



# EXPANDING POSITIVE SPACES

ANNUAL REPORT 2024



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Annual Report 2024 is available  
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# EXPANDING POSITIVE SPACES

Elite UK REIT's portfolio of social infrastructure assets are well-located properties that make a difference to communities. In these positive spaces across the UK, we are unlocking latent value to tap strong upside potential and riding on positive market dynamics.



## CORPORATE PROFILE

### A United Kingdom ("UK") REIT listed in Singapore

Elite UK REIT ("英利英国房地产信托") ("**Elite REIT**" ("英利房托")), is a UK REIT listed in Pound sterling on the Singapore Exchange and managed by Singapore-headquartered Elite UK REIT Management Pte. Ltd. (the "**Manager**"). Elite REIT has three Sponsors:

- Elite Partners Holdings Pte. Ltd., the holding firm for Elite Partners Group, an alternative investment and asset manager;
- Ho Lee Group Pte. Ltd., a real estate and construction conglomerate; and
- Sunway RE Capital Pte. Ltd., a wholly-owned subsidiary of Sunway Berhad, a Malaysian conglomerate specialising in property, construction, healthcare, hospitality, and education.

Elite REIT's portfolio ("**Portfolio**") comprises mainly freehold and virtual freehold properties strategically located mainly in town centres, and near amenities and transportation nodes. With its portfolio, Elite REIT is one of the largest providers of mission-critical social infrastructure to the Department for Work and Pensions ("**DWP**") and other UK Government departments. As at 31 December 2024, Elite REIT's portfolio has a total asset value of £416 million.

In addition to stable government-backed income stream, the Manager plans to capitalise on emerging market trends and sectors exhibiting strong growth potential in the UK, such as the Living Sector, which includes purpose-built student accommodation and Built-to-Rent residential assets.

## AT A GLANCE

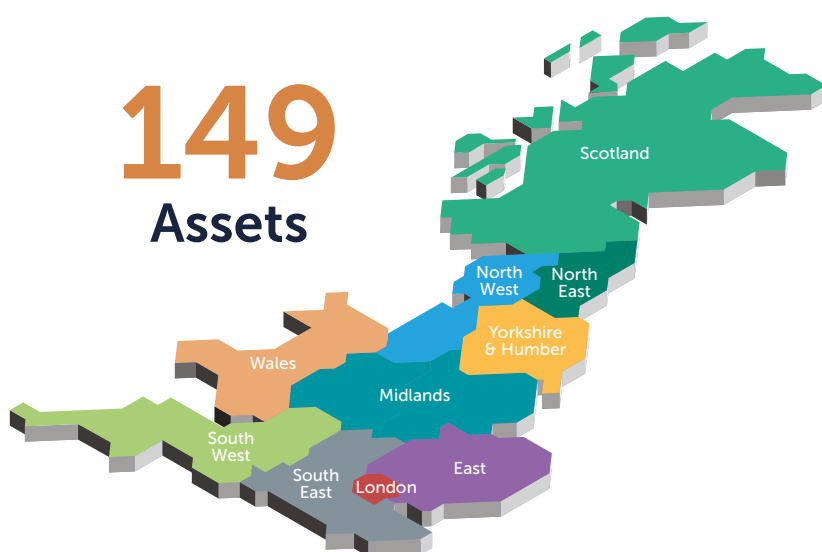
**UK  
REIT**  
listed in  
Singapore

Rental income backed by  
**AA-rated**  
UK sovereign credit

**> 99%**  
Gross rental  
income from the  
UK Government

**~ 100%**  
Freehold and virtual  
freehold assets  
**Zero**  
arrears with rent  
collection in advance

**149**  
Assets



### No. of Assets

Scotland	26
North West	24
North East	11
Yorkshire & Humber	10
Wales	20
Midlands	16
South West	12
East	8
London	10
South East	12

### KEY INVESTMENT MERITS



#### Government-backed<sup>1</sup> Income Stream

100% rent collection  
three months in  
advance, backed by  
AA-rated sovereign  
credit strength

### Stable and Diversified Portfolio



#### Geographically Diversified

Network of assets across the  
UK covering regional cities  
and major population centres



#### Strategically Located

Town centres and CBD-focused,  
close to key transportation  
nodes and amenities



#### Mission-critical Public Infrastructure

Elite REIT is one of the largest  
providers of mission-critical  
social infrastructure to the UK  
Government for the delivery  
of essential services

### Prudent Capital Management



#### Tax Efficient

Highly optimised tax structure,  
on par with UK-listed REITs



#### Natural Hedge

Assets, debts and  
distributions are naturally  
hedged in Pound sterling



#### Multiple Funding Sources

Diversified funding sources and  
opportunistic divestments used  
for capital recycling



#### Growth Potential

Capitalising on lease  
renewals, asset repositioning,  
and acquisitions

### ELITE REIT SPONSORS

Elite Partners Holdings Pte. Ltd.



Ho Lee Group Pte. Ltd.



Sunway RE Capital Pte. Ltd.

**SUNWAY®**

<sup>1</sup> As at 31 December 2024, 99.1% of gross rental income is from the UK Government. Nearly all leases are signed with the Ministry of Housing, Communities and Local Government, which is a Crown Body.



## KEY FINANCIAL HIGHLIGHTS



### Revenue<sup>1</sup>

**£37.5m**

(FY2023: £37.9m)



### Net Property Income<sup>1</sup>

**£37.4m**

(FY2023: £41.7m)



### Portfolio Value<sup>2</sup>

**£416.2m**

(31 Dec 2023: £411.1m)<sup>3</sup>



### Net Asset Value per Unit

**£0.41**

(31 Dec 2023: £0.43)<sup>4</sup>



### Distributable Income

**£18.5m**

(FY2023: £18.0m)



### Distribution per Unit ("DPU")

**2.87 pence**

(FY2023: 2.74 pence)<sup>5</sup>



### Distribution Yield

**9.7%**

As at 31 Dec 2024



### Total Return

**17.1%**

In FY2024



### Interest Coverage Ratio

**2.5x**



### Fixed Rate Debt

**86%**



### Net Gearing<sup>6</sup>

**42.5%**

(31 Dec 2023: 47.5%)



### Debt Headroom<sup>7</sup>

**£64.7m**

(31 Dec 2023: £20.7m<sup>8</sup>)

<sup>1</sup> Excludes effect of straight-line rent adjustments.

<sup>2</sup> Comprising 149 properties as at 31 December 2024.

<sup>3</sup> For the same 149 properties valued as at 31 December 2024 for a like-for-like comparison.

<sup>4</sup> NAV per Unit on 1 January 2024 is also £0.43.

<sup>5</sup> FY2023 DPU is adjusted based on FY2024 weighted average Units in issue of 593.4 million.

<sup>6</sup> Net gearing is calculated as aggregate debt less cash divided by total assets less cash. Aggregate Leverage calculated as per the Property Funds Appendix would be 43.4% as at 31 December 2024 and 50.0% as at 31 December 2023.

<sup>7</sup> Debt headroom as per Property Funds Appendix is £57.7m.

<sup>8</sup> Debt headroom as per Property Funds Appendix is £0.1m.

#### Note:

In this Annual Report, any discrepancies between the listed figures, totals thereof, and figures in other sections of this Annual Report are due to rounding.

# STRATEGY AND VALUE CREATION

## Vision:

To be Singapore's leading UK-focused real estate investment trust focused on government-leased properties

## Mission:

We offer a differentiated investment gateway to income-producing UK real estate and provide attractive and stable returns to our Unitholders.

## Key Competitive Strengths



### Unique Capital Structure

- UK Government-backed cashflow
- AA-rated sovereign credit strength
- Highly optimised tax structure on par with UK-listed REITs
- Pound sterling-denominated and naturally hedged
- Assets, debts, and distributions in Pound sterling



### Specialist Asset & Lease Features

- Strategically located in town centres, near amenities & transport nodes
- Resilient tenants, with Department for Work & Pensions as key occupier
- Advance rent collection used to reduce debt and optimise financial costs
- ~100% freehold and virtual freehold



### Aligned & Experienced Leadership

- Best-in-class manager fee structure based on distributable income & DPU growth
- Seasoned team based in London and Singapore with strong track record in REITs, fund management, real estate, and corporate finance
- Sponsors & substantial unitholders hold 43% of Elite REIT units with top leadership substantially in deferred units.

## Key Achievements in FY2023 and FY2024

**(1) Reduced borrowings** by ~£45m through fundraising and capital recycling from dilapidation settlements and divestments

**(2) Funded ~£15m of sustainability capital expenditure** in collaboration with tenants to reduce their occupation costs

**(3) Generated ~£19m gross receipts** through capital recycling from dilapidation settlements and divestments

**(4) All refinancing completed** with no refinancing requirements until 2027

**(5) 100% sustainability-linked financing** supported by a diversified group of relationship banks

**(6) Steady portfolio valuation of ~£416m** at 31 Dec 2024, well supported by transacted divestments

## Key Priorities

### Management's focus areas in the near term



#### Proactive Asset Management and Future-proof Assets

- Diversify lease expiry profile and extend leases ahead of expiries
- Seek planning consent for assets with viable alternative uses
- Focus on high-value assets to unlock value and increase portfolio base
- Expand landmark sustainability collaboration project to more properties
- Improve energy performance certificate ratings



#### Capital Management

- Reduce gearing through capital recycling and proactive asset management
- Diversify funding sources by expanding financier relationships and accessing new sources of capital
- Opportunistic divestments to fund asset enhancement and manage gearing



#### Improve Trading Liquidity

- Broaden research analyst and media coverage
- Step up investor engagements through regular investor roadshows and participation in conferences
- Improve liquidity via a larger asset base as Elite REIT grows in the future

## Future Plans

### Asset Repositioning Strategy

Assets may be relet, repositioned or recycled

Existing assets as starting point



Least Capital Intensive

Assets with the benefit of pre-planning approvals



More Capital Intensive

Assets with the benefit of full planning approvals



Most Capital Intensive

Yielding assets



RELET

Social Infrastructure



JobCentre Plus



Government Infrastructure and Workplaces

RECYCLE

Living Sector



Student Housing



Build-to-Rent Residential

REPOSITION



# KEY MILESTONES

## JAN 2024

### First GBP-denominated equity fundraising on the Singapore Exchange

- ▶ Successfully raised approximately **£28 million** to solidify capital structure through preferential offering\*
- ▶ **Preferential offering oversubscribed** with subscription rate at **more than 120%**.
- ▶ Gross proceeds mainly utilised towards the repayment of existing debts

### Asset Management

- ▶ Secured new lease for Phoenix House, Bradford, with no lease break option and income certainty until 2029



\* A total of 103,354,690 Preferential Offering units were offered to existing Unitholders at a ratio of 214 Preferential Offering units for every 1,000 existing units in Elite REIT at an issue price of £0.27 per Preferential Offering unit. The Preferential Offering issue price represents an attractive discount of 10% to the volume weighted average price of £0.30 per Unit on 18 December 2023.

## FEB 2024

### FY2023 Results

- ▶ Declared FY2023 **DPU of 3.07 pence**, based on a 90% payout ratio, and higher revenue y-o-y benefitting from **~13.1% inflation-linked rent** escalations for 136 assets effective from 1 April 2023

## MAR 2024

### Capital Management

- ▶ Diversified funding sources: With support from sponsors and banking partners, Elite REIT **secured £135 million** from new lenders for refinancing



## APR 2024

### Expanded Investment Strategy

- ▶ Continued to focus on existing social infrastructure, whilst broadening strategy to living sector assets

### Investor and Media Engagement

- ▶ CEO interviewed for the SGX Kopi-C series
- ▶ Presented to investors in SmartKarma and Lim & Tan webinars

## MAY 2024

- ▶ Unveiled new name, **Elite UK REIT**, to better reflect expanded investment strategy

### Investor and Media Engagement

- ▶ Organised UK site visit for analysts

### 1Q 2024 business update

- ▶ Reported a **revenue growth of 0.8%** year-on-year to **£9.2 million**, a distributable income of £4.4 million

### REITS Symposium

- ▶ CEO presented on Elite REIT at a panel discussion about **"Advantages of REITs: Expanding Horizons for Better Returns"**, organised by AlphaInvest and REITAS



## JUN 2024

### Asset Management

- ▶ Secured a lease renewal for Dallas Court, Salford, with a **30% rental reversion** commencing in June 2024, pushing out lease expiry to June 2034

### Investor and Media Engagement

- ▶ Podcast by Financial Coconuts founder Reginald Koh and REIT Specialist Kenny Loh
- ▶ Presented to investors in a Maybank Securities webinar





# KEY MILESTONES

## JUL 2024

### Analyst Coverage

- Initiation of analyst coverage by RHB Research, with a **'BUY'** call and a **target price of £0.31**

### Investor and Media Engagement

- Presented to investors in a CGSI ProsperUs Webinar

### Positive Social Impact

- **Conferred the distinguished Company of Good – 3 Hearts** by the National Volunteer and Philanthropy Centre for making significant contributions in Society, People, Governance, Environment and Economy.

## AUG 2024

### 1H 2024 Results

- **Generated £18.6 million** of revenue, a distributable income of £9.2 million, and a **DPU of 1.40 pence** with a payout ratio of 90%

### REITS Reiterated Forum

- CEO presented on Elite REIT at the panel discussion about **"Is it Time for REITs Growth?"**, organised by The Edge Singapore and REITAS

### Media Coverage

- Interviewed by MoneyFM 89.3FM presenter Ryan Huang
- Interviewed by SmallCapAsia founder James Yeo

### Asset Management

- Secured **5.3% rental reversion** for Theatre House, Billingham

## SEP 2024

### Analyst Coverage

- Initiation of analyst coverage by Beansprout, with a **'BUY'** call and a **target price of £0.44**

### Media Coverage

- Elite REIT featured in The Edge Singapore
- Interview with REITSWEEK

### Positive Social Impact

- **Participated in LandAid Trek** and **fundraised over £2,000** to help support young people who are experiencing homelessness, with parallel participation by Singapore and UK teams







## OCT 2024

### Asset Management

- ▶ Successful divestment of Sidlaw House, Dundee for a Sale Consideration of **£1.3 million**, **more than 40% premium to valuation** as at 30 June 2024

### Investor Engagement

- ▶ Participated in investor outreach event to Chinese Single Family Offices, organised by SG Listcos and Phillip Capital
- ▶ Participated in Reverse Non-Deal Roadshow to fund managers from South Korea, organised by SGX and Korea Investment & Securities
- ▶ Hosted REIT analyst and bankers on a site visit to Manchester, Liverpool, and London areas
- ▶ Presented to investors in a Phillip Securities webinar
- ▶ Participated in small-group institutional meetings organised by DBS Research

## NOV 2024

### 3Q 2024 business update

- ▶ Reported a **revenue of £28.0 million**, a distributable income of £14.0 million for 9M 2024

### Asset Management

- ▶ Entered into contract of sale to divest Hilden House, Warrington, subject to conditions precedent, for a Sale Consideration of **£3.3 million**, a **6% premium above valuation** as at 30 June 2024

### Analyst Coverage

- ▶ Update report by UOB Kay Hian, with a **'BUY'** call and a **target price of £0.38**

### Investor Engagement

- ▶ Presentation to CGSI's trading representatives
- ▶ Non-deal roadshows to Hong Kong, organised by DBS Research and RHB Bank
- ▶ Participated in SGX European REITs Discovery Series



## DEC 2024

### Positive Social Impact

- ▶ **Volunteered with aidha Singapore's Business Plan Clinic**, empowering women through financial education

### Investor and Media Engagement

- ▶ Non-deal roadshow in Kuala Lumpur organised by Maybank

### Asset Management

- ▶ Entered into contract of sale to divest St Paul's House, Chippenham, subject to conditions precedent, for a Sale Consideration of **£1.6 million**, a **18.5% premium above valuation** as at 30 June 2024.



### Analyst Coverage

- ▶ Initiation report by KGI Securities, with a **'OUTPERFORM'** call and **target price of £0.37**

### Media Coverage

- ▶ Featured in The Business Times' final Topline column of 2024



## CHAIRMAN AND CEO'S LETTER TO UNITHOLDERS

**David Lim Teck Leong**

Chairman and Independent  
Non-Executive Director

**Joshua Liaw**

Chief Executive Officer





**We are pleased that the REIT has achieved a higher<sup>3</sup> portfolio valuation of £416.2 million as at 31 December 2024, including a 36% year-on-year increase in valuation for Peel Park, Blackpool to £32.8 million. Peel Park in Blackpool is a very good example of our commitment to find opportunities to unlock latent value within Elite REIT's portfolio of assets through proactive asset management.**

#### Dear Unitholders,

We are pleased to present Elite REIT's annual report for the financial year ended 31 December 2024 ("FY2024"). FY2024 has been a monumental year. Elite REIT's vision is to be Singapore's leading United Kingdom ("UK")-focused REIT, and its mission is to offer a differentiated investment gateway to income-producing UK real estate to provide attractive and stable returns to Unitholders. Although Elite REIT<sup>1</sup> expanded its investment strategy in April 2024 along with a change in name in May 2024, Elite REIT continues to provide Unitholders with a pure-play UK investment opportunity that is counter-cyclical and resilient.

The UK is reputed for its quality real estate backed by strong rule of law, property and tax regulations. However, the UK economy faced inflationary pressures and economic growth challenges. The Bank of England reduced interest rates in August and November 2024 by 25 basis points each time, and a further 25 basis points in February 2025. Yet, business confidence appeared dampened by concerns about higher taxes in the wake of the UK Autumn Budget, and unemployment levels have also crept up.

