridge loan facility. The bridge loan facility can be drawn down under multiple tranches, and each tranche is 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 is drawn down in multiple tranches). At the reporting date, £6.6 million (2021: £6.6 million) was drawn down and is due for repayment in March 2023.
- The shares of a subsidiary, Elite Gemstones Properties Limited, which holds 97 properties with carrying values amounting to £319.7 million as at 30 June 2022 (31 December 2021: £304.1 million), were pledged to secure the facilities.

£94.0 million term loan and revolving credit facilities

- A £80.0 million secured term loan facility. At the reporting date, £80.0 million (2021: £80.0 million) was drawn down and is due for repayment in January 2023.
- A £14.0 million revolving credit facility. At the reporting date, £14.0 million (2021: £14.0 million) was drawn down and is due for repayment in January 2023.



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- The shares of Elite Amphora Limited and Elite Cask Limited and the 58 properties held by these entities with carrying values amounting to £190.6 million as 30 June 2022 (31 December 2021: £196.0 million), were pledged to secure the facilities (Note 5).

10. Deferred tax liabilities

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

Group	At 31/12/2020 £'000	Recognised in profit or loss (Note 15) £'000	At 31/12/2021 £'000	Recognised in profit or loss (Note 15) £'000	At 30/06/2022 £'000
Deferred tax liabilities					
Investment properties	5,920	(2,121)	3,799	2,273	6,072

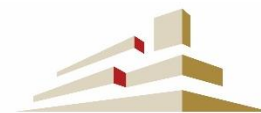
11. Units in issue and to be issued

Group and Trust	30/06/2022		31/12/2021	
	Number of Units '000	£'000	Number of Units '000	£'000
Units issued				
At beginning of the year	475,468	304,105	334,134	208,208
- Issued in satisfaction of part of the purchase consideration for subsidiaries acquired	-	-	131,444	89,382
- Acquisition fees paid in Units	-	-	3,199	2,125
- Manager's management fees paid in Units	950	631	3,376	2,244
- Lease management fees paid in Units	88	58	349	233
- Distribution reinvestment plan	2,417	1,508	2,966	1,913
Total issued Units	478,923	306,302	475,468	304,105
Units to be issued				
- Manager's management fees paid in Units	-	-	950	631
- Lease management fees paid in Units	-	-	88	58
Total issuable Units	-	-	1,038	689
Total issued and issuable Units as at 30 June 2022/31 December 2021	478,923	306,302	476,506	304,794

The Group and the Trust do not hold any treasury units as at 30 June 2022 and 31 December 2021.

12. Net asset value per Unit

	Group		Trust	
	30/06/2022 £'000	31/12/2021 £'000	30/06/2022 £'000	31/12/2021 £'000
Net asset value per Unit is based on:				
Net assets attributable to unitholders	297,241	289,019	297,147	289,019
Total issued and to be issued Units as at 30 June 2022/31 December 2021 ('000) (Note 11)	478,923	476,506	478,923	476,506
Net asset value per Unit (£)	0.62	0.61	0.62	0.61



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13. Revenue

Rental relates to rental income derived from the Group's investment properties.

Over 99% (2021: 99%) of the contracted rental income under the current leases is derived from the UK Government via various government departments and agencies including The Secretary of State for Housing, Communities and Local Government.

14. Profit/(Loss) before tax

The following items have been included in arriving at profit/(loss) for the period:

	6 months ended 30/06/2022 £'000	6 months ended 30/06/2021 £'000
Finance income:-		
- Fair value gain on financial derivative	445	-
Finance costs:-		
- Fair value loss on financial derivative	-	40
- Amortisation of transaction costs relating to loans and borrowings	522	384
- Commitment fee	-	28
- Interest expense on lease liabilities	22	11
- Interest expense on loans and borrowings	2,368	1,694
	<u>2,912</u>	<u>2,157</u>

15. Tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of comprehensive income are:

	6 months ended 30/06/2022 £'000	6 months ended 30/06/2021 £'000
Current income tax expense	-	1,776
Withholding tax expense	1,475	-
Deferred tax expense relating to origination and reversal of temporary differences	2,273	1,782
	<u>3,748</u>	<u>3,558</u>



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16. Earnings per Unit

Basic earnings per Unit

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

	6 months ended 30/06/2022 £'000	6 months ended 30/06/2021 £'000
Profit/(Loss) for the period attributable to unitholders	20,056	(5,429)
	'000	'000
Weighted average number of Units:		
- Units issued at the beginning of the period	476,506	334,858
- Effect of Units issued in satisfaction of part of the purchase consideration for subsidiaries acquired	-	82,788
- Effect of Units issued as payment of Manager's acquisition fee	-	2,015
- Effect of Units issued and to be issued as payment of Manager's management fee payable in Units	-	350
- Effect of Units issued and to be issued as payment of lease management fee payable in Units	-	44
- Effect of Units issued under distribution reinvestment plan	1,229	-
Weighted average number of Units	477,735	420,055

Diluted earnings per Unit

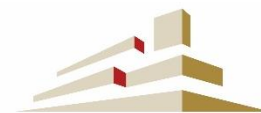
The calculation of diluted earnings per Unit is based on the profit/(loss) attributable to unitholders and the weighted average number of Units outstanding after adjustment for the effects of all dilutive potential Units.

For the period ended 30 June 2022, the diluted earnings per Unit is the same as the basic earnings per Unit as there are no dilutive Units issued and to be issued during the period.

For the period ended 30 June 2021, the diluted earnings per Unit is the same as the basic earnings per Unit as the Units to be issued as payment of Manager's management fee and lease management fee payable in Units were anti-dilutive.

17. Amount available for distribution

	6 months ended 30/06/2022 £'000	6 months ended 30/06/2021 £'000
Amount available for distribution to unitholders at 1 January 2022/ 1 January 2021	13,363	8,342
Profit/(loss) for the period	20,056	(5,429)
Distribution adjustments (Note A)	(7,812)	16,590
Amount available for distribution to unitholders	25,607	19,503
Distributions to unitholders:		
Distribution of GBP 2.49 pence per Unit for the period from 1 July 2020 to 31 December 2020	-	(8,338)
Distribution of GBP 0.90 pence for the period from 1 January 2021 to 8 March 2021	-	(3,014)
Distribution of GBP 2.80 pence for the period from 1 July 2021 to 31 December 2021	(13,342)	-
	(13,342)	(11,352)
Amount available for distribution to unitholders at end of the period	12,265	8,151
Distribution per Unit (pence)	2.56	2.63



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17. Amount available for distribution (cont'd)

	6 months ended 30/06/2022 £'000	6 months ended 30/06/2021 £'000
Note A		
Distribution adjustments relate to the following items:		
Management fee payable in units	-	1,116
Lease management fees payable in units	-	115
Trustee's fee	51	49
Amortisation of transaction costs relating to loans and borrowings	522	384
Fair value (gain)/loss on financial derivative	(445)	40
Change in fair value of investment properties	(10,212)	13,107
Deferred tax expense	2,273	1,782
Others	(1)	(3)
Distribution adjustments	<u>(7,812)</u>	<u>16,590</u>

18. Related party transactions

In the normal course of the operations of the Trust, 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.

	6 months ended 30/06/2022 £'000	6 months ended 30/06/2021 £'000
Acquisition of subsidiaries from related corporations of the Manager	-	98,988
Property management fee paid/payable to a related corporation of the Manager	142	88
Lease management fee paid/payable to the Manager	115	115



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19. 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								
30/6/2022								
Financial asset measured at fair value								
Financial derivatives	-	953	-	953	-	953	-	953
Financial assets not measured at fair value								
Trade and other receivables*	10,112	-	-	10,112				
Cash and cash equivalents	9,460	-	-	9,460				
	<u>19,572</u>	<u>-</u>	<u>-</u>	<u>19,572</u>				
Financial liabilities not measured at fair value								
Trade and other payables	-	-	(2,164)	(2,164)				
Loans and borrowings	-	-	(224,376)	(224,376)	-	(214,745)	-	(214,745)
	<u>-</u>	<u>-</u>	<u>(226,540)</u>	<u>(226,540)</u>				
31/12/2021								
Financial asset measured at fair value								
Financial derivatives	-	508	-	508	-	508	-	508
Financial assets not measured at fair value								
Trade and other receivables*	11,336	-	-	11,336				
Cash and cash equivalents	19,479	-	-	19,479				
	<u>30,815</u>	<u>-</u>	<u>-</u>	<u>30,815</u>				
Financial liabilities not measured at fair value								
Trade and other payables	-	-	(5,625)	(5,625)				
Loans and borrowings	-	-	(223,854)	(223,854)	-	(216,743)	-	(216,743)
	<u>-</u>	<u>-</u>	<u>(229,479)</u>	<u>(229,479)</u>				