Despite an uncertain economic environment in the year under review, Elite REIT's distributable income stabilised at £18.5 million and the distribution per unit ("DPU") of 2.87 pence was 5.0% higher year-on-year<sup>2</sup>. Having mitigated multiple risk factors, the REIT increased its distribution payout ratio from 90% to 95%<sup>3</sup> for the second half of the year. In addition, Elite REIT's unit price performance in FY2024 outperformed its Singapore REIT peers, delivering a total return of 17%, as the Manager increased its efforts to increase media and analyst coverage. These achievements are the fruition of building resilience and transformation, brought about through proactive asset management and capital management initiatives.

#### PROACTIVE ASSET MANAGEMENT

We are pleased that the REIT has achieved a higher<sup>3</sup> portfolio valuation of £416.2 million as at 31 December 2024, including a 36% year-on-year increase in valuation for Peel Park, Blackpool to £32.8 million. Peel Park in Blackpool is a very good example of our commitment to find opportunities to unlock latent value within Elite REIT's portfolio of assets through proactive asset management.

We have identified Peel Park as a potential asset for strategic repositioning to a data centre use, given its strategic location and favourable policy developments. To that end, we have submitted a planning application for conversion of the land to data centre use and have secured a significant 120 MVA power supply for a potential hyperscale and artificial intelligence-enabled capacity data centre. We hope to maximise value for Unitholders by actively exploring the potential monetisation of the site after we receive planning approvals.

During the year, the REIT strengthened income certainty with rental reversion for two assets. For one of the properties, Dallas Court Salford, whose tenant is the Home Office, we achieved a 30% rental reversion starting in June 2024 and extended lease expiry by 10 years from June 2024 to June 2034. For the other property, Theatre Buildings Billingham, which has the Department for Work and Pensions ("DWP") as its tenant, we achieved a 5%<sup>4</sup> rental reversion. The DWP is our primary occupier, and the Manager is closely engaging with the DWP to extend and diversify leases ending in 2028.

In FY2024, out of a portfolio of 149 properties, six properties were vacant. Of the six, three properties have been contracted to divest at an average of 15.1% premium to valuation, the net proceeds of which will be utilised to reduce gearing. In the UK, dilapidation settlements are

<sup>1</sup> Formerly known as Elite Commercial REIT

<sup>2</sup> FY2023 DPU adjusted based on FY2024 weighted average Units in issue of 593.4 million.

<sup>3</sup> For the same 149 properties in the REIT's portfolio as at 31 December 2024, portfolio valuation is 0.5% higher compared to valuation as at 30 June 2024 and 1.2% higher compared to 31 December 2023.

<sup>4</sup> Backdated to the rent review date in April 2023.



# CHAIRMAN AND CEO'S LETTER TO UNITHOLDERS

provided for by the tenant should it decides to vacate a property. In aggregate since 2023, the Manager has generated £19 million gross receipts through capital recycling from dilapidation settlements and divestments, bringing savings in property holding costs and driving value creation for Unitholders.

Following the expansion of our investment strategy in April 2024, Elite REIT also has the flexibility and option to tap into a larger pool of investment targets that might bring attractive yields and/or increased capital appreciation potential, including assets from non-discretionary sectors in the UK, such as the Living Sector which includes purpose-built student accommodation ("**PBSA**") and Build-to-Rent residential assets.

One of the vacant assets, Lindsay House, Dundee is in the university town of Dundee in Scotland. It is within approximately 10 minutes' walk to the University of Dundee, Abertay University and the Dundee city centre. Given its location, Lindsay House, Dundee presents a potential opportunity for conversion into a PBSA.

## CAPITAL MANAGEMENT INITIATIVES

Early in FY2024, Elite REIT completed a successful preferential offering that raised gross proceeds of approximately £28 million with a subscription rate of more than 120%. This represented the first GBP-denominated equity fundraising on the Singapore Exchange. Following that, the REIT secured up to £215 million of debt for refinancing and diversified its sources of funding with a supportive core group of banking partners, which reinforced our capital structure to reset Elite REIT for future growth.

Through the refinancing, the REIT has no refinancing requirements until 2027 and has the flexibility to execute on a 2-year extension option till 2029 if conditions are supportive. The loans are also 100% sustainability-linked, allowing for interest-savings if the energy performance

of Elite REIT's assets improves. With the advanced rental received from tenants, the Manager also deploys funds to reduce negative carry with £50 million revolving loan tranches, thereby optimising cash management.

Envisaging a higher-for-longer interest rate environment, the REIT entered into interest rate swap arrangements to hedge its interest rate exposures, raising the proportion of debt on fixed rates to 86% as at 31 December 2024. Overall, over the last two years, the Trust reduced borrowings by £45 million through fundraising and capital recycling from dilapidation settlements and divestments.

With strategic capital management and interest rate optimisation, Elite REIT's net gearing ratio improved five percentage points from 47.5% as at 31 December 2023 to 42.5% as at 31 December 2024, while borrowing costs reduced 30 basis points from 5.2% to 4.9% over the same period.

## EXPANDING POSITIVE SPACES

Elite REIT's portfolio comprises social infrastructure predominantly leased to the UK Government. These properties are platforms that enable positive social impact. Our primary occupier, the DWP, utilises 88% of its properties in Elite REIT's portfolio as JobCentre Plus, which operates as front offices to serve the UK population, helping them to build financial resilience and a more secure and prosperous future.

In FY2024, DWP served approximately 20 million claimants and disbursed more than £265 billion<sup>5</sup>. In alignment with DWP's mission, the Manager also contributed to fundraising for homeless youth in the UK, and mentored migrant workers in Singapore to help them achieve economic independence.

The Manager is committed to supporting a sustainable environment with its UK portfolio. The UK Government has put in place a national climate goal of achieving net-

5 Source: Gov.UK. Department for Work & Pensions. DWP annual report and accounts 2023 to 2024.

zero carbon emissions by 2050. Cognisant of the national goal, the Manager works towards improving energy efficiency in its buildings, through a strategic partnership with government tenants to co-invest in energy-efficient and sustainable features in the portfolio. In FY2024, we are pleased to have made progress in improving energy efficiency, with 23.1% of the portfolio achieving an Energy Performance Certificate (“EPC”) rating of at least C and 3.5% of the portfolio having an EPC rating of at least B.

The Manager also continues to uphold high corporate governance standards and transparency. In the 2024 Singapore Governance and Transparency Index, Elite REIT is ranked 15th under the REIT and Business Trust Category, moving up 25 ranks from the previous place in 2023. In recognition of Elite REIT’s contributions in five impact areas of Society, People, Governance, Environment and Economy, the REIT was honoured to be conferred the distinguished Company of Good – 3 Hearts by the National Volunteer and Philanthropy Centre in 2024.

### A WORD OF APPRECIATION

2024 has been remarkable and we look forward to growth in the new year with excitement. We will continue to unlock the latent value of our portfolio by repositioning assets in sectors that have positive supply-demand dynamics and strong growth potential. In addition to our social infrastructure assets, we plan to diversify our portfolio to invest in the Living Sector, expanding positive spaces to enhance income resilience and future-proof our assets.

On behalf of the Board of Directors and Management team, we would like to thank our Unitholders, sponsors, financiers, trustee, and all who have been part of Elite REIT’s journey, for your continued support through challenging economic conditions so that we can seize real estate opportunities in the UK, on a stronger footing.

We also extend our heartfelt appreciation to our Board members for their vision, guidance, and invaluable commitment throughout the year. We extend our sincere gratitude to our former Board member and Chairman of the Audit and Risk Committee, Mr Tan Huay Lim for his contributions during his term of service since the initial public offering of Elite REIT. We would also like to thank Mr Yezdi Phiroze Chinoy, who has taken up the baton as Chairman of the Audit and Risk Committee, with effect from 7 August 2024.

We welcome Mr Tan Chin Hwee who joined us as an Independent Non-Executive Director on 7 August 2024, as part of Board renewal and succession planning. We are confident that Mr Tan Chin Hwee’s experience in finance and in leadership at global firms across the public and private sectors will augment the strength of the Board.

Finally, we extend our sincere gratitude to Management and our employees for their dedication, passion, and unwavering commitment. Their hard work have been instrumental in achieving these milestones. We appreciate your continued support as we strive to create lasting value for all our stakeholders.

#### David Lim

Chairman and Independent  
Non-Executive Director

#### Joshua Liaw

Chief Executive Officer

## BOARD OF DIRECTORS

“Elite REIT is anchored by strong corporate governance, led by a majority independent Board, with diverse expertise in areas like legal, audit and risk, real estate and compliance, to drive sustainable performance.”



### DAVID LIM TECK LEONG

#### Chairman and Independent Non-Executive Director

Sustainability Committee (Chairman)

Audit and Risk Committee (Member)

Nominating and Remuneration Committee (Member)

#### Date of first appointment as a Director:

8 January 2020

#### Length of service as a Director (as at 31 December 2024):

Four Years 11 Months

#### Academic and professional qualifications:

- Bachelor of Laws, King's College London
- Barrister-at-Law, Gray's Inn, London (1981)

#### Present other principal commitments:

- David Lim & Partners LLP (Founder and Managing Partner)
- Allium Healthcare (Singapore) Pte. Ltd., a subsidiary of G.K. Goh Holdings Pte. Ltd. (Non-Executive Chairman)
- PT Eastern Logistics (President Commissioner)

#### Past directorships in other listed companies held over the preceding three years:

- G.K. Goh Holdings Limited (now known as G.K. Goh Holdings Pte. Ltd.) (Independent and Non-Executive Director)

#### Background and working experience:

Mr Lim is the founder and Managing Partner of David Lim & Partners LLP and has been the Managing Partner since 1990. Mr Lim began his career at Rodyk & Davidson (now known as Dentons Rodyk & Davidson LLP) in 1982 with a focus in commercial litigation, corporate finance, restructuring, and mergers and acquisitions up till 1989. He has represented multiple multinational corporations and corporations from a myriad of sectors including finance and banking, fund management, private equity, oil and gas, logistics, healthcare, construction, information technology and telecommunications, property development, hospitality and shipping.

He also sits on the boards of private companies in Singapore, Indonesia and Thailand in non-executive and independent capacities. He was also the Chairman and Non-Executive Director of Croesus Retail Asset Management Pte. Ltd. from 2012 to 2017. Mr Lim is an honorary legal advisor (for David Lim & Partners LLP) of the Singapore Physiotherapy Association and a Fellow of the Singapore Institute of Directors. He was also appointed by the Monetary Authority of Singapore to be a Member of the Corporate Governance Council from 2017 to 2018.




**YEZDI PHIROZE CHINYO**
**Independent Non-Executive Director**

Audit and Risk Committee (Chairman)

Sustainability Committee (Member)

Strategic Planning Committee (Member)

**Date of first appointment as a Director:**

1 July 2021

**Length of service as a Director (as at 31 December 2024):**

Three Years Six Months

**Academic and professional qualifications:**

- Bachelor of Commerce and a Bachelor of Laws, University of Mumbai
- The Institute of Company Secretaries of India and The Chartered Governance Institute UK & Ireland
- International Compliance Association
- Certified Anti-Money Laundering Specialist
- Financial Industry Certified Professional
- Senior Accredited Director (Singapore Institute of Directors)

**Present other directorships (listed companies):**

- Nil

**Present other principal commitments:**

- Nil

**Past directorships in other listed companies over the preceding three years:**

- Nil

**Background and working experience:**

Mr Chinoy is a financial services professional with over three decades of experience in multiple roles and responsibilities spanning the banking and financial services industry across business lines and geographies.

Mr Chinoy was recently with Assicurazioni Generali S.p.A, one of the largest global insurance and asset management groups, as its Regional Chief Investment Officer for Asia from 2015 to 2022. In his role, Mr Chinoy oversaw investment strategies and was responsible for optimising investment performance of Generali's insurance operations in Asia. Mr Chinoy was also the Chief Executive Officer of Generali Investments Asia Ltd., a role he held concurrently between 2014 and 2018. Mr Chinoy also provided leadership as a director on the Board of Directors of several Generali Group Companies and Joint Ventures in China, Hong Kong and Singapore. Mr Chinoy has spent several years with other global financial institutions in Corporate Legal, Compliance and risk roles covering multiple businesses and jurisdictions.


**KOO TSAI KEE**
**Independent Non-Executive Director**

Nominating and Remuneration Committee (Chairman)

Audit and Risk Committee (Member)

**Date of first appointment as a Director:**

8 January 2020

**Length of service as a Director (as at 31 December 2024):**

Four Years 11 Months

**Academic and professional qualifications:**

- Bachelor of Surveying (Hons), University of New South Wales, Australia
- Master of Science (Dist), University College London, UK
- Master of Philosophy, University of London, UK

**Present other directorships (listed companies):**

- Nil

**Present other principal commitments:**

- Nil

**Past directorships in other listed companies held over the preceding three years:**

- Nil

**Background and working experience:**

Mr Koo is currently the Advisory Director of Temasek International Advisors Pte. Ltd. He joined Temasek International Pte. Ltd. in 2011 as a managing director, specialising in strategic relations, and subsequently moved to Temasek International Advisors Pte. Ltd. in 2016. He is also a Non-Executive Director of Temasek Foundation and Temasek Foundation IPC. He spends time in grassroots work serving as 2nd Advisor of Tanjong Pagar GRC and Chairman of Audit Committee for the Tanjong Pagar Town Council. He was past Chairman of the Tanjong Pagar Town Council from 2006 to 2011. In addition, he is a Patron at RHT G.R.A.C.E Institute.

Before joining Temasek, Mr Koo served in various ministries of the Singapore Government with his last appointment as the Minister of State for Defence.

# BOARD OF DIRECTORS



**NICHOLAS DAVID ASHMORE**  
Independent Non-Executive Director

**Date of first appointment as a Director:**  
8 January 2020

**Length of service as a Director (as at 31 December 2024):**  
Four Years 11 Months

**Academic and professional qualifications:**

- Bachelor of Arts (Hons), Degree in History and English, Northumbria University, UK

**Present other directorships (listed companies):**

- Nil

**Present other principal commitments:**

- Ratho Consulting Ltd. (Founder and Executive Director)
- Equilibrium Gulf Ltd. (Executive Director)

**Past directorships in other listed companies over the preceding three years:**

- Nil

**Background and working experience:**

Major General (Retired) Ashmore founded Ratho Consulting Ltd. in 2018, which specialises in providing management consultancy services in the business strategy, defence, and property and infrastructure sectors. From 2017 to 2018, he was an Operations Director with Carillion Plc, where he was responsible for facilities management contracts with the UK Government.

Major General (Retired) Ashmore served in the British Army for more than 30 years, joining in 1984 and leaving in 2017 with the rank of Major General. He served at Regimental Duty with the Royal Regiment of Artillery, including on operations around the world, and also served in the UK's Ministry of Defence, where he specialised in defence resources and plans, property and infrastructure, and human resources. He was also responsible for UK Defence Estate strategy when he served as the Director of Strategy and Plans in the Defence Infrastructure Organisation from 2011 to 2015. He was a member of the UK Defence Infrastructure Board and the UK Government Construction Board.



**TAN CHIN HWEЕ**  
Independent Non-Executive Director

**Date of first appointment as a Director:**  
7 August 2024

**Length of service as a Director (as at 31 December 2024):**  
Five months

**Academic and professional qualifications:**

- Postgraduate, Harvard Kennedy School, United States
- Master of Business Administration, Yale University, United States
- Bachelor of Accountancy, Nanyang Technological University, Singapore
- Certified Chartered Accountant (FCCA)
- Chartered Financial Analyst (CFA)

**Present other directorships (listed companies):**

- Nil

**Present other principal commitments:**

- Energy Market Authority
- SGTraDex Services

**Past directorship in other listed companies held over the preceding three years:**

- Nil

**Background and working experience:**

Mr Tan Chin Hwee has extensive experience in finance and in leadership at global firms. Mr Tan was the first Asian who held the position of Chief Executive Officer, Asia-Pacific of Trafigura Group Pte. Ltd ("Trafigura"), one of the world's largest commodity traders. Before joining Trafigura, he was a founding partner in Asia for Apollo Global Management ("Apollo"), a leading global alternative investment firm. Prior to Apollo, he was a Managing Director at Amaranth, where he pioneered a number of historic capital market "firsts" in public and private investment opportunities.

Mr Tan serves on the boards of organisations across the public and private sectors. Presently, Mr Tan is Chairman of SGTraDex Services, a public-private partnership to digitalise Singapore's supply chain, and Chairman of Energy Resilience Advisory Panel, Energy Market Authority. He is also active in charitable activities, particularly in the areas of education and youth development, and is a board member of the Nanyang Technological University, National Institute of Education and Hwa Chong Institution.


**TAN HAI PENG MICHEAL**
**Non-Independent Non-Executive Director**

Strategic Planning Committee (Chairman)

Nominating and Remuneration Committee (Member)

**Date of first appointment as a Director:**

8 January 2020

**Length of service as a Director (as at 31 December 2024):**

Four Years 11 Months

**Academic and professional qualifications:**

- Bachelor of Science in Computer Engineering (Highest Hon.), Florida Institute of Technology, United States
- Master of Business Administration (for Senior Executives), National University of Singapore

**Present other directorships (listed companies):**

- Marco Polo Marine Limited (Independent Non-Executive Chairman)

**Present other principal commitments:**

- Elite Partners Capital Pte. Ltd. (Executive Chairman)
- Elite Partners Holdings Pte. Ltd. (Non-Executive Director)
- Ho Lee Group Pte. Ltd. (Executive Director)
- Teck Lee Holdings Pte. Ltd. (Executive Director)
- TPSC Asia Pte. Ltd. (Managing Director)

**Past directorships in other listed companies held over the preceding three years:**

- Nil

**Background and working experience:**

Mr Tan has extensive experience in management and business development in the real estate sector. He is currently the Executive Chairman of Elite Partners Capital Pte. Ltd., where he provides leadership in forging strategic business relationships and broadening business outreach, as well as offering advice and guidance to the senior management. He is also an Executive Director of Ho Lee Group Pte. Ltd. and is responsible for the general and strategic management of the group. He previously served on the Board of two SGX-ST-listed companies.