19. Financial assts and financial liabilities (cont'd)

	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								
30/6/2022								
Financial assets not measured at fair value								
Notes receivable	201,133	-	-	201,133	-	186,105	-	186,105
Trade and other receivables*	5,508	-	-	5,508				
Cash and cash equivalents	1,631	-	-	1,631				
	<u>208,272</u>	<u>-</u>	<u>-</u>	<u>208,272</u>				
Financial liabilities not measured at fair value								
Trade and other payables	-	-	(198)	(198)				
31/12/2021								
Financial assets not measured at fair value								
Notes receivable	201,133	-	-	201,133	-	182,230	-	182,230
Trade and other receivables*	4,906	-	-	4,906				
Cash and cash equivalents	4,915	-	-	4,915				
	<u>210,954</u>	<u>-</u>	<u>-</u>	<u>210,954</u>				
Financial liabilities not measured at fair value								
Trade and other payables	-	-	(616)	(616)				

* Excluding prepayments, tax receivables and VAT & GST receivables

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.

20. Liquidity risk management

The Group is in net current liabilities position as at 30 June 2022, primary attributed to its £94.0 million term loan which is due for repayment in January 2023. This £94.0 million loan facility has an extension option, built within the existing facility agreement. The Manager has commenced the refinancing discussion with the bank of this £94.0 million loan facility. The Manager is also exploring different refinancing options.

The Group monitors its liquidity risk and ensures that it has sufficient liquidity to meet its liabilities when due.



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21. Financial ratios

	Group	
	30/06/2022 £'000	31/12/2021 £'000
Leverage ratio (%)	41.9%	42.4%
Interest coverage ratio (times)	5.7 [^]	6.0 [^]

[^] The interest coverage ratio is computed based on the financial information for the six months period ended 30 June 2022 and year ended 31 December 2021 by dividing the earnings before interest, tax, depreciation and amortisation (excluding effects of any fair value changes of derivatives and investment properties and foreign exchange translation) ("EBITDA"), by the interest expenses 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.

22. Acquisition of subsidiaries

On 9 March 2021, the Group acquired 100% of the shares and voting interest in Elite Amphora Limited and Elite Cask Limited, which hold 58 properties located across the United Kingdom. The total purchase consideration (including acquisition costs) for the shares and voting interest, including assuming the amounts due to the vendor was approximately £102.9 million. The acquisition was accounted for as an acquisition of assets.

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	£'000
Investment properties	213,790
Trade and other receivables	152
Cash and cash equivalents	2,001
Loan and borrowings	(113,836)
Amounts due to ex-shareholder	(39,428)
Lease liabilities	(1,250)
Trade and other payables	(659)
Deferred income	(733)
Current tax liabilities	(477)
Net assets	59,560

Cash flows relating to the acquisition

	£'000
Total consideration for 100% equity interest acquired	59,560
Add: Amounts due to ex-shareholder assumed	39,428
Add: Acquisition-related costs	3,919
	102,907
Less: Consideration paid in Units	(89,382)
Less: Acquisition fee paid in units	(2,125)
Less: Cash acquired	(2,001)
Net cash outflow	9,399

23. Commitments

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

	Group	
	30/06/2022 £'000	30/06/2021 £'000
Capital expenditure on investment properties	7,437	-



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(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 Commercial REIT and its subsidiaries (“the Group”) and statement of financial position of Elite Commercial REIT (“the Trust”) as at 30 June 2022 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 six month period then ended and certain explanatory notes.

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

Elite Commercial REIT Management Pte. Ltd. is the manager of Elite Commercial REIT (the “Manager”) and Perpetual (Asia) Limited is the trustee of Elite Commercial REIT (the “Trustee”).

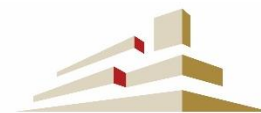
The REIT commenced trading on the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 6 February 2020 (“Listing Date”).

As at the Listing Date, the Group’s portfolio comprised of 97 commercial buildings (the “Initial Portfolio”) located across the UK with over 99.0% of the Group’s revenue derived from the current leases with the UK Government via The Secretary of State for Housing, Communities and Local Government (with the Department for Work and Pensions (“DWP”) occupying each Property under a group sharing arrangement).

On 9 March 2021, the Group completed its acquisition of 58 properties located across the United Kingdom (the “New Properties”).

On 26 August 2021, Elite UK Commercial Holdings Limited (“ECHL”), a wholly owned subsidiary of the Trust, was successfully listed on The International Stock Exchange (the “TISE”), as a UK REIT group. The admission eliminates any future tax on latent capital gains (and its corresponding provision of deferred tax liabilities) of the properties currently held by the Group. Furthermore, the Group enjoys UK corporation tax exemption for its UK property rental business income and gains under the UK REIT regime. Notwithstanding the UK corporation tax exemption, the Group will have to pay a withholding tax of 15% on its distributions to Singapore pursuant to the double tax treaty between UK and Singapore.

On 28 February 2022, the Group announced that it will invest £12.5 million over three years towards asset enhancement works to improve sustainability and energy efficiency credentials of properties in its portfolio that are currently occupied by DWP. This is in line with UK Government’s commitment to achieve net zero carbon emissions by 2050 and marks the Group first collaboration with the DWP to boost sustainability and energy efficiency of their occupied estate. On 11 March 2022, the Group committed another £2.17 million toward the sustainability contribution. On 14 April 2022, the Group announced that it will invest £0.1 million towards similar sustainability-linked asset enhancement works of a property that is currently occupied by the UK Government’s Ministry of Defence (“MOD”). This brings the aggregate Sustainability Contribution by the Group to £14.77 million.



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2. Review of performance of the Group

2.1 Period ended 30 June 2022 ("1H22") vs Period ended 30 June 2021 ("1H21")

	Note	6 months ended 30/06/2022 £'000	6 months ended 30/06/2021 £'000	Variance Favourable/ (unfavourable) %
Revenue	(a)	18,708	15,896	17.7
Property operating expenses	(b)	(606)	(510)	(18.8)
Net property income		18,102	15,386	17.7
Manager's management fee	(c)	(1,224)	(1,116)	(9.7)
Trustee's fee		(51)	(49)	(4.1)
Other trust expenses	(d)	(768)	(828)	7.2
Finance income		445	-	n.m.
Finance costs		(2,912)	(2,157)	(35.0)
Net finance costs	(e)	(2,467)	(2,157)	(14.4)
Change in fair value of investment properties	(f)	10,212	(13,107)	177.9
Profit/(Loss) before tax		23,804	(1,871)	1,372.3
Tax expense	(g)	(3,748)	(3,558)	(5.3)
Profit/(Loss) after tax		20,056	(5,429)	469.4
Income available for distribution to unitholders		12,244	11,161	9.7
Distribution per Unit (pence)		2.56	2.63⁽¹⁾	(2.7)

n.m. - not meaningful

⁽¹⁾ Included in the Distribution per Unit of 2.63 pence was distribution of 0.90 pence per Unit for the period from 1 January 2021 to 8 March 2021, which was paid on 15 April 2021.

(a) Revenue

Revenue comprises contracted rental income from leasing of the office spaces of the Initial Portfolio and New Properties.

The Group enjoyed the full period revenue from the New Properties it acquired on 9 March 2021, which boosted total revenue for 6 months ended 30/6/2022 by 17.7% when compared to prior period.



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(b) Property operating expenses

Property operating expenses includes the following items:

	6 months ended 30/06/2022 £'000	6 months ended 30/06/2021 £'000	Variance Favourable/ (unfavourable) %
Property management fee	346	253	(36.8)
Lease management fee	115	115	-
Property insurance expenses	116	142	18.3
Other property expenses	29	-	n.m
	606	510	(18.8)

The increase in property operating expenses in line with the increase of revenue as the Group bore property operating expenses from the New Properties it acquired on 9 March 2021 for the full 6 months ended 30/6/2022.

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 while the New Properties are currently managed by Elite Real Estate Services UK Limited ("ERESUK"), a related corporation of the Manager. 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; 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.

(c) 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 increase in manager's management fee was in line with the increased in income available for distribution to unitholders.

(d) 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. Savings relates to lease restructuring fees incurred in 2021, which are partially offset by increased valuation expenses due to mid-year valuation in 2022.

(e) Net finance costs

Net finance costs consist of amortisation of transaction costs relating to loans and borrowings, commitment fee, change in fair value of financial derivative and interest expense on lease liabilities, and interest expense on borrowings. Increased net finance costs is in line with the increased borrowings from the New Properties for the full period in 1H2022 and increased interest costs on borrowings.

(f) Change in fair value of investment properties

Fair value gain on investment properties arose from the valuation conducted for the Group's investment properties as at 30 June 2022. The gain was mainly due to the removal of the lease break options from 108 properties occupied by the DWP and 1 property occupied by the MOD, offset by the reduction in value for vacant and vacating assets.