**Awards:**

- The Public Administration Medal (Bronze) (Military) in 2020 and The Commendation Medal (Military) in 2013 for his contributions to the Singapore Armed Forces.
- The Public Service Star and The Public Service Medal in 2017 and 2011 respectively for his contributions to community service as the Chairman of Sembawang Community Club Management Committee.


**VICTOR SONG CHERN CHEAN**
**Non-Independent Non-Executive Director**

Strategic Planning Committee (Member)

**Date of first appointment as a Director:**

2 August 2019

**Length of service as a Director (as at 31 December 2024):**

Five Years Four Months

**Academic and professional qualifications:**

- Bachelor of Business (Business Administration), Royal Melbourne Institute of Technology
- Certificate of Real Estate Valuation, International Management Academy
- Certificate of Real Estate Investment Finance, Asia Pacific Real Estate Association

**Present other directorships (listed companies):**

- Nil

**Present other principal commitments:**

- Elite Partners Holdings Pte. Ltd. ("EPH") (Executive Director)
- Elite Partners Capital Pte. Ltd. (Managing Director)

**Past directorships in other listed companies held over the preceding three years:**

- Nil

**Background and working experience:**

Mr Song has wide-ranging experience across the entire real estate investment value chain in leasing, asset management and advisory, build-to-suit activities, acquisitions, investment and divestment. He is one of the founding shareholders of EPH and the Managing Director of Elite Partners Capital Pte. Ltd.. He is responsible for Elite Partners Capital Pte. Ltd. management and operations, investment strategies of the various funds under management, as well as investment activities, capital markets, asset management and build-to-suit project management. He is one of the founding members of two REITs – Viva Industrial Trust ("VIT") and Elite REIT. During his tenure at VIT's manager, Viva Industrial Trust Management Pte. Ltd. as Head of Asset Management and Investment Director, VIT's total assets under management grew steadily to over S\$1 billion. VIT has since merged with ESR-REIT. Mr Song also formulated investment strategies and executed investment transactions as part of the investment team at SGX-ST-listed Cambridge Industrial Trust (also now known as ESR-REIT and provided management and advisory services on real estate related contracts as a consultant, and was an Operation and Marketing Manager at Lyman Group.



## BOARD OF DIRECTORS



**TAN DAH CHING**  
Non-Independent Non-Executive Director

**Date of first appointment as a Director:**

2 August 2019

**Length of service as a Director (as at 31 December 2024):**

Five Years Four Months

**Academic and professional qualifications:**

- Bachelor of Engineering (Chemical Engineering), National University of Singapore

**Present other directorships (listed companies):**

- TSH Corporation Limited (listed on the SGX Catalyst Board) (Independent and Non-Executive Director)

**Present other principal commitments:**

- Jin Leng Investments Pte. Ltd. (Executive Director)

**Past directorships in other listed companies held over the preceding three years:**

- Nil

**Background and working experience:**

Mr Tan was Head of Capital Markets for Elite Partners Capital Pte. Ltd., where he managed the capital markets and fundraising functions. Mr Tan has about 20 years of experience in corporate finance. Prior to joining Elite Partners Capital Pte. Ltd., he was managing his own portfolio of investments. From 2008 to 2013, he was a Business Development Manager at Swissco Holdings Limited, where he oversaw the corporate finance activities. Prior to that, he was an Investment Manager at Kim Seng Holdings Pte. Ltd. from 2006 to 2008 and an Associate at Genesis Capital Pte. Ltd. from 2003 to 2006, where he was involved in initial public offerings and financial advisory.



**DATIN PADUKA SARENA CHEAH**  
Non-Independent Non-Executive Director  
Strategic Planning Committee (Member)  
Sustainability Committee (Member)

**Date of first appointment as a Director:**

1 January 2024

**Length of service as a Director (as at 31 December 2024):**

One Year

**Academic and professional qualifications:**

- Fellow of the Australian Society of Certified Practising Accountants
- Master's in Business Administration, Melbourne Business School
- Bachelor of Commerce (Accounting and Finance), University of Western Australia
- Capital Markets Services Representative's License holder

**Present other directorships (listed companies):**

- Sunway Berhad
- Sunway REIT Management Sdn. Bhd. (the Manager of Sunway REIT) (Non-Independent Non-Executive Director)

**Present other principal commitments:**

- Sunway Developments Pte. Ltd.

**Past directorships in other listed companies over the preceding three years:**

- Nil

**Background and working experience:**

Datin Paduka Sarena Cheah started her career with the Sunway Group since 1995 and served under various roles in the Corporate Finance, Internal Audit and Business Development departments. In 2006, she was made General Manager for Sales & Marketing of Sunway Group's Property Development Division before assuming the position of Director of Strategy & Corporate Development in 2009, during which she oversaw the successful merger and integration of Sunway Holdings Berhad and Sunway City Berhad. In 2010 and 2011, Datin Paduka Sarena Cheah was instrumental with the listing of Sunway Real Estate Investment Trust ("**Sunway REIT**") on Bursa Malaysia as well as the establishment and launch of Jeffrey Cheah Foundation, the nation's first and largest education-focused social enterprise. In May 2013, she was appointed as Joint Managing Director of Property Development Division, Malaysia/Singapore and thereafter, the position of Managing Director of Property Development Division of Sunway in May 2015. Datin Paduka Sarena Cheah was subsequently promoted to Executive Deputy Chairman with effect from 2 January 2025 to spearhead the Group's international expansion, as well as identify and pursue new market opportunities.



# MANAGEMENT



**JOSHUA LIAW**  
Chief Executive Officer

Mr Joshua Liaw was appointed the Chief Executive Officer of the Manager on 17 June 2023 and works with the Board to determine the strategy for Elite REIT and with the members of the management team to ensure that Elite REIT operates in accordance with the Manager's investment strategy.

Mr Liaw has two decades of experience in real estate finance and fund management across the banking and real estate investment trust management sectors.

Prior to his present appointment, Mr Liaw was Executive General Manager, Finance at the manager of Lendlease Global Commercial REIT (Lendlease REIT), where he led Lendlease REIT's investment and capital management strategy as the Chief Financial Officer. Mr Liaw was part of the team that oversaw the initial public offering of Lendlease REIT in 2019 and the transformational acquisition of Jem in 2022.

His other past roles with Lendlease include General Manager, Finance, Singapore, where he was responsible for the overall finance functions across Lendlease's operations in Singapore, as well as Head of Treasury, Asia, where he was responsible for all debt capital management and treasury activities for Lendlease across Asia.

Mr Liaw started his career in banking, where he held various roles in Standard Chartered Bank and Citi covering real estate funds, sovereign wealth funds, real estate investment trusts and corporate developer clients.

Mr Liaw holds a Bachelor of Science in Economics (Summa cum Laude) from the Singapore Management University and a Bachelor of Business (Transport & Logistics Management) with Distinction from the Royal Melbourne Institute of Technology.



**MICHAEL TONG**  
Chief Financial Officer

Mr Michael Tong was appointed the Chief Financial Officer of the Manager on 23 November 2023 and works with the Chief Executive Officer and the other members of the management team to formulate strategic plans for Elite REIT, in accordance with the Manager's stated investment strategy.

Mr Tong has more than 10 years of experience in financial reporting, financial planning and analysis, project finance, consolidation, taxation, and compliance.

Prior to joining Elite REIT, Mr Tong was employed with Lendlease and was the General Manager Finance, Asia, where his core responsibilities included regional reporting, financial accounting, compliance, annual budgeting, and quarterly forecasting. Prior to joining Lendlease in 2012, he was from PwC, where he was involved in the audit of Singapore-listed corporations and multinational companies across various industries including real estate and initial public offerings.

Mr Tong holds a Bachelor of Accountancy from Nanyang Technological University. He is a Chartered Accountant (Singapore) and a member of the Institute of Singapore Chartered Accountants.

## MANAGEMENT



**JONATHAN EDMUNDS**  
Chief Investment Officer

Mr Jonathan Edmunds is the Chief Investment Officer of the Manager.

Mr Edmunds has about 20 years of experience in the real estate industry, focusing on real estate investment and management across various sectors globally. Previously, he was the Investment and Asset Management Director of Elite UK Commercial Fund.

Preceding that, Mr Edmunds was the Director of the Real Estate department of AEP Investment Management Pte. Ltd., where he was responsible for the strategic investment and transaction management for their UK, Australia and Singapore mandates. He was also a lead manager of Basil Property Trust and was responsible for investments, fund acquisitions and structuring.

Mr Edmunds had previously worked in the UK and Switzerland. He was the Vice President of the Real Estate department in Beaumont Partners where he was responsible for fund raising, acquisitions, structuring, reporting, and managing the Global Student Housing and Multi-Family investment strategy. He also completed the analysis, structuring and closing of acquisitions for the company's European and North American credit income strategies.

Prior to that, Mr Edmunds served as the Director of the Real Estate department of WW Advisors Ltd, managing a US\$250 million equity mandate to acquire income-producing assets in the UK and Europe. He originated and managed the acquisition of a portfolio of assets as well as structured and arranged the debt capital, implemented interest rate hedges and managed asset performance for the portfolio.

Earlier in his career, Mr Edmunds was an associate at Lazard, a Corporate Finance Advisory firm in the UK. He started off as an Associate of Deutsche Bank AG's Real Estate Debt Markets department. Mr Edmunds graduated from University of the West of England with a BA (Hons) Business Studies.

He also holds a Master of Arts in Property Valuation and Law from City, University of London, UK.



**PEARL LAM**  
Assistant Vice President,  
Investor Relations

Ms Pearl Lam joined the Manager in August 2024. She stewards the investor relations programme at Elite REIT and works with the Chief Executive Officer and the other members of the management to drive engagement with the investment community.

Ms Lam has been providing strategic financial communications counsel to listed and non-listed corporates in Singapore since 2011. At public relations agencies, she assisted companies from the property, offshore and marine, and financials sectors. She supported her clients in capital market activities such as initial public offerings, rights issues, mergers & acquisitions, and in crisis communications. For over five years, Ms Lam was an in-house investor relations representative for large-cap financial institutions, and for Singapore's first healthcare real estate investment trust.

Ms Lam graduated from the Singapore Management University with a Master of Science in Wealth Management, the University of London with a Bachelor of Science in Banking and Finance, and Ngee Ann Polytechnic with a Diploma in Mass Communication.

## FINANCIAL REVIEW

Elite REIT's Revenue in FY2024 was £37.5 million<sup>1</sup>, 1.2% lower than the previous year, mainly due to non-income generating vacant assets and offset by rental reversions for Dallas Court, Salford and Theatre Buildings, Billingham. Other Property Income declined due to lower one-off dilapidations settlements concluded during FY2024, reflecting stability in occupancy levels. Hence, Net Property Income for FY2024 was £37.4 million<sup>1</sup>, a 10.3% decrease from FY2023.

Net finance costs was £11.8 million in FY2024, 1.1% lower compared with £11.9 million in FY2023. This was mainly driven by interest savings from strategic capital management and interest rate optimisation, including refinancing and hedging interest rate exposures offset against one-off fees paid to exit an outgoing lender amounting to £1.1m. Excluding the one-off fees, net financing costs reduced by 10.1% year-on-year. As a result, the proportion of fixed interest rate exposures increased to 86% from 63% a year ago, while the annualised all-in interest cost reduced 30bps to 4.9%.

In FY2024, Elite REIT's distributable income<sup>2</sup> stood at £18.5 million and DPU was 2.87<sup>3</sup> pence. Savings in property holding costs due to divestment of vacant assets, interest rate optimisation as well as tax savings from capital expenditure on sustainability enhancement works, together contributed to an increase in distributable income by 2.3% year-on-year.

The market values of the investment properties as at 31 December 2024 was £416.2 million, up from £411.1 million<sup>4</sup> a year ago. The 1.2% year-on-year growth in the market values were based on independent valuations undertaken by CBRE Limited. Despite heightened global geopolitical tensions, combined with energy security issues and climate change, property yields in the UK were also positively impacted by interest rate cuts in the second half of FY2024.

Tax expense for FY2024 was 13.5% lower than FY2023, excluding the effects of reversal of deferred tax liabilities. This can be attributed to withholding tax savings and higher capital allowance claims from sustainability enhancement works offset against higher distributable income.

	Year ended 31 Dec 2024 £'000	Year ended 31 Dec 2023 £'000	Variance Favourable/ (Unfavourable)
<b>Revenue</b>	<b>36,472</b>	<b>37,637</b>	<b>(3.1%)</b>
Other property income	2,604	7,569	(65.6%)
Property operating expenses	(2,734)	(3,842)	28.8%
<b>Net property income</b>	<b>36,342</b>	<b>41,364</b>	<b>(12.1%)</b>
Manager's management fee	(1,845)	(1,804)	(2.3%)
Trustee's fee	(106)	(109)	2.8%
Other trust expenses	(2,313)	(1,205)	(92.0%)
Finance income	1,338	431	N.M.
Finance costs	(13,127)	(12,356)	(6.2%)
<b>Net finance costs</b>	<b>(11,789)</b>	<b>(11,925)</b>	<b>1.1%</b>
Gain on divestment of investment properties	321	124	N.M.
Net change in fair value of investment properties	2,442	(47,827)	N.M.
<b>Profit/(Loss) before tax</b>	<b>23,052</b>	<b>(21,382)</b>	<b>N.M.</b>
Tax expense	(2,557)	(788)	N.M.
<b>Profit/(Loss) for the year</b>	<b>20,495</b>	<b>(22,170)</b>	<b>N.M.</b>
Income available for distribution to Unitholders	18,454	18,043	2.3%
<b>Distribution per Unit<sup>5</sup> (pence)</b>	<b>2.87</b>	<b>2.74</b>	<b>5.0%</b>
<b>Net asset value per Unit</b>	<b>£0.41</b>	<b>£0.43</b>	<b>(£0.02)</b>

1 Excludes effect of straight-line rent adjustments.

2 Non-cash items such as deferred tax credit, amortisation of loan transaction costs, net fair value changes on investment properties and financial derivatives, and net proceeds from dilapidation settlements and divestment of assets which were used to repay bank loans, have been adjusted in arriving at the distributable income for FY2024.

3 Based on 95% payout ratio for 2H 2024 and 90% payout ratio for 1H 2024

4 For the same 149 properties valued as at 31 December 2024 for a like-for-like comparison.

5 FY2024 comprise payout ratios of 95% for 2H 2024 and 90% for 1H 2024. FY2023 payout ratio was 90%, adjusted based on FY2024 weighted average Units in issue of 593.4 million. At 100% payout ratio, the DPU for FY2024 and FY2023 are 3.11 and 3.04 respectively.



## CAPITAL MANAGEMENT

**A strong financial position and optimised capital structure support Elite REIT's mission to provide attractive and stable returns for Unitholders by offering a differentiated investment gateway to income-producing UK real estate.**


**100%**

Naturally hedged against foreign exchange fluctuations


**86%**

Fixed interest rate exposures



Net gearing ratio of 42.5%

**5 percentage points improvement**

Target long-term gearing of <40%

Key Financial Indicators	As at 31 Dec 2024	As at 31 Dec 2023
Total Gross Borrowings (£ million)	190.5	221.3
Total Assets (£ million)	440.3	444.0
Aggregate Leverage <sup>1</sup> (%)	43.4	50.0
Net Gearing Ratio <sup>2</sup> (%)	42.5	47.5
Interest Coverage Ratio (times) <sup>3</sup>	2.5	3.1
Weighted Average Debt Maturity	2.8	1.0
Proportion of Interest Rate Fixed (%)	86	63
Borrowing Cost (%)	4.9	5.2

In 2024, the Bank of England announced a total of 50 basis point cuts, in addition to another quarter-point reduction to 4.5% on 6 February 2025. However, the central bank also articulates that it will be careful about future rate cuts to ensure inflation stays low. Against this backdrop, it was crucial for Elite REIT to reinforce its capital structure.

FY2023 ended with an aggregate leverage near the regulatory leverage limit for Singapore REITs. At the start of the year, Elite REIT raised approximately £28 million successfully through a preferential offering (the "Preferential Offering") of 103,354,690 new units in Elite REIT to improve its financial flexibility. The Preferential Offering saw strong support from Unitholders, reflected in the subscription rate of more than 120%, indicating confidence in the Manager and Elite REIT's portfolio of assets. In line with Management's strategic aim of optimising the capital structure of the REIT, the gross proceeds of the Preferential Offering were used for the repayment of Elite REIT's existing borrowings, in accordance with the stated use and percentage allocated in the launch of Preferential Offering announcement.

### Use of Proceeds

Preferential Offering	£' million
<b>Gross proceeds</b>	<b>27.9</b>
<b>Use of gross proceeds:</b>	
- Partial repayment of a bank loan	12.2
- Reimbursement of working capital which was used to make part repayment of a bank loan	14.7
- Related fees and expenses	0.4
<b>Balance of gross proceeds</b>	<b>0.6</b>

Additionally, Elite REIT entered into contracts in FY2024 to divest Sidlaw House, Dundee; Hilden House, Warrington; and St Paul's House, Chippenham. Proceeds from the REIT's strategic asset divestments together with dilapidation settlements collected throughout the year are being used to lower debt levels. With these efforts, total gross borrowings reduced from £221.3 million to £190.5 million.

<sup>1</sup> The Aggregate Leverage is computed by dividing Gross Borrowings by Total Assets net of carrying amount of lease liabilities of £1.2 million.

<sup>2</sup> Net gearing is calculated as aggregate debt less cash over total assets less cash.

<sup>3</sup> The decrease in interest coverage ratio is primarily due to a decrease in dilapidation receipts and an increase in finance costs as a result of one-off fees paid to exit from previous lenders.

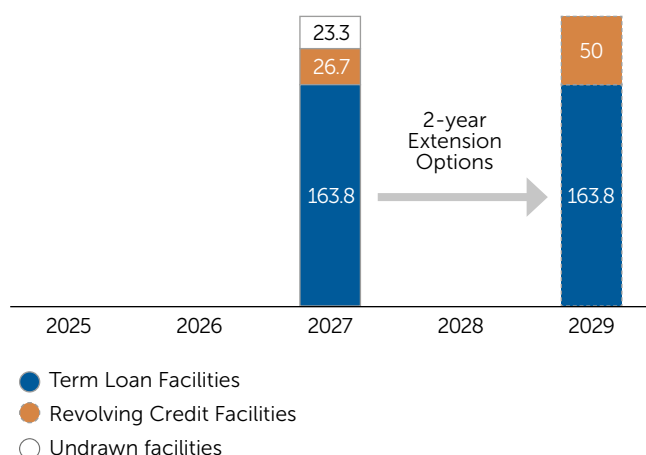
During the year, the Manager also entered into loan agreements with new relationship banks of up to £215 million. The Manager sourced the new lending relationships with support from Elite REIT's sponsors.

The loans incorporate 3.25-year revolving credit facilities and provide Elite REIT with the ability to efficiently manage its working capital. Post-refinancing, Elite REIT has no refinancing requirements until 2027 and the weighted average debt to maturity is extended by more than three years.

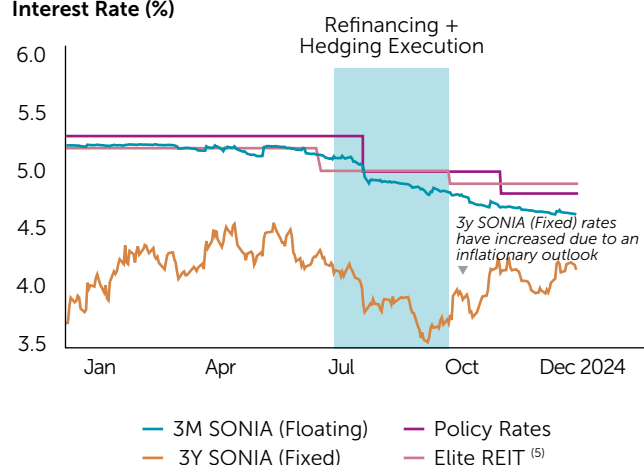
Securing the commitment for this refinancing demonstrates the strong fundamentals and resilience of Elite REIT's unique portfolio of properties in providing social infrastructure assets in the UK, as well as the strength of our banking relationships. The loans are also 100% sustainability-linked, providing room for further reduction in interest margins as the energy performance ratings of Elite REIT's portfolio improve.

In 2024, the Group entered into hedging arrangements with financial institutions to hedge 86% of its interest rate exposures. Borrowing costs also reduced to 4.9% as at 31 December 2024 from 5.2% a year ago.

### Debt maturity profile



### Interest Rate (%)



Interest Rate Sensitivity	+ 100 bps in Floating Rates Only	+ 100 bps in Floating Rates + Fixed Rates
Impact to DPU (£'m)	0.2	1.5
Impact to DPU (%)	1.3%	8.7%
Interest Coverage Ratio	2.4x	2.1x
EBITDA Sensitivity	5% decrease in EBITDA	10% decrease in EBITDA
Interest Coverage Ratio	2.3x	2.2x

With these capital management initiatives, Elite REIT has strengthened and optimised its capital structure, achieving a healthier financial position. Net gearing ratio improved to 42.5%. Furthermore, Elite REIT is unaffected by fluctuations in foreign currency as its assets, liabilities, and distributions

declared are denominated in pound sterling, providing a natural hedge. With the advanced rental that it receives from the UK Government, Elite REIT could also achieve further interest savings by paying down its short-term debt.

5 Including credit margin and base rates. Base rates is a combination of 3-month SONIA (Floating) and 3-year SONIA (Fixed) rates.

## PORTFOLIO OVERVIEW



**Number of  
Assets**

**149**

FY2023: 150



**Occupancy  
Rate**

**93.9%**

FY2023: 92.3%



**Portfolio  
Value<sup>1</sup>**

**£416.2m**

FY2023: £411.1m<sup>2</sup>



**Weighted Average  
Lease Expiry**

**3.3 years<sup>3</sup>**

FY2023: 4.2 years



**Net Internal  
Area**

**3.7m sq ft**

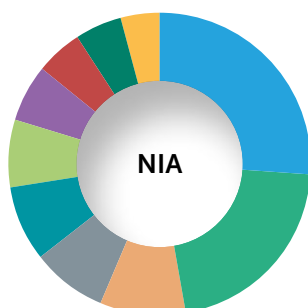
FY2023: 3.8m sq ft



**Gross Rental Income  
From UK Government**

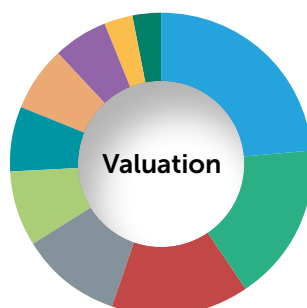
**99.1%**

FY2023: 99.1%



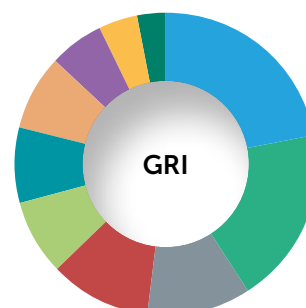
### By Net Internal ("NIA")

North West	26%
Scotland	21%
Wales	9%
South East	8%
Midlands	8%
South West	7%
East	6%
London	5%
North East	5%
Yorkshire & Humber	4%



### By Valuation

North West	24%
Scotland	17%
London	15%
South East	11%
South West	8%
Midlands	7%
Wales	7%
East	6%
Yorkshire & Humber	3%
North East	3%



### By Gross Rental ("GRI")

North West	22%
Scotland	19%
South East	11%
London	11%
South West	8%
Midlands	8%
Wales	8%
East	6%
Yorkshire & Humber	4%
North East	3%

<sup>1</sup> Comprising 149 Properties as at 31 December 2024.

<sup>2</sup> For the same 149 properties valued as at 31 December 2024 for a like-for-like comparison.

<sup>3</sup> Weighted by annualised gross rental income as at 31 December 2024, 1.1% of leases have an expiry in 2025; no leases have an expiry in 2026 and 2027; 96.9% of leases have an expiry in 2028; and 0.75% in 2029. The Manager has commenced engagement with tenants on the renewal of these leases.



# ASSET MANAGEMENT

**With a portfolio that is nearly 100% government-leased, the Manager takes a proactive approach to engaging tenants, ensuring income stability and driving value creation. This is achieved through strategic asset repositioning and making tactical divestments.**

In 2024, the gap between office investments and other asset classes in the UK narrowed, while office capital values declined. Despite these market challenges, Elite REIT achieved a valuation uplift and secured contracts to divest vacant properties at an average 15% premium. This success was underpinned by a portfolio of social infrastructure assets primarily leased to the UK Government, as well as the Manager's ongoing efforts to enhance income stability and asset value.

**15%**

Average premium to valuation achieved on contracted divestments

**£8.6m****▲ 36% yoy**

Value Creation for Peel Park, Blackpool

**£2.5m**

Dilapidation settlements all fully closed out and collected in FY2024

## Steady Gains for the REIT

### Valuation Uplift

In FY2024, Elite REIT maintained a well-diversified portfolio of 149 properties across key UK regions, with a total net internal area of 3.7 million sq ft. The portfolio remains largely freehold, with 97% of properties held under freehold tenures. More than 99% of rental income is derived from the AA credit-rated UK Government, with full repairing and insuring leases that place the responsibility for property maintenance on tenants. This structure minimises repair, operational, and insurance costs for Elite REIT.

As of 31 December 2024, the portfolio's valuation increased to £416.2 million, up 1.2% from £411.1 million in 2023<sup>1</sup>. This uplift was driven by positive leasing renewals, improved letting prospects, and a rise in land value at Peel Park, Blackpool.

1 Post divestment of Sidlaw House, Dundee

# ASSET MANAGEMENT

## Proactive Asset Management

### Lease Renewals in FY2024

No.	Property Name	Property address	Region	Tenant	Lease terms
1	Units 1-2 Dallas Court, Salford	Units 1-2, Dallas Court, Salford, M50 2GF	North West	Home Office	10-year renewal with a 30% rental reversion, extending lease expiry to June 2034 <sup>1</sup>
2	Theatre Buildings, Billingham	Theatre Buildings, Billingham, TS23 2NA	North East	DWP	5% rental reversion, with lease expiry in March 2028

As at 31 December 2024, the WALE for these two properties is 6.3 years and they comprise 1.3% of Elite REIT's gross rental income.

### Contracted Divestments in FY2024

No.	Property Name	Property address	Region	Purchaser	Divestment price	Valuation <sup>2</sup>	Completion Date
1	Sidlaw House, Dundee	Sidlaw House, Dundee, DD2 1DX	Scotland	The Speratus Group Limited	£1.3 million	£0.9 million	7 October 2024
2	Hilden House, Warrington	Winmarleigh Street, Warrington, WA1 1LA	North West	Caro Developments Ltd	£3.3 million	£3.1 million	Expected 1H 2025
3	St Paul's House, Chippenham	Marshfield Road, Chippenham, SN15 1LA	South West	Abode & Co Holdings Limited	£1.6 million	£1.4 million	Expected 1H 2025

<sup>1</sup> Lease renewal for 10 years commencing in June 2024 and maturing in June 2034.

<sup>2</sup> Valuation is based on income capitalisation method

Tenant Mix	% of Gross Rental Income <sup>3</sup>
<b>Commercial (7 Tenants)</b>	<b>99.5%</b>
DWP	93.4%
MOD	2.4%
HM Courts & Tribunals Service	1.4%
Natural Resources Wales	1.1%
Home Office	0.5%
Environment Agency	0.4%
Others	0.3%
<b>Retail (3 tenants)</b>	<b>0.3%</b>
<b>Healthcare (1 tenant)</b>	<b>0.2%</b>
<b>Total (11 tenants)</b>	<b>100.0%</b>

### Tenant Engagement

Improving portfolio income certainty entails developing good landlord-tenant relationships. We have regular engagements with our tenants to ensure our properties continue to meet their requirements.

The DWP contributed 93.4% of total portfolio GRI and this strong tenant base enables consistent rental collection of ~100% three months in advance, providing income stability amidst economic headwinds. This translates to stable income for Unitholders. DWP's social services are an essential service to UK citizens as the DWP continues to support more than 20 million claimants<sup>4</sup>. 88% of properties leased to DWP are utilised as Front of House, primarily JobCentre Plus; the remaining 12% is utilised as support functions and other essential workspaces.

As the UK Government's largest public service department responsible for crucial welfare, pensions and child maintenance services, the DWP dispensed a total of £276 billion in benefits and pensions in FY2023/24<sup>4</sup>.

### Sustainability Journey

The Manager has been working with its tenants to enhance energy efficiency as part of its Sustainability Collaboration Programme. The strategic partnership with our government tenants to co-invest in energy-efficient and sustainable features in our properties strengthens our relationship with our tenants. For examples of these co-investments, please refer to page 79 of this Annual Report.

Overall, 3.5% of portfolio achieved Energy Performance Certification ("EPC") of B and above, while 23.1% of portfolio achieved C and above. The EPC ratings also meet the sustainability performance targets that were set in accordance with the REIT's loan agreements.

### Expansion of investment strategy

Government-tenanted properties remain an attractive investment proposition, and the Manager is engaging with our tenants on early lease renewals ahead of the 2028 lease expiries. In addition to social infrastructure assets such as JobCentres and Government workspaces, the REIT has deepened its UK focus to Living Sector assets such as PBSA and built-to-rent ("BTR").

The Living Sector benefits from favourable supply-demand dynamics and potential for rent growth. Our geographically diversified assets in high-accessibility locations are suitable for conversion into PBSA or BTR assets, which will help with the national homebuilding agenda in the UK.

Overall in FY2024, asset management-led value creation gained positive momentum, enhancing the value and appeal of our properties. The REIT continues to strive to deliver sustainable value to Unitholders over the long term.

<sup>3</sup> Based on annualized gross rental income as at 31 December 2024.

<sup>4</sup> Source: Gov.UK. Department for Work & Pensions. DWP annual report and accounts 2023 to 2024.



# INVESTOR RELATIONS

## INVESTOR RELATIONS

### Unit Price Performance

In FY2024, Elite REIT achieved a double-digit total return of 17% and was one of the top performers amongst Singapore-listed REITs. Elite REIT's strong performance in FY2024 attests to its resilient financial performance and an investor relations programme which bolstered investor confidence amidst a challenging higher-for-longer interest rate environment.



Total Return  
**17.1%**

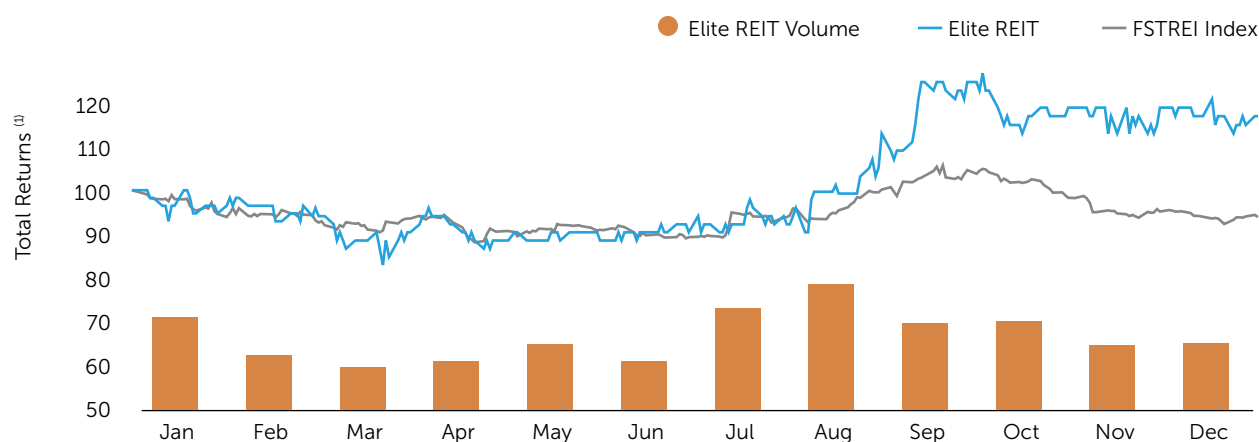


Yield Premium  
**5.0%**



Analyst Coverage  
**7 houses**

### Monthly Trading Performance in FY2024



<sup>(1)</sup> Indexed at 100 on 31 Dec 2023

Overview <sup>1</sup>	FY2024	FY2023
Opening Price	£0.280	£0.470
Closing Price	£0.295	£0.280
Highest Price	£0.320	£0.535
Lowest Price	£0.220	£0.215
Total Trading Volume (million Units)	41.3	45.6
Average Daily Trading Volume (thousand Units)	165.0	183.1
Market Capitalisation (million)	£173.2	£135.2
Total Return (assuming dividends are reinvested)	17%	-33%
Distribution yield for the period <sup>2</sup>	9.7%	11.0%
Discount to NAV	28.1%	34.9%

Note: Elite REIT's distribution policy is to distribute at least 90.0% of its Annual Distributable Income on a semi-annual basis. For more information, please refer to page 127 of this Annual Report.

### Timely and Transparent Disclosures

The Manager practises timely and transparent disclosures, in line with its commitment to keep Unitholders and the investment community well-informed of significant factors that affect Elite REIT's performance and the foreseeable risks and opportunities that may have a material impact on Elite REIT's prospects. Such information will provide Unitholders with a better understanding of Elite REIT's performance in the context of the current business environment. This includes key events, corporate developments and the performance of Elite REIT, as well as industry developments in the UK where its assets are located.

Material information is disseminated to the public in a timely and transparent manner via SGXNET in the form of SGX announcements such as press releases, presentation slides, circulars, annual reports and sustainability reports. In addition to SGXNET, Elite REIT's corporate website ([www.eliteukreit.com](http://www.eliteukreit.com)) is refreshed regularly, and viewers can subscribe to email alerts to promptly receive Elite REIT's latest developments.

Recognising the impact of climate change on the real estate sector, Unitholders can refer to Elite REIT's fourth Sustainability Report 2024, which has been published together with this Annual Report 2024 on pages 57 to 95 for an update on Elite REIT's sustainability performance.

1. Source: Bloomberg Finance L.P.

2. Distribution yield for FY2024 is based on the closing Unit price of £0.295 as at 31 December 2024 while distribution yield for FY2023 is based on the closing Unit price of £0.280 as at 29 December 2023.

## Communication with Unitholders

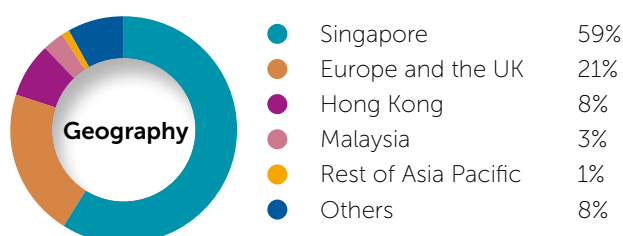
Throughout the year, the Manager actively engaged and promoted regular, effective and transparent communication with Unitholders, facilitating a continuous exchange of perspectives.

Close to half of Elite REIT's Unitholders are from family offices, corporations, or high net worth individuals, and about one-fifth are institutional investors. Most of our Unitholders are based in Singapore, and Unitholders outside of Singapore are largely from the UK and

Europe, Malaysia, and Hong Kong. The Manager treats all Unitholders fairly and equitably, giving Unitholders a balanced and comprehensive assessment of its performance, position and prospects.

In partnership with banks and SGX, the Manager organised investor roadshows in markets such as Singapore, Kuala Lumpur, Bangkok, and Hong Kong with existing institutional investors to build new connections and further raise visibility on Elite REIT's strategy and corporate developments. The Manager also hosted a group of South Korean investors at the Manager's Singapore office in a reverse non-deal roadshow.