(g) Tax expenses

Lower tax expense was mainly due to saving in tax rate from 19% to 15% as a result of the Group being successfully listed on TISE.



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2.2 Review of statement of financial position

Investment properties for the Group increased by £10.2 million to £511.5 million (31 December 2021: £501.3 million) mainly due to valuation gain attained from mid-year valuation. The gain was mainly contributed by the removal of lease break options from 109 properties announced during the financial period, where the underlying leases run till March 2028.

Trade and other receivables as at 30 June 2022 of £10.8 million (31 December 2021: £12.0 million) comprise mainly rental of £10.1 million (31 December 2021: £11.3 million) collected in advance by the property manager on behalf of the Group from the tenants.

Loans and borrowings as at 30 June 2022 remain constant.

Deferred tax liabilities increased by £2.3 million to £6.1 million as at 30 June 2022 (31 December 2021: £3.8 million). This was mainly due to the deferred tax provision on the fair value gains on certain properties during the financial period.

2.3 Review of statement of cashflows

Net cash generated from operating activities for 6 months ended 30/06/2022 amounted £11.5 million compared to £6.9 million for the 6 months ended 30/06/2021. This was driven by the Manager's decision to receive its management fee and lease management fee in cash instead of Units for the current financial period, offset by a lower tax rate enjoyed in the 6 months ended 30/6/2022.

Net cash used in investing activities of £7.3 million is mainly from the 50% disbursement of the total agreed Sustainability Contribution as announced during the current financial period.

Out of the net cash used in financing activities of £14.2 million, (i) £11.8 million were 2H21 distribution to unitholders paid in 2022 and (ii) payment of interest of £2.4 million, which is mostly attributed to interest on bank loans.

2.4 Variance between actual results and projection statement

There was no forecast or prospect statement previously disclosed to shareholders for the financial period ended 30 June 2022.



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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

The Department for Work and Pensions (“DWP”) is the primary and uniquely resilient occupier of the majority of the assets held by the Group. As the UK Government’s largest public service department, DWP is responsible for crucial welfare, pensions and child maintenance services. Against the current macroeconomic backdrop, our assets via DWP continue to be a crucial social infrastructure that serves the UK society.

As at 30 June 2022, the portfolio is 98% occupied, where the properties under lease maintained a 99% exposure to the UK Government that is rated AA by S&P Global Ratings and Aa3 by Moody’s Investors Service. The Group had received in advance 99.9% of the rent for the period from 1 July 2022 to 30 September 2022, within seven days of the due date.

In the six months ended 30 June 2022, the Manager has successfully achieved two major asset management breakthroughs – a positive outcome from Lease Re-gearing exercise and innovative sustainability collaborations with its occupiers. Under the Lease Re-gearing exercise, lease break options were successfully removed from 109 assets occupied by the DWP and MOD, leading to enhanced lease stability and income visibility until March 2028 for a majority of the leases in its portfolio. The Manager also secured an innovative sustainability collaboration, first with its main occupier the DWP and later expanded to include the MOD, to improve the energy efficiency of the assets occupied by the two government departments.

Majority of the Group’s properties have inflation-linked rental escalation clauses built into the leases, presenting potential upside from April 2023. The rental escalations clauses are based on the UK Consumer Price Index (“CPI”), subject to an annual minimum increase of 1.0% and maximum of 5.0% on an annual compounding basis from 1 April 2018 to 31 March 2023.

Following the Lease Re-gearing exercise, nine DWP-occupied assets will continue to be income-producing until March 2023 when the assets are vacated. John Street, Sunderland and Sidlaw House, Dundee, which vacated on 1 April 2022 and 29 June 2022 respectively, are being actively marketed to potential occupiers, with most likely re-letting as continued office use, although the Manager continues to review alternative options as a matter of course.

The REIT Manager’s asset management strategy remains focused on actively formulating the appropriate asset management strategy for each asset, with a view to maximising value outcomes and minimising holding costs. Appraisals of the real estate market conditions and economic dynamics of the submarkets of each of the vacating assets are underway, with a variety of options for each asset under consideration, including potential re-letting as an office or other uses, disposal with vacant possession or following re-letting and seeking consent for alternative uses (conversion or redevelopment) where those offer the best outcomes. The Manager is also actively engaged with the network of local advisors, to assist in any analysis and on future re-letting, redevelopment and/or disposal strategies for the assets. Further updates will be provided at the appropriate time. The Manager has also been engaging the tenants proactively, augmented the management team on the ground and harnessed the power of data analytics to have better insights into the overall utilisation at the properties.