## Unitholdings by Geography<sup>3</sup>



## Unitholdings by Investor Type<sup>3</sup>



<sup>3</sup> As at 31 December 2024

## Annual General Meeting / Extraordinary General Meeting

Elite REIT engages with Unitholders via yearly Annual General Meetings ("AGM") and ad-hoc Extraordinary General Meetings ("EGM") when required. In FY2024, the Manager held its AGM on 29 April 2024, which provided an effective platform for in-person interactions and engagements between Unitholders, the Board of Directors and the Management team.

Post AGM and EGM, minutes of the meetings were promptly posted on our corporate website. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, along with responses from the Board and Management.

As a member of REITAS and SGListCos, the Manager endeavours to foster stronger relations and greater

awareness amongst the investment community via thought leadership. The management regularly participated in investor engagement events, including those organised by REITAS and SG ListCos, which provided Unitholders various channels to communicate their views on various matters affecting Elite REIT.

## Analyst Engagement

Four brokerages and analysts initiated or re-initiated coverage on Elite REIT in FY2024: Beansprout, KGI Securities, RHB Research, and UOB Kay Hian. Together with three existing research coverage from CGS International, DBS Group Research, and Phillip Securities, a total of seven research houses publish regular analyses on Elite REIT. As at 31 December 2024, the covering analysts have a unanimous BUY call and a consensus target price of £0.35.

Research House	Analyst	Email
Beansprout	Gerald Wong	gerald@growbeansprout.com
CGS International	Lock Mun Yee	munyee.lock@cgsi.com
DBS Group Research	Derek Tan Tabitha Foo	derektan@db.com tabithafoo@db.com
KGI Securities	Alyssa Tee	alyssa.tee@kgi.com
Phillip Securities	Paul Chew Liu Miaomiao	paulchewkl@phillip.com.sg liumm@phillip.com.sg
RHB Research	Vijay Natarajan	vijay.natarajan@rhbggroup.com
UOB Kay Hian	Jonathan Koh	jonathankoh@uobkayhian.com

## INVESTOR RELATIONS

In aggregate, the Manager organised and participated in more than 60 engagement sessions in FY2024, ranging from post-results and business updates briefings, group virtual conferences, one-on-one meetings, non-deal roadshows, investor webinars, conferences and public outreach events, reaching out to existing and potential investors, research analysts, trading representatives, the media, financial bloggers and members of the public.

The Manager organises site visits for analysts and key opinion leaders to have a first-hand experience of how the buildings in the REIT's portfolio are being utilised by the occupiers to enable them to serve the local communities where they are located. During such site visits, participants have the opportunity to speak directly with centre managers and relevant experts such as economists and valuers to gain insights into Elite REIT's investment case.

Please see Annual Report pages 6 to 9 for a list of investor engagement events that the management participated in during the year. Unitholders, investors, analysts, fund managers, the media and members of the public

may reach out to our investor relations team for more information on Elite REIT.

Elite REIT has a dedicated investor relations team which is well-acquainted with issues concerning investors. The investor relations team provides the directors with regular updates on investor feedback.

### Investor Relations Contact

**Pearl Lam**

**E: [pearl.lam@eliteukreit.com](mailto:pearl.lam@eliteukreit.com)**

**T: (65) 6955 9999**

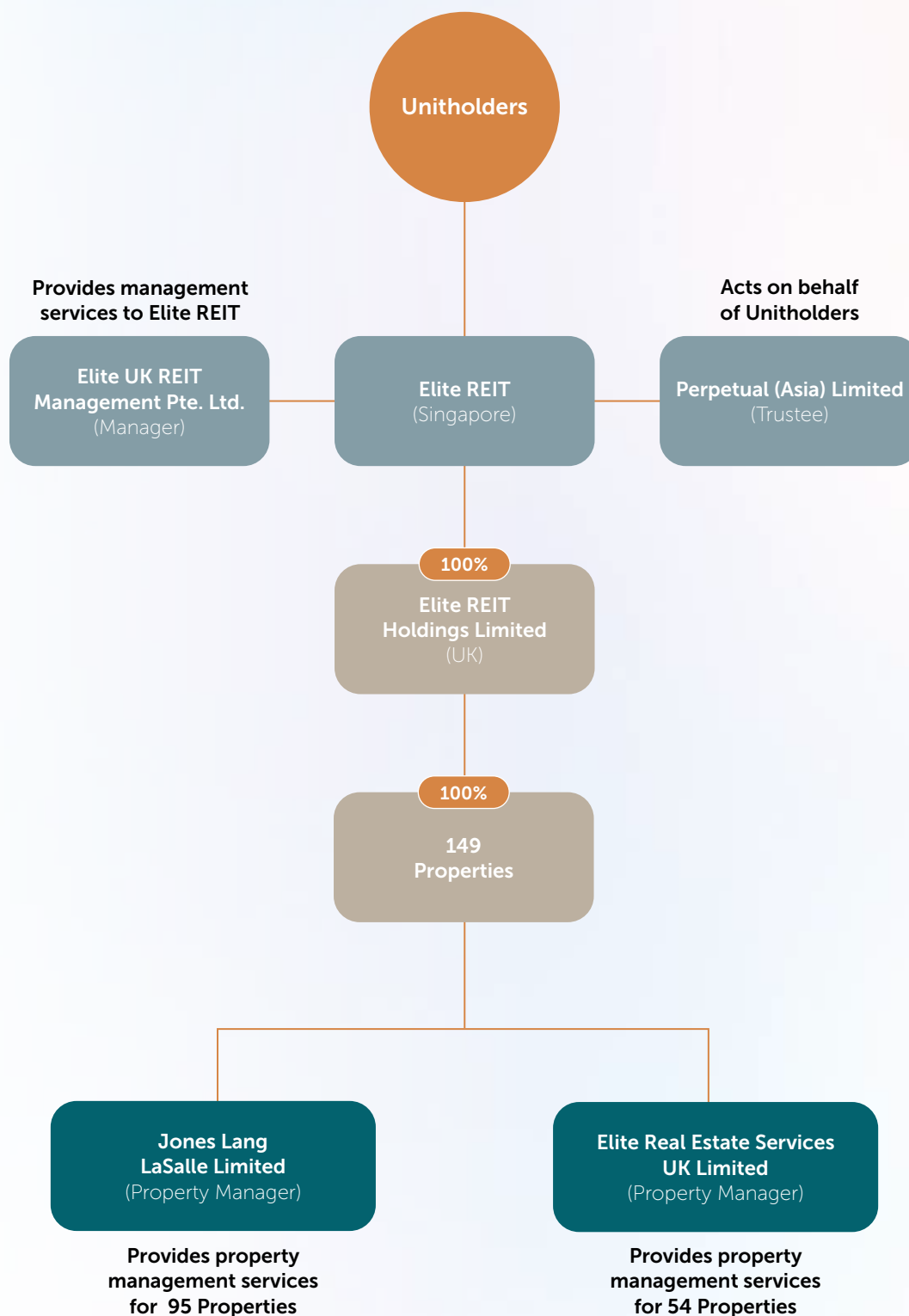
The Manager firmly believes that effective investor relations calls for a high level of transparency and good governance. The Manager continues to value investors as fundamental stakeholders and endeavours to continue improving its engagement with unitholders to strengthen their understanding of Elite REIT's performance and growth strategies in the year ahead. For more information about Elite REIT's Investor Relations Policy, please visit our corporate website ([www.eliteukreit.com](http://www.eliteukreit.com)).

### Financial and Distribution Calendar

Event	FY2024	FY2025 (Provisional)*
First Quarter Business Update Announcement	3 May 2024	April / May 2025
First Half Financial Results Announcement	7 August 2024	August 2025
Payment of Distribution to Unitholders	23 September 2024	September 2025
Nine-month Business Update Announcement	5 November 2024	November 2025
Full Year Financial Results Announcement	10 February 2025	February 2026
Payment of Distribution to Unitholders	28 March 2025	March 2026
Annual General Meeting	30 April 2025	April 2026



# REIT STRUCTURE



# TOP PROPERTIES BY VALUATION

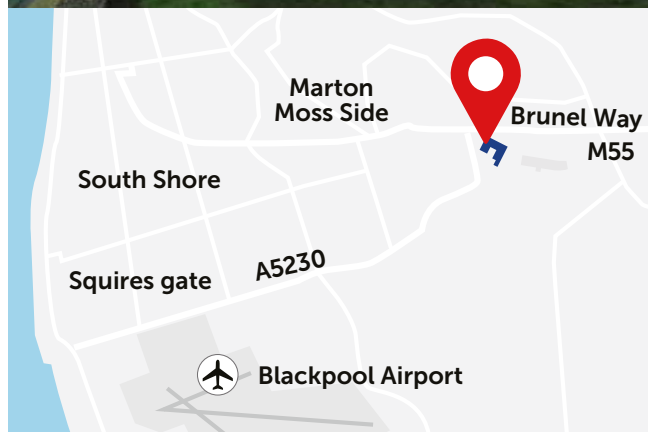
AS AT 31 DECEMBER 2024

## 01

### PEEL PARK, BLACKPOOL

#### NORTH WEST

Brunel Way, Blackpool, FY4 5ES



#### Net Internal Area

156,542 sq ft

#### Annualised Gross Rental Income

£2.0 million

#### Valuation

£32.8 million

#### Occupier

DWP

#### Land Tenure

Freehold

#### Highlights

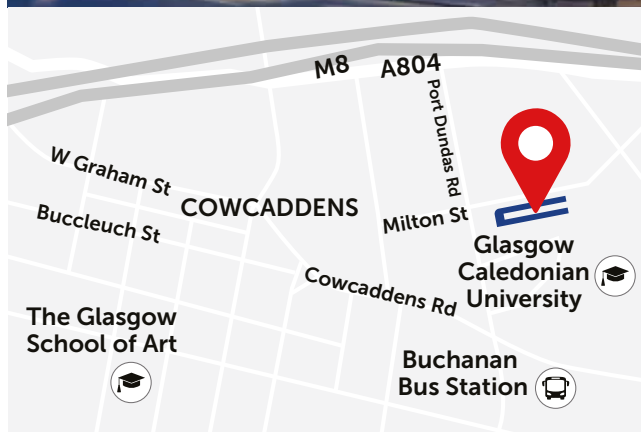
- Technology Hub for the DWP
- 5km to Blackpool town centre & 1 hour to Liverpool and Manchester via major motorways
- Benefits from subsea cables that connects Blackpool to Dublin and extending to Europe and the US

## 02

### GLASGOW BENEFITS CENTRE, GLASGOW

#### SCOTLAND

Northgate, 96 Milton Street, Glasgow, G4 0DX



#### Net Internal Area

137,287 sq ft

#### Annualised Gross Rental Income

£2.2 million

#### Valuation

£22.8 million

#### Occupier

DWP

#### Land Tenure

Freehold

#### Highlights

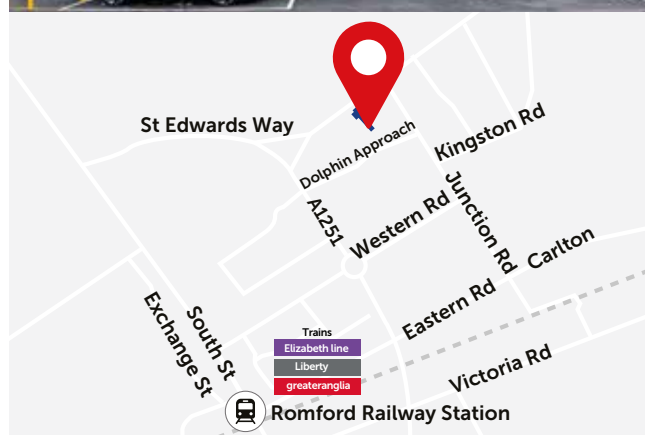
- The only Passport Office in Scotland
- Key administration centre for Universal Credit, DWP's benefits payment programme
- Well serviced by public transport links with bus, metro and railway stations all within a 15 minutes' walk
- In close proximity to Glasgow Caledonian University, as well as student and residential accommodation

## 03

## CROWN HOUSE, ROMFORD

## LONDON

Crown House, 30 Main Road, Romford, RM1 3HH



## Net Internal Area

35,119 sq ft

## Annualised Gross Rental Income

£0.6 million

## Valuation

£8.6 million

## Occupier

JobCentre Plus

## Land Tenure

Freehold

## Highlights

- 3-storey building
- 15 minutes' walk from Romford station, serviced by the Elizabeth Line

## 04

## SPRING GARDENS HOUSE, SWINDON

## SOUTH WEST

Princes Street, Swindon, SN1 2HY



## Net Internal Area

47,918 sq ft

## Annualised Gross Rental Income

£0.7 million

## Valuation

£7.8 million

## Occupier

JobCentre Plus

## Land Tenure

Freehold

## Highlights

- 9-storey building
- Surrounded by leisure and retail areas
- Less than 10 minutes' walk from Swindon railway station and well serviced by local bus routes



# TOP PROPERTIES BY VALUATION

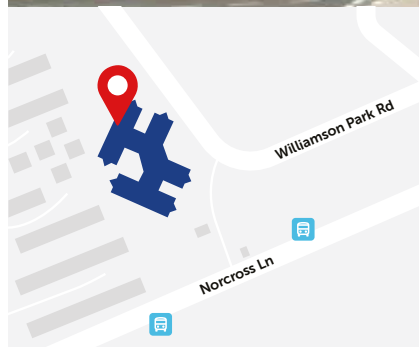
AS AT 31 DECEMBER 2024

## 05

### TOMLINSON HOUSE, BLACKPOOL NORCROSS LANE

#### NORTH WEST

Tomlinson House, Norcross,  
Thornton Cleveleys, Blackpool, FY5 3WP



#### Net Internal Area

93,502 sq ft

#### Annualised Gross Rental Income

£0.9 million

#### Valuation

£7.5 million

#### Occupier

Ministry of Defence

#### Land Tenure

Freehold

#### Highlights

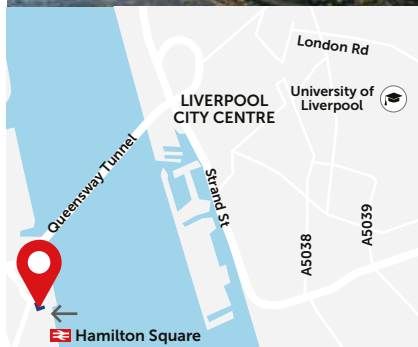
- 4-storey building
- Approximately 256 surface carpark spaces around the property
- Less than 10 minutes' drive from Poulton-le-Fylde train station

## 06

### GREAT WESTERN HOUSE, BIRKENHEAD

#### NORTH WEST

Great Western House,  
Woodside, Birkenhead, CH41 6DA



#### Net Internal Area

80,141 sq ft

#### Annualised Gross Rental Income

£0.8 million

#### Valuation

£7.5 million

#### Occupier

DWP

#### Land Tenure

Freehold

#### Highlights

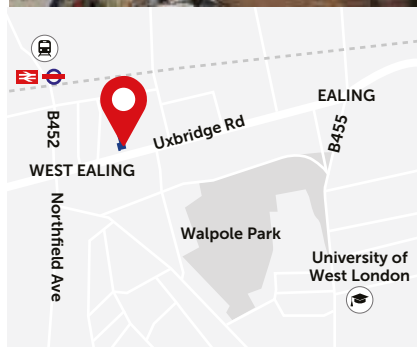
- 5-storey building
- Approximately 194 surface carpark spaces around the property
- 5 minutes' drive from Hamilton Square railway station
- Located next to the Woodside Ferry Terminal which is expected to open in 2025 after a major modernisation programme

## 07

### BROADWAY HOUSE, EALING

#### LONDON

Broadway House, 86-92 Uxbridge Road,  
Ealing, London, W13 8RA



#### Net Internal Area

17,303 sq ft

#### Annualised Gross Rental Income

£0.5 million

#### Valuation

£7.3 million

#### Occupier

JobCentre Plus

#### Land Tenure

Freehold

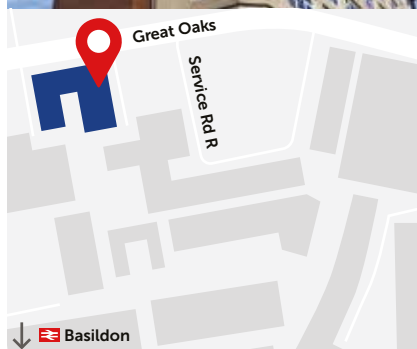
#### Highlights

- Located in the central area of Ealing
- 15 minutes' walk from Ealing Broadway Station and serviced by bus routes
- Also houses the Ealing Assessment Centre, which conducts Work Capability Assessments for individuals claiming University Credit and Employment and Support Allowance

08

**GREAT OAK HOUSE,  
BASILDON****EAST**

Great Oaks House, Great Oaks,  
Basildon, SS14 1JE

**Net Internal Area**

54,432 sq ft

**Annualised Gross Rental Income**

£0.7 million

**Valuation**

£7.1 million

**Occupier**

DWP

**Land Tenure**

999-year lease term from 17 June 2004

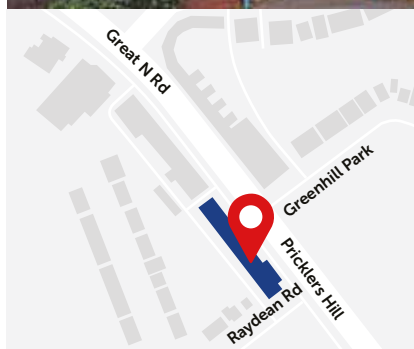
**Highlights**

- 11-storey building
- 5 minutes' walk from Basildon train station and nearby public bus stations

09

**RAYDEAN HOUSE,  
BARNET****LONDON**

Raydean House, 15 Western Parade,  
Barnet, EN5 1AH

**Net Internal Area**

28,716 sq ft

**Annualised Gross Rental Income**

£0.4 million

**Valuation**

£7.0 million

**Occupier**

JobCentre Plus

**Land Tenure**

Freehold

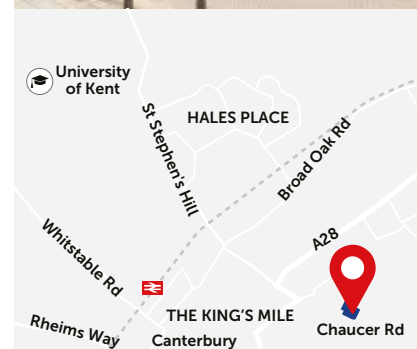
**Highlights**

- Located close to the High Street area
- 10 minutes' walk from New Barnet Station, or 15 minutes' walk from Barnet Station

10

**NUTWOOD HOUSE,  
CANTERBURY****SOUTH EAST**

Chaucer Road,  
Canterbury, CT1 1ZZ

**Net Internal Area**

27,172 sq ft

**Annualised Gross Rental Income**

£0.6 million

**Valuation**

£6.8 million

**Occupier**

JobCentre Plus

**Land Tenure**

Freehold

**Highlights**

- 2-storey building
- 5 minutes' drive from Canterbury West train station and well serviced by local bus routes from Law Courts bus station

# PORTFOLIO PROFILES

## NORTH WEST





## NORTH WEST



No.	Name of Property	Location	Valuation (£'million) <sup>(2)</sup>	Annualised Gross Rental Income (£' million) <sup>(3)</sup>	Actual Rental Received (£'million) <sup>(3)</sup>	Purchase Price (£' million)	Net Internal Area (sq ft)
1	Peel Park, Blackpool	Brunel Way, Blackpool, FY4 5ES	32.77	1.95	1.95	28.2	156,542
2	Tomlinson House, Blackpool	Tomlinson House, Norcross, Thornton Cleveleys, Blackpool, FY5 3WP	7.48	0.91	0.91	10.5	93,502
3	Great Western House, Birkenhead	Great Western House, Woodside, Birkenhead, CH41 6DA	7.45	0.79	0.79	9.1	80,141
4	Blackburn Road, Burnley	Blackburn Road, Burnley, BB12 7NQ	5.21	0.54	0.54	6.0	47,591
5	Mitre House, Lancaster	Church Street, Lancaster, LA1 1EQ	4.75	0.47	0.47	4.7	64,597
6	Chantry House, Chester	Chantry House, 55-59 City Road and Crew Street, Chester, CH1 3AQ	4.79	0.48	0.48	5.3	34,561
7	St Martin's House, Bootle	Stanley Road, Bootle, L69 9BN	4.24	0.44	0.44	4.0	86,418
8	Heron House, Stockport	Wellington Street, Stockport, SK1 3BE	3.68	0.37	0.37	4.0	43,271
9	Wilmslow Road, Manchester	96 Wilmslow Road, Manchester, M14 5BJ	3.27	0.23	0.23	2.5	22,553
10	Hilden House, Warrington	Winmarleigh Street, Warrington, WA1 1LA	3.30	–	–	7.1	50,841
11	Duchy House, Preston	96 Lancaster Road, Preston, PR1 1NS	3.11	0.28	0.28	4.2	43,217
12	Beech House, Hyde	Clarendon Street, Hyde, SK14 2LP	2.67	0.26	0.26	2.5	39,550
13	Palatine House, Preston	Lancaster Road, Preston, PR1 1NS	2.63	0.24	0.24	3.5	36,522
14	Lee-Moran House (Hammerton Buildings), Burnley	Victoria Street, Burnley, BB11 1DD	1.95	0.20	0.20	2.2	17,886
15	Brunswick House, Birkenhead	Brunswick House, 17-21 Price Street, Birkenhead, CH41 6JN	1.69	0.18	0.18	2.1	27,956
16	Units 1-2 Dallas Court, Salford <sup>(4)</sup>	Units 1-2, Dallas Court, Salford, M50 2GF	1.86	0.22	0.09	1.5	16,044
17	Roydale House, Leigh	2-10 Windermere Road, Leigh, WN7 1UT	1.56	0.14	0.14	1.3	21,022
18	Hougoumont House, Liverpool	29 Hougoumont Avenue, Waterloo, Liverpool, L22 0PB	1.26	0.12	0.12	1.3	17,082
19	Great Moor Street, Bolton	JobCentre Plus, Great Moor Street, Bolton, BL3 6DT	1.19	0.12	0.12	1.3	13,842
20	Springfield House, Liverpool	416 Eaton Road, Liverpool, L12 3HT	1.12	0.12	0.12	1.1	10,534
21	Silver Street, Bury	Silver Street, Bury, BL9 0DP	1.00	0.09	0.09	1.0	9,352
22	Premier House, Liverpool	Premier House, 95 Breckfield Road North, Liverpool, L5 4QY	0.67	0.07	0.07	0.8	9,475
23	Speke Road, Liverpool	JobCentre Plus, Speke Road, Garston, Liverpool, L19 2JZ	0.61	0.06	0.06	0.7	8,317
24	Roskell House, Fleetwood	11-27 Kemp Street, Fleetwood, FY7 6JX	0.47	0.05	0.05	0.5	5,863
<b>Total</b>			<b>98.73</b>	<b>8.33</b>	<b>8.20</b>	<b>105.4</b>	<b>956,679</b>

<sup>(1)</sup> Excluding Hilden House, Warrington which is vacant, the occupancy rate for all properties in the North West is 100%.

<sup>(2)</sup> As at 31 December 2024

<sup>(3)</sup> In FY2024

<sup>(4)</sup> Units 1-2 Dallas Court, Salford has a 99-year lease term from 24 June 1987; as at 31 December 2024, the remaining lease is 61.5 years. The other properties in this table are freehold properties.



# PORTFOLIO PROFILES

## SCOTLAND



## SCOTLAND



# PORTFOLIO PROFILES

## SCOTLAND

No.	Name of Property	Location	Valuation (£'million) <sup>(2)</sup>	Annualised Gross Rental Income (£'million) <sup>(3)</sup>	Actual Rental Received (£'million) <sup>(3)</sup>	Purchase Price (£'million)	Net Internal Area (sq ft)
1	Glasgow Benefits Centre, Glasgow	Northgate, 96 Milton Street, Glasgow, G4 ODX	22.82	2.24	2.24	31.8	137,287
2	Parklands, Falkirk	Callendar Boulevard, Falkirk, FK1 1XT	6.19	0.79	0.79	7.4	81,350
3	Ladywell House, Edinburgh	Ladywell House, Edinburgh EH12 7TF	4.30	0.09	0.09	7.4	54,622
4	Coustonholm Road, Glasgow	8 Coustonholm Road, Glasgow, G43 1SS	3.66	0.35	0.35	3.6	36,124
5	Crown Building, Kilmarnock	12 and 14 Woodstock Street, Kilmarnock, KA1 2BN	3.08	0.35	0.35	3.4	39,181
6	Wallacetoun House, Ayr	John Street, Ayr, KA8 0BX	2.77	0.33	0.33	3.0	29,207
7	Claverhouse Industrial Park, Dundee	6 Jack Martin Way, Dundee, DD4 9FF	2.76	0.32	0.32	3.4	45,740
8	Flemington House, Motherwell	600 Windmillhill Street, Motherwell, ML1 2HN	2.62	0.30	0.30	2.8	29,268
9	Bowling Green Street, Bellshill	417 Main Street, Bellshill, ML4 1HT	2.57	0.32	0.32	2.8	21,679
10	Heron House, Falkirk	Wellside Place, Falkirk, FK1 5SE	2.40	0.30	0.30	2.6	25,454
11	New Reiver House, Galashiels	New Reiver House, Roxburgh Street, Galashiels, TD1 1PD	2.24	0.27	0.27	2.8	21,216
12	Atlas Road, Glasgow	200 Atlas Road, Glasgow, G21 4DL	2.26	0.23	0.23	4.5	49,788
13	Whitburn Road, Bathgate	31-33 Whitburn Road, Bathgate, EH48 1HG	1.62	0.15	0.15	2.8	31,484
14	Pollokshaws Road, Glasgow	159-181 Pollokshaws Road, Glasgow, G41 1PU	1.56	0.18	0.18	2.0	15,812
15	Trinity Road, Elgin	13-21 Trinity Road, Elgin, IV30 1RJ	1.47	0.16	0.16	1.5	17,427
16	Irish Street, Dumfries	67-75 Irish Street, Dumfries, DG1 2NU	1.08	0.14	0.14	1.4	12,303
17	Lindsay House, Dundee	Lindsay House, 18-30 Ward Road, Dundee, DD1 1NE	1.49	–	–	4.7	39,264
18	Discovery House, Stornoway	2 Castle Street, Stornoway, HS1 2BA	0.89	0.11	0.11	1.1	7,276
19	South Muirhead Road, Glasgow	3 South Muirhead Road, Cumbernauld, Glasgow, G67 1AX	0.82	0.08	0.08	0.9	9,097
20	Hall Street, Campbeltown	40 Hall Street, Campbeltown, PA28 6BZ	0.66	0.07	0.07	0.6	8,288
21	St John Street, Stranraer	12 St John Street, Stranraer, DG9 7EL	0.61	0.08	0.08	0.7	6,402
22	Victoria Road, Kirkcaldy	26 Victoria Road, Kirkcaldy, Fife, KY1 1EA	0.50	–	–	4.5	49,379
23	Castlestead House, Montrose	4 Castle Place, Montrose, DD10 8AL	0.38	0.05	0.05	0.4	4,246
24	High Street, Dingwall	3 High Street, Dingwall, IV15 9HL	0.35	0.04	0.04	0.3	3,438
25	Waggon Road, Leven	9 Waggon Road, Leven, KY8 4PT	0.28	0.03	0.03	0.3	4,901
26	Bayfield Road, Portree	Bayfield Road, Portree, Isle of Skye, IV51 9EN	0.25	0.03	0.03	0.3	1,943
<b>Total</b>			<b>69.63</b>	<b>7.01</b>	<b>7.01</b>	<b>97.0</b>	<b>782,176</b>

<sup>(1)</sup> Excluding Lindsay House, Dundee and Victoria Road, Kirkcaldy which are vacant as well as Ladywell House which is 88% vacant, the occupancy rate for all properties in Scotland is 100%

<sup>(2)</sup> As at 31 December 2024

<sup>(3)</sup> In FY2024



# PORTFOLIO PROFILES

## SOUTH EAST





# PORTFOLIO PROFILES

## SOUTH EAST

No.	Name of Property	Location	Valuation (£'million) <sup>(2)</sup>	Annualised Gross Rental Income (£' million) <sup>(3)</sup>	Actual Rental Received (£'million) <sup>(3)</sup>	Purchase Price (£' million)	Net Internal Area (sq ft)
1	Nutwood House, Canterbury	Chaucer Road, Canterbury, CT1 1ZZ	6.82	0.59	0.59	9.6	27,172
2	St Cross House, Southampton	St Cross House, 18 Bernard Street, Southampton, SO14 3PJ	5.44	0.55	0.55	5.5	42,700
3	Crown House, Chatham	The Brook, Chatham, ME4 4LQ	5.25	0.50	0.50	6.7	30,088
4	Broadlands House, Newport	Staplers Road, Newport, Isle of Wight, PO30 2HX	4.56	0.54	0.54	8.4	31,930
5	Medwyn House, Lewes	Medwyn House, Mountfield Road, Lewes, BN7 2XR	4.30	0.35	0.35	6.0	24,440
6	Palting House, Folkestone	Trinity Road, Folkestone, CT20 2RH	3.47	0.31	0.31	4.8	35,968
7	Crown House, Worthing	High Street, Worthing, BN11 1NG	3.54	0.38	0.38	6.1	31,503
8	Crown Building, Banbury	Southam Road, Banbury, OX16 2EX	3.22	0.29	0.29	4.1	25,051
9	Gloucester House, Bognor Regis	High Street, Bognor Regis, PO21 1HH	2.45	0.25	0.25	3.0	21,318
10	South Western House, Aldershot	Station Road, Aldershot, GU11 1HP	2.45	0.19	0.19	2.2	19,924
11	East Street, Epsom	50 East Street, Epsom, KT17 1HQ	2.30	0.16	0.16	2.6	8,687
12	Crown Buildings, Tonbridge	Crown Buildings, Bradford Street, Tonbridge, TN9 1DU	2.22	0.17	0.17	3.0	11,480
<b>Total</b>			<b>46.02</b>	<b>4.28</b>	<b>4.28</b>	<b>62.0</b>	<b>310,261</b>

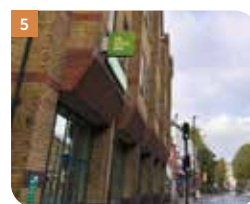
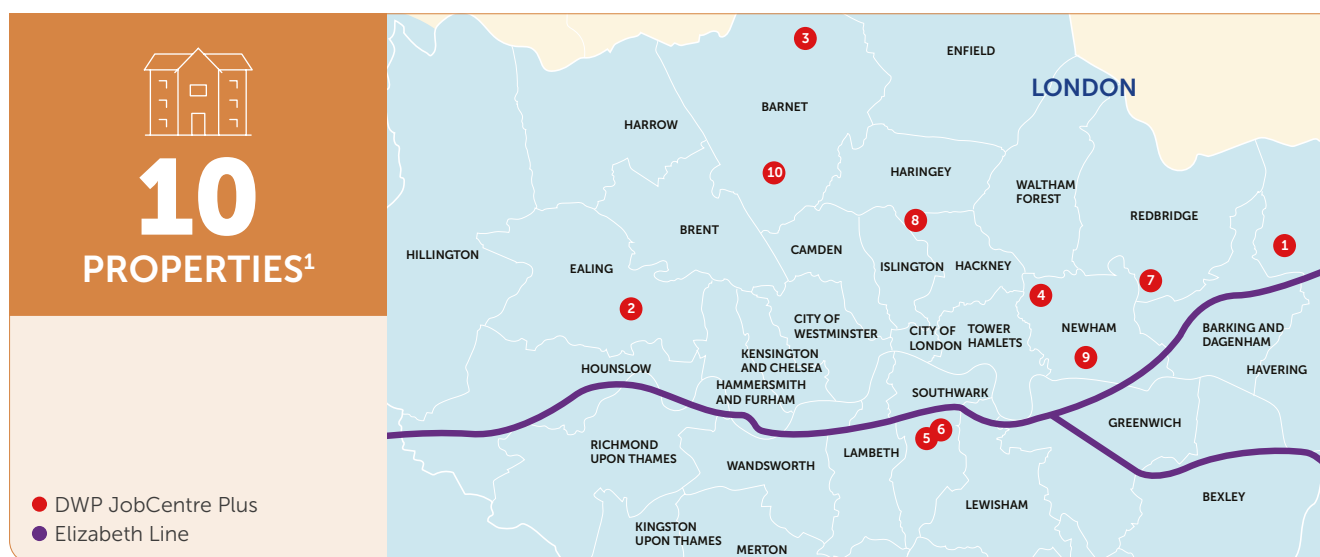
<sup>(1)</sup> The occupancy rate for all properties in the South East is 100%.

<sup>(2)</sup> As at 31 December 2024

<sup>(3)</sup> In FY2024

# PORTFOLIO PROFILES

## LONDON



No.	Name of Property	Location	Valuation (£'million) <sup>(2)</sup>	Annualised Gross Rental Income (£'million) <sup>(3)</sup>	Actual Rental Received (£'million) <sup>(3)</sup>	Purchase Price (£'million)	Net Internal Area (sq ft)
1	Crown House, Romford	Crown House, 30 Main Road, Romford, RM1 3HH	8.64	0.61	0.61	12.2	35,119
2	Broadway House, Ealing	Broadway House, 86-92 Uxbridge Road, Ealing, London, W13 8RA	7.27	0.51	0.51	10.9	17,303
3	Raydean House, Barnet	Raydean House, 15 Western Parade, Barnet, EN5 1AH	7.04	0.39	0.39	8.3	28,716
4	Oates House, Stratford	Oates House, 1 Tramway Avenue, London, E15 4PN	6.57	0.41	0.41	8.6	14,424
5	Peckham High Street	24-26 Peckham High Street, SE15 5DS	6.41	0.48	0.48	9.6	17,470
6	Collyer Court, Peckham	Collyer Court, Collyer Place, Peckham, SE15 5DL	5.98	0.42	0.42	8.4	16,786
7	High Road, Ilford	564-570 High Road, Ilford, IG3 8EJ	5.73	0.41	0.41	5.8	18,741
8	Medina Road, Finsbury Park	52-53 Medina Road, Finsbury Park, London, N7 7JX	5.14	0.32	0.32	6.4	15,710
9	Kilner House, Canning Town	Kilner House, 197 Freemasons Road, London, E16 3PD	4.87	0.31	0.31	6.3	13,276
10	Finchley Lane, Hendon	Crown Building, 10 Finchley Lane, Hendon, London, NW4 1DP	4.43	0.29	0.29	5.6	15,987
<b>Total</b>			<b>62.08</b>	<b>4.15</b>	<b>4.15</b>	<b>82.1</b>	<b>193,532</b>

<sup>(1)</sup> The occupancy rate for all properties in London is 100%.