The Manager continues to be focused on realising opportunities for growth via acquisition of assets which have been leased long-term by various ministries of the UK Government. These opportunities are available to the REIT through its Sponsors’ right of first refusal (“ROFR”) pipeline or from the open market.

The £94 million loan facility which is due in January 2023, has an extension option built within the existing facility agreement. As part of prudent capital management, the Manager is exploring different refinancing options and will update the markets when the refinancing matters are finalised. With the interest costs on borrowing at 2.3% and interest coverage ratio of 5.7 times, the REIT remains well-positioned to meet its debt obligations as and when they fall due.

Macro Environment

The UK economy grew by 0.5% in May 2022 on a month-on-month basis, with all main sectors such as services, production and construction contributing positively to this growth¹. Services grew by 0.4% and was the largest contributor of the monthly gross domestic product (“GDP”) growth, now estimated to be 1.7% above its pre-pandemic levels in February 2020. UK GDP increased by 0.4% in the three months to May 2022, and by 3.5% in the 12 months to May 2022¹. For the quarter ended 31 March 2022, UK GDP was estimated to have increased by 0.8%². The increase was largely due to an increase in output for information and communication, and transport and storage.

The UK’s Office for National Statistics noted that inflation, as measured by the consumer price index, rose by 9.1% in the 12 months to May 2022, up from 9.0% in April. This marks the UK’s highest 12-month CPI inflation rate in the National Statistic series since January 1997³. The Bank of England (“BoE”) expects inflation in the UK to rise to around 11% this year, on the back of increased

¹ GDP monthly estimate: UK: May 2022, 13 July 2022.

² GDP quarterly national accounts, UK: January to March 2022, 30 June 2022.

³ Consumer price inflation, UK: May 2022, 22 June 2022.



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spending on goods during the Covid-19 pandemic, global supply chain disruptions as well as rise in energy and commodity prices, and only start to slow next year. In response to high inflation, the BoE has raised the Bank Rate to 1.25%⁴.

Based on the minutes published by BOE, the market implied path for the Bank Rate is expected to reach around 2.9% by end-2022 and potentially peaking at 3.3% in 2023. Sterling Overnight Index Average (“**SONIA**”), the benchmark which the Group’s interest rates on loans are priced upon, trends closely with the Bank Rate movements. The Group has fixed 63% of its existing interest rate exposure, mitigating the effects against the rising interest environment.

The unemployment rate for March to May 2022 decreased by 0.1 percentage points on the quarter to 3.8% and is currently below pre-pandemic levels. Job vacancies in April to June 2022 rose to 1.3 million, while the rate of growth in vacancies continued to slow down⁵.

Claimant count for the month of May 2022 was at 1.43 million, a decrease of 4.2% and 20% month-on-month and compared to the last quarter respectively. Compared to a year ago, it is a decrease of 37.1%⁶. Though unemployment claimants have been falling over the past year, it is noted that job vacancies remain significantly high, emphasising the importance of the DWP’s services to the UK citizens in providing job matching services.

With deepening economic uncertainty amidst soaring inflation and interest rates, coupled with the current government’s leadership disruption, the near-term outlook remains challenging for the UK.

Looking Forward

Notwithstanding the macroeconomic situation, Elite Commercial REIT is well-positioned to continue providing resilient and recession-proof returns, with over 99% of its portfolio leased to the UK Government, where a majority of the leases are signed directly with the Secretary of State for Levelling Up, Housing and Communities (formerly known as the Secretary of State for Housing, Communities and Local Government), which is a Crown Body.

Elite Commercial REIT is expected to continue providing a stable income to its unitholders as it continues to collect almost 100% of its rent three months in advance.

⁴ Bank of England: *How high will inflation go?*, 17 June 2022.

⁵ Labour market overview, UK: July 2022, 19 July 2022.

⁶ Alternative claimant count statistics January 2013 to May 2022, 19 July 2022.



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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 January 2022 to 30 June 2022

Distribution type: Tax-exempt income

Distribution rate: 2.56 pence per unit

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: 16 August 2022

4(d) Date Payable: 22 September 2022

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 Commercial REIT for the period from 1 January 2022 to 30 June 2022 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 Commercial REIT.



ELITE COMMERCIAL REIT

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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

Shaldine Wang
Chief Executive Officer

Elite Commercial REIT Management Pte. Ltd.
(Company Registration Number: 201925309R)
As Manager of Elite Commercial REIT

5 August 2022