<sup>(2)</sup> As at 31 December 2024

<sup>(3)</sup> In FY2024

# PORTFOLIO PROFILES

## SOUTH WEST



## SOUTH WEST

No.	Name of Property	Location	Valuation (£'million) <sup>(2)</sup>	Annualised Gross Rental Income (£' million) <sup>(3)</sup>	Actual Rental Received (£'million) <sup>(3)</sup>	Purchase Price (£' million)	Net Internal Area (sq ft)
1	Spring Gardens House, Swindon	Princes Street, Swindon, SN1 2HY	7.80	0.71	0.71	7.8	47,918
2	Brendon House, Taunton	Upper High Street, Taunton, TA1 3RL	4.76	0.44	0.44	5.6	41,750
3	Lodge House, Bristol	Fishponds Road, Bristol, BS16 3HZ	4.60	0.42	0.42	4.0	25,979
4	Regent House, Weston Super Mare	High Street, Weston Super Mare, BS23 1JH	2.61	0.25	0.25	2.7	21,704
5	Cotswold House, Torquay	Warren Road, Torquay, TQ2 5UX	2.44	0.24	0.24	3.3	22,260
6	Hanover House, Bridgwater	Hanover House, Northgate, Bridgwater, TA6 3HG	2.25	0.22	0.22	2.1	21,598
7	Cyppa Court, Chippenham	Cyppa Court, Chippenham, SN15 3LH	2.06	0.19	0.19	2.1	12,299
8	Summerlock House, Salisbury	Summerlock Approach, Salisbury, SP2 7RW	2.04	0.21	0.21	2.7	17,136
9	Monks Park Avenue, Bristol	1 Monks Park Avenue, Horfield, Bristol, BS7 0UD	1.45	0.13	0.13	2.2	10,183
10	St Paul's House, Chippenham	Marshfield Road, Chippenham, SN15 1LA	1.35	–	–	3.7	15,785
11	Queens House, Plymouth	Queens House, St Levan Road, Plymouth, PL2 3BD	1.23	0.12	0.12	1.4	14,094
12	Kent Street, Bristol	17-19 Kent Street, Bedminster, Bristol, BS3 3NW	1.04	0.11	0.11	1.0	6,339
<b>Total</b>			<b>33.63</b>	<b>3.04</b>	<b>3.04</b>	<b>38.6</b>	<b>257,045</b>

<sup>(1)</sup> Excluding St Paul's House, Chippenham which is vacant, the occupancy rate for all properties in the South West is 100%.

<sup>(2)</sup> As at 31 December 2024

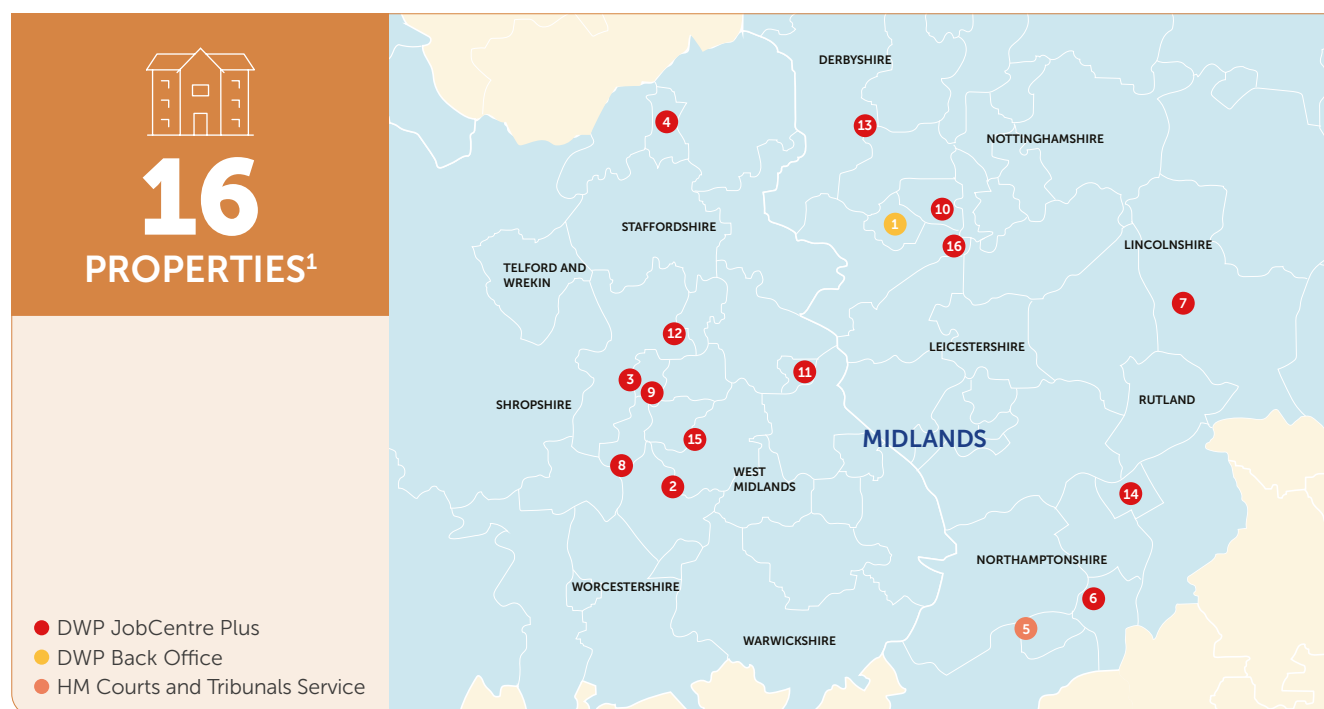
<sup>(3)</sup> In FY2024





# PORTFOLIO PROFILES

## MIDLANDS



## MIDLANDS

No.	Name of Property	Location	Valuation (£'million) <sup>(2)</sup>	Annualised Gross Rental Income (£' million) <sup>(3)</sup>	Actual Rental Received (£'million) <sup>(3)</sup>	Purchase Price (£' million)	Net Internal Area (sq ft)
1	Holborn House, Derby	Wyvern Business Park, Stanier Way, Derby, DE21 6BF	4.71	0.52	0.52	6.4	35,120
2	Bristol Road South, Birmingham	1300 Bristol Road South, Northfield, Birmingham, B31 2TQ	3.43	0.33	0.33	4.3	18,996
3	Temple House, Wolverhampton	Temple House, Wolverhampton, WV2 4AU	2.74	0.30	0.30	3.0	27,523
4	Upper Huntbach Street, Stoke-On-Trent	91 Upper Huntbach Street, Hanley, Stoke on Trent, ST1 2BX	2.11	0.24	0.24	2.7	21,540
5	St Katherine's House, Northampton	St Katherine's House, 21-27 St Katherine's Street, Northampton, NN1 1RS	2.06	0.24	0.18	2.1	27,745
6	Lothersdale House, Wellingborough	West Villa Road, Wellingborough, NN8 4TA	1.97	0.23	0.23	4.0	32,313
7	Crown House, Grantham	49A Castlegate, Grantham, NG31 6SY	1.46	0.16	0.16	2.7	24,962
8	Scotland House, Stourbridge	Scotland House, 169 Lower High Street, Stourbridge, DY8 1ES	1.41	0.15	0.15	1.8	12,452
9	High Street, Bilston	JobCentre Plus, 14 High Street, Bilston, WV14 0DB	1.33	0.14	0.14	1.7	10,779
10	Crown Buildings, Ilkeston	58 South Street, Ilkeston, DE7 8TU	1.27	0.13	0.13	1.4	18,352
11	Saxon Mill Lane, Tamworth	JobCentre Plus, 90 Saxon Mill Lane, Tamworth, B79 7JJ	1.25	0.11	0.11	1.4	10,698
12	Beecroft Road, Cannock	Beecroft Road, Cannock, WS11 1JR	1.18	0.12	0.12	1.8	31,517
13	Tannery House, Alfreton	King Street, Alfreton, DE55 7AF	1.01	0.10	0.10	1.2	10,226
14	George Street, Corby	Thoroughsale House, George Street, Corby, NN17 1PH	0.96	0.12	0.12	1.3	8,847
15	Washwood Heath Road, Birmingham	JobCentre Plus, 295 Washwood Heath Road, Birmingham, B8 2XX	0.82	0.09	0.09	1.0	14,922
16	Acacia Walk, Nottingham	3 Acacia Walk, Beeston, Nottingham, NG9 2LW	0.71	0.07	0.07	0.8	4,306
<b>Total</b>			<b>28.42</b>	<b>3.05</b>	<b>2.99</b>	<b>37.6</b>	<b>310,298</b>

<sup>(1)</sup> The occupancy rate for all properties in Midlands is 100%.


<sup>(2)</sup> As at 31 December 2024

<sup>(3)</sup> In FY2024



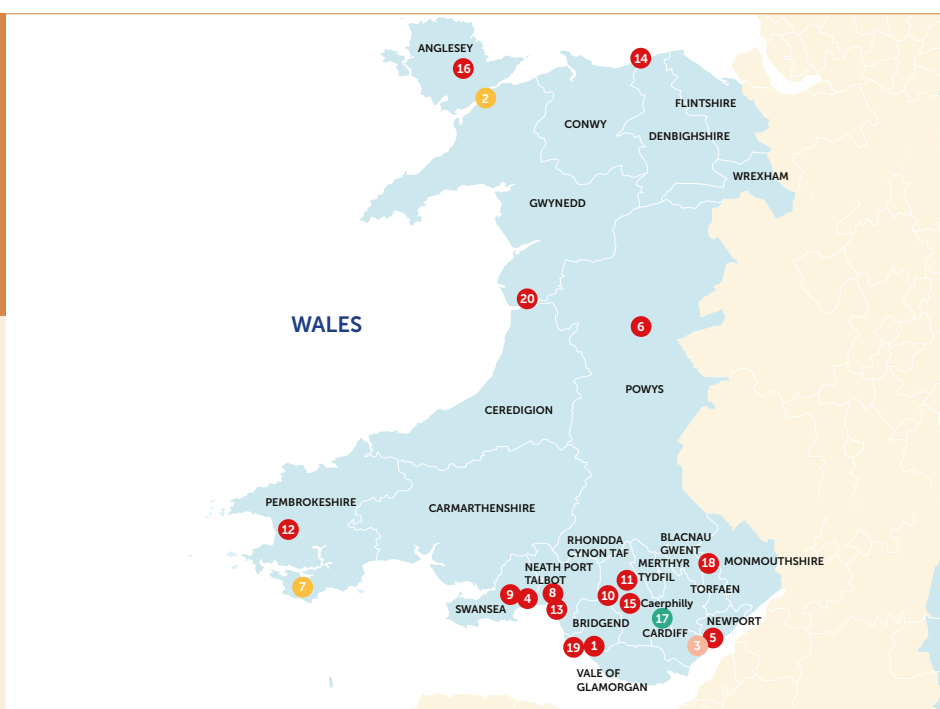
# PORTFOLIO PROFILES

## WALES



**20**  
PROPERTIES¹

- DWP JobCentre Plus
- DWP Back Office
- Natural Resources Wales
- Vacant



## WALES



No.	Name of Property	Location	Valuation (£'million) <sup>(2)</sup>	Annualised Gross Rental Income (£' million) <sup>(3)</sup>	Actual Rental Received (£'million) <sup>(3)</sup>	Purchase Price (£' million)	Net Internal Area (sq ft)
1	Crown Buildings, Bridgend	Angel Street, Bridgend, CF31 4AA	3.98	0.43	0.43	4.3	46,058
2	Parc Menai, Bangor <sup>(4)</sup>	Parc Menai, Bangor, LL57 4FD	3.49	0.44	0.44	4.0	32,583
3	Newport Road, Cardiff	Ty Cambria, 29 Newport Road, Cardiff, CF24 0TP	3.43	0.41	0.41	4.9	33,749
4	High Street, Swansea	37-38 High Street, Swansea, SA1 1LS	2.12	0.22	0.22	2.2	19,609
5	Charles Street, Newport	2-6 Charles Street, Newport, NP20 1JR	1.88	0.19	0.19	2.2	18,334
6	Afon House, Newtown	Afon House, The Park, Newtown, SY16 2PZ	1.62	0.15	0.15	1.7	19,160
7	Cleddau Bridge Business Park, Pembroke Dock	Pembroke Dock, SA72 6UP	1.50	0.14	0.14	1.4	19,418
8	Windsor Road, Neath	1 Windsor Road, Neath, SA11 1LY	1.29	0.14	0.14	1.5	15,816
9	Oldway House, Swansea	Clase Road, Morriston, Swansea, SA6 8BT	1.13	0.12	0.12	1.3	14,575
10	Thistle House, Tonypany	Llwynypia Road, Tonypany, CF40 2EP	1.04	0.10	0.10	1.2	14,650
11	Crown Buildings, Aberdare	Greenbach Street, Aberdare, CF44 7HU	1.00	0.09	0.09	1.3	24,290
12	Quay Street, Haverfordwest	16-20 Quay Street, Haverfordwest, SA61 1BH	0.86	0.09	0.09	0.8	8,603
13	Station Road, Port Talbot	64-66 Station Road, Port Talbot, SA13 1LX	0.77	0.07	0.07	0.8	8,793
14	High Street, Rhyl	JobCentre Plus, 80 High Street, Rhyl, LL18 1UB	0.78	0.08	0.08	0.9	9,452
15	Hannah Street, Porth	35 Hannah Street, Porth, CF39 9RB	0.71	0.07	0.07	0.7	7,018
16	Bridge Street, Llangefni	Bridge Street, Llangefni, LL77 7YJ	0.67	0.07	0.07	0.8	9,601
17	Crown Buildings, Caerphilly <sup>(5)</sup>	Claude Road, Caerphilly, CF83 1WT	0.60	–	–	1.5	20,712
18	Crown Buildings, Abertillery	Portland Street, Abertillery, NP13 1YF	0.43	0.04	0.04	0.4	9,159
19	Dock Street, Porthcawl	Dock Street, Porthcawl, CF36 3BL	0.33	0.03	0.03	0.3	3,023
20	Maengwyn Street, Machynlleth	43-45 Maengwyn, Machynlleth, SY20 8EB	0.18	0.01	0.01	0.2	3,655
<b>Total</b>			<b>27.81</b>	<b>2.89</b>	<b>2.89</b>	<b>32.4</b>	<b>338,258</b>

<sup>(1)</sup> Excluding Crown Buildings, Caerphilly which is vacant, the occupancy rate for all properties in Wales is 100%.

<sup>(2)</sup> As at 31 December 2024

<sup>(3)</sup> In FY2024

<sup>(4)</sup> Parc Menai, Bangor has a 250-year lease term from 20 May 2005; as at 31 December 2024, the remaining lease is 230.4 years. The other properties in this table are freehold properties.

<sup>(5)</sup> Crown Buildings, Caerphilly was divested for a sale consideration of £710,000 to Trivallis Limited on 3 March 2025.



# PORTFOLIO PROFILES

## EAST



No.	Name of Property	Location	Valuation (£'million) <sup>(2)</sup>	Annualised Gross Rental Income (£' million) <sup>(3)</sup>	Actual Rental Received (£'million) <sup>(3)</sup>	Purchase Price (£' million)	Net Internal Area (sq ft)
1	Great Oaks House, Basildon <sup>(4)</sup>	Great Oaks House, Great Oaks, Basildon, SS14 1JE	7.05	0.67	0.67	9.0	54,432
2	Beaufort House, Harlow	Crown Gate, Harlow, CM20 1NA	5.80	0.50	0.50	6.4	28,170
3	The Forum, Stevenage	Stevenage, SG1 1EZ	3.52	0.28	0.28	4.8	18,473
4	Crown Buildings, Colchester	40 Chapel Street South, Colchester, CO2 7AZ	2.68	0.24	0.24	3.8	19,152
5	Wyvern House, Bedford	53-57 Bromham Road, Bedford, MK40 2EH	2.48	0.22	0.22	3.2	23,799
6	St Andrew's House, Bury St Edmunds	St Andrew's Street North, Bury St Edmunds, IP33 1TT	2.42	0.20	0.20	3.3	28,863
7	Rishton House, Lowestoft	Clapham Road South, Lowestoft, NR32 1RW	1.54	0.12	0.12	2.7	41,656
8	Blackburn House, Norwich	Blackburn House, 1 Theatre Street, NR2 1RG	0.90	0.16	0.16	1.5	9,302
<b>Total</b>			<b>26.39</b>	<b>2.39</b>	<b>2.39</b>	<b>34.7</b>	<b>223,847</b>

<sup>(1)</sup> Excluding The Forum Stevenage which has a vacancy rate of 80%, the occupancy rate for all other properties in the East is 100%.

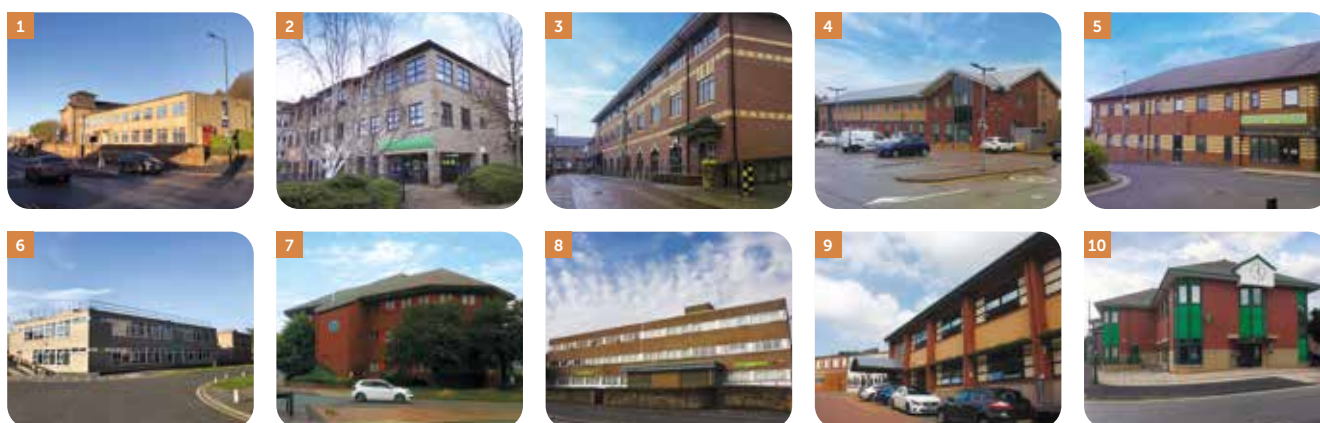
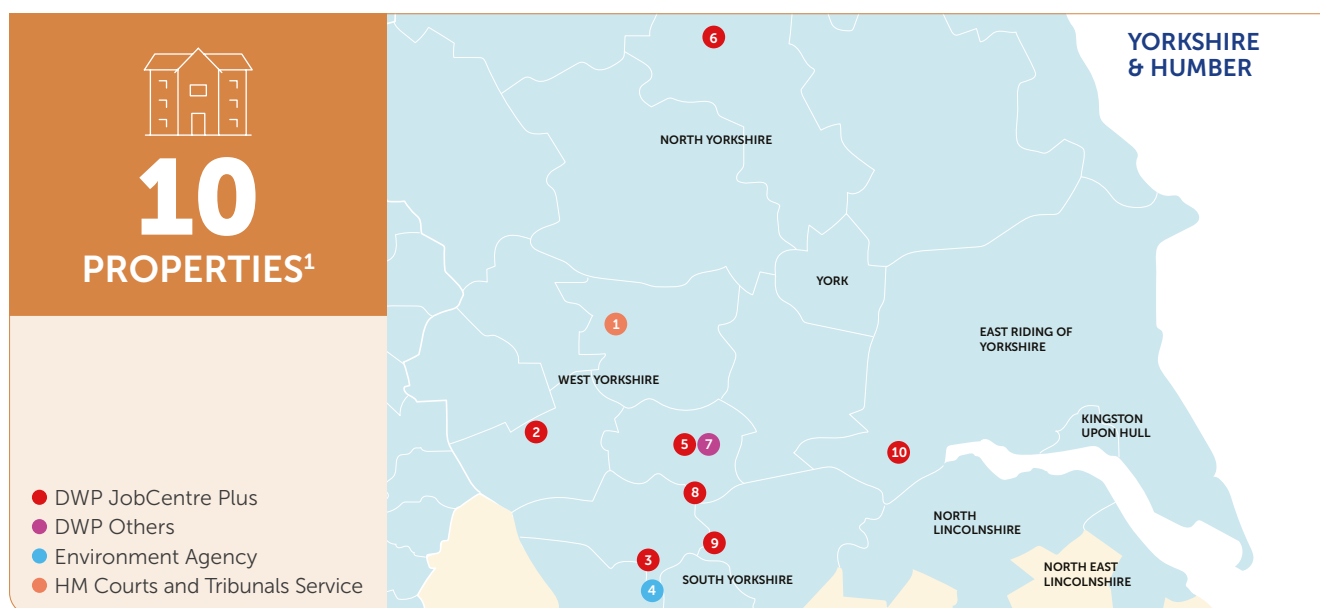
<sup>(2)</sup> As at 31 December 2024

<sup>(3)</sup> In FY2024

<sup>(4)</sup> Great Oaks House, Basildon has a 999-year lease term from 17 June 2004 and Blackburn House, Norwich has a 99-year lease term from 10 August 1978. As at 31 December 2024, Great Oaks, Basildon has a remaining lease of 978.5 years and Blackburn House, Norwich has a remaining lease of 52.6 years. Besides these two properties, the other properties in this table are freehold properties.

# PORTFOLIO PROFILES

## YORKSHIRE & HUMBER



No.	Name of Property	Location	Valuation (£'million) <sup>(2)</sup>	Annualised Gross Rental Income (£' million) <sup>(3)</sup>	Actual Rental Received (£'million) <sup>(3)</sup>	Purchase Price (£' million)	Net Internal Area (sq ft)
1	Phoenix House, Bradford	Phoenix House, Rushton Avenue, Leeds Old Road, Bradford, BD3 7BH	2.97	0.29	0.22	4.5	37,649
2	Castle House, Huddersfield <sup>(4)</sup>	JobCentre Plus, 8 Market Street, Huddersfield, HD1 2NE	2.13	0.23	0.23	2.7	20,389
3	Chantry House, Rotherham	Chantry House, Douglas Street, Rotherham, S60 2DL	1.39	0.14	0.14	1.6	20,618
4	Bradmarsh Business Park, Rotherham	Bradmarsh Business Park, Bow Bridge, Rotherham, S60 1BX	1.15	0.12	0.12	1.2	12,054
5	Centurion House, Castleford	Centurion House, Bank Street, Castleford, WF10 1HY	0.86	0.09	0.09	1.0	11,238
6	Elder House, Northallerton	East Road, Northallerton, DL6 1NU	0.79	0.08	0.08	1.0	14,517
7	Bridge House, Castleford	Bridge House, 28 Wheldon Road, Castleford, WF10 2JD	0.76	0.09	0.09	1.0	12,949
8	Low Hall, Pontefract	Market Street, Hemsworth, Pontefract, WF9 4HP	0.70	0.09	0.09	0.9	14,208
9	Crown Buildings, Mexborough	Adwick Road, Mexborough, S64 0BD	0.69	0.07	0.07	0.7	14,994
10	Mulberry House, Goole	North Street, Goole, DN14 5RA	0.45	0.04	0.04	0.4	6,202
<b>Total</b>			<b>11.89</b>	<b>1.24</b>	<b>1.17</b>	<b>14.9</b>	<b>164,818</b>

<sup>(1)</sup> The occupancy rate for all properties in Yorkshire & Humber is 100%.

<sup>(2)</sup> As at 31 December 2024

<sup>(3)</sup> In FY2024

<sup>(4)</sup> Castle House, Huddersfield has a 150-year lease term from 17 March 1995; as at 31 December 2024, the remaining lease is 120.2 years. The other properties in this table are freehold properties.

## PORTFOLIO PROFILES

## NORTH EAST



## NORTH EAST

No.	Name of Property	Location	Valuation (£'million) <sup>(2)</sup>	Annualised Gross Rental Income (£' million) <sup>(3)</sup>	Actual Rental Received (£'million) <sup>(3)</sup>	Purchase Price (£' million)	Net Internal Area (sq ft)
1	St Andrew's House, Hexham	Haugh Lane, Hexham, NE46 3RB	2.54	0.28	0.28	3.1	21,451
2	Ward Jackson House, Hartlepool	Wesley Square, Hartlepool, TS24 8EZ	1.89	0.24	0.24	2.3	20,451
3	Hadrian House, Eston	81 High Street, Eston, Middlesbrough, TS6 9EH	1.43	0.17	0.17	1.5	24,219
4	Broadway House, Houghton Le Spring	Frederick Place, Houghton Le Spring, DH4 4AH	1.30	0.17	0.17	1.6	20,075
5	Hatfield House, Peterlee	St Cuthberts Road, Peterlee, SR8 1PB	0.97	0.12	0.12	1.1	19,889
6	Reiverdale House, Ashington	Reiverdale Road, Ashington, NE63 9YU	0.94	0.10	0.10	1.2	23,702
7	Portland House, Redcar	Portland House, West Dyke Road, Redcar, TS10 1DH	0.65	0.08	0.08	0.9	9,559
8	Crown Buildings, Chester Le Street	Crown Buildings, Station Road, Chester Le Street, DH3 3AB	0.63	0.08	0.08	0.9	10,490
9	Theatre Buildings, Billingham	Theatre Buildings, Billingham, TS23 2NA	0.57	0.06	0.06	0.7	7,261
10	St John's Square, Seaham	St John's Square, Seaham, SR7 7JE	0.55	0.07	0.07	0.7	6,658
11	Norham House, Berwick Upon Tweed	15 Walkergate, Berwick Upon Tweed, TD15 1DS	0.37	0.04	0.04	0.4	7,766
<b>Total</b>			<b>11.84</b>	<b>1.41</b>	<b>1.41</b>	<b>14.4</b>	<b>171,521</b>

<sup>(1)</sup> The occupancy rate for all properties in North East is 100%.

<sup>(2)</sup> As at 31 December 2024

<sup>(3)</sup> In FY2024



# MARKET REVIEW

By Colliers International Property Consultants Limited

## ECONOMIC OVERVIEW

After a strong start to 2024 with Gross Domestic Product ("GDP") rising by 1.1% in 1H 2024, uncertainty in 2H 2024 wrought by an early snap election and a major shift in fiscal policy has weighed heavily on performance. GDP for 3Q 2024 was flat at 0.0% falling short of already diminished market expectations and there was a chance that the economy continued to stagnate or even contracted in 4Q 2024. Likewise, the January Purchasing Managers' Index ("PMI") suggests the economy sidelined at best at the start of 2025. The report highlights that aside from the pandemic, employment levels fell at the strongest rate since the global financial crisis. This may reflect the recently announced increase in employer national insurance contributions and increased minimum wage beginning in FY2024/2025.

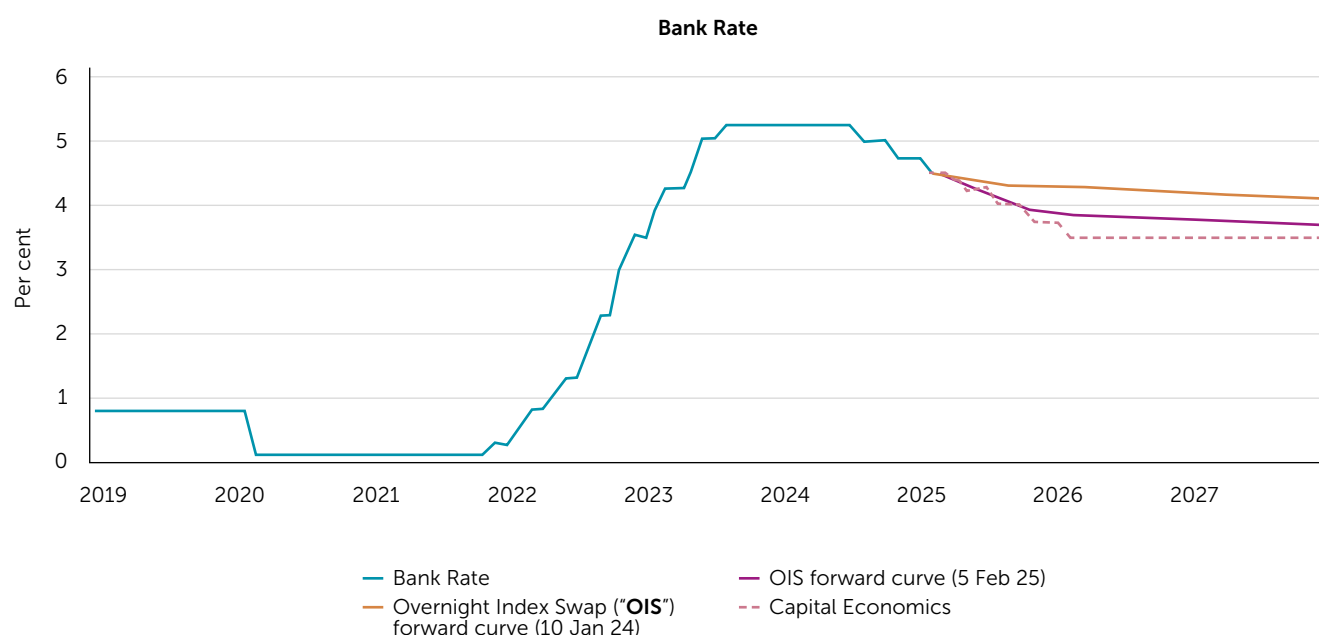
Despite positive real wage growth, consumer spending was muted in 2024 and government consumption made up the bulk of GDP growth. Consumer confidence as measured by GfK had improved slightly at the end of 2024 but fell to a 13-month low in January. This trend is likely to persist across 1H 2025 until the impacts of the new employer national insurance taxes become clear. Retail sales volumes grew by 0.7% in 2024 following two years of contraction. This is positive but a much weaker increase than the pre-pandemic (2014-2019) average of 3.2%. Online sales accounted for 27% of all retail sales in 2024 which is roughly in line with the 2022 and 2023 figures.

## OUTLOOK

HM Treasury consensus forecasts (22nd January) have been downgraded and show annual GDP at 0.8% for 2024 and, given recent headlines, an optimistic 1.2% for 2025 which will be driven primarily by increased government spending. The Labour Government may be seeking to invest and enable private investment in housing, infrastructure and green energy to boost the economy, but this is only likely to impact over the medium- to long-term. The short-term prospects are more challenging, with the Bank of England ("Bank") halving its 2025 growth forecast while also anticipating the unemployment rate to rise to 4.8% this year. In subsequent years (2026 and 2027), the Bank upgraded its GDP forecasts from 1.25% to 1.5%. Importantly, the Bank also forecasts inflation to rise to 3.7% in Q3 2025 and to only reach the 2% target by late-2027.

## INTEREST RATES

The Bank of England cut interest rates to 4.50% at its February meeting. In a dovish shift, two rate setters voted for a 50 basis points cut. However, the policy statement again stated that rate cuts would be "gradual" and, for the first time "careful", and that rates need to remain "restrictive for sufficiently long". Swaps markets expect two further rate cuts this year, with a 60 per cent chance of a third. Before the decision, that probability stood at roughly 35 per cent. That said, growing perceptions of economic weakness suggest to some that additional cuts may be needed. Therefore, if the Bank believes that the economy is slowing and a cut in rates would stimulate growth without fueling inflation then this could encourage them to lower rates more aggressively.



## THE GILT MARKET

The recent rise in gilt yields was not unique to UK as government bond yields have risen across most major markets. UK and US government bond yields are at similar levels, although they are substantially lower in some other countries such as Germany.

There are several factors at play for the recent rise in gilt yields. However fundamentally, gilt yields are linked to interest rate and inflation expectations. If investors believe inflation and interest rates remain higher for longer then they will require a higher yield to buy bonds. Part of the reason why gilt yields have risen is because inflation is still running above target in many larger economies and is expected to do so for at least the remainder of this year. Higher than expected inflation can in turn mean that central banks cut rates slower than previously thought as cutting too soon and too fast can fuel demand and lead to higher inflation.

Another reason for the rise in global bond yields has to do with global trends. Governments around the world have been borrowing heavily since the pandemic to save jobs and lives. Because of the higher borrowing, investors require a higher risk premium to buy government debt. US data releases and policy announcements also play an important role when it comes to global inflation and interest rate expectations. Some of the suggested policies

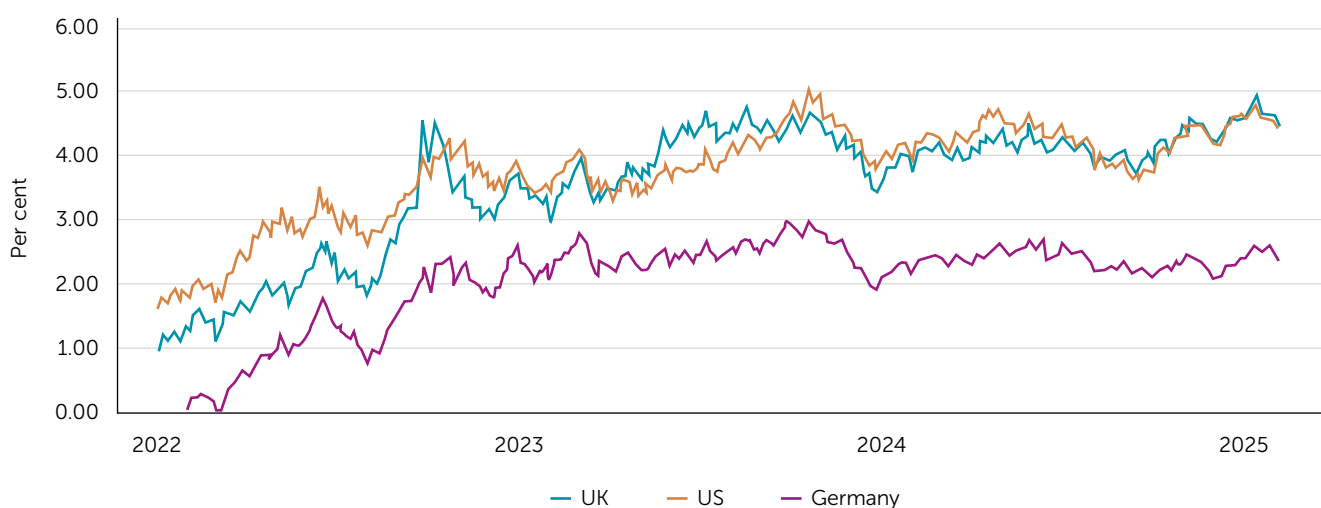
from the new US administration, such as import tariffs can fuel inflation and thereby prevent the Federal Reserve from cutting interest rates. Similarly, US jobs data is an important data point for the U.S. Federal Reserve and the latest report showed that the labour market is in a good state, further weakening the interest rate cutting trajectory.

Finally, UK fiscal policy — when Rachel Reeves delivered her Budget in October 2024, she left herself a very little headroom of less than £10bn between balancing the books and breaking the fiscal rule. When she delivered the Budget the underlying assumptions for interest rates and borrowing costs were a lot lower than they are now while the economy was expected to grow stronger than most forecasters are predicting now. Therefore, if borrowing rates remain higher and the economy weaker, the £10bn headroom is very likely to be wiped out in which case the government either needs to borrow more, raise taxes or cut spending.

## COMMERCIAL PROPERTY – CAPITAL MARKETS

Commercial property investment sales volumes rose from £41bn in 2023 to £50bn in 2024 but were around 25% below the pre-pandemic (2015-2019) average of £66bn as high borrowing costs continued to weigh on decision-making. Office investment recorded one of the weakest annual figures on record (£9.5bn) but there were welcome

10-year government bond yields



Source: Investing.com

# MARKET REVIEW

By Colliers International Property Consultants Limited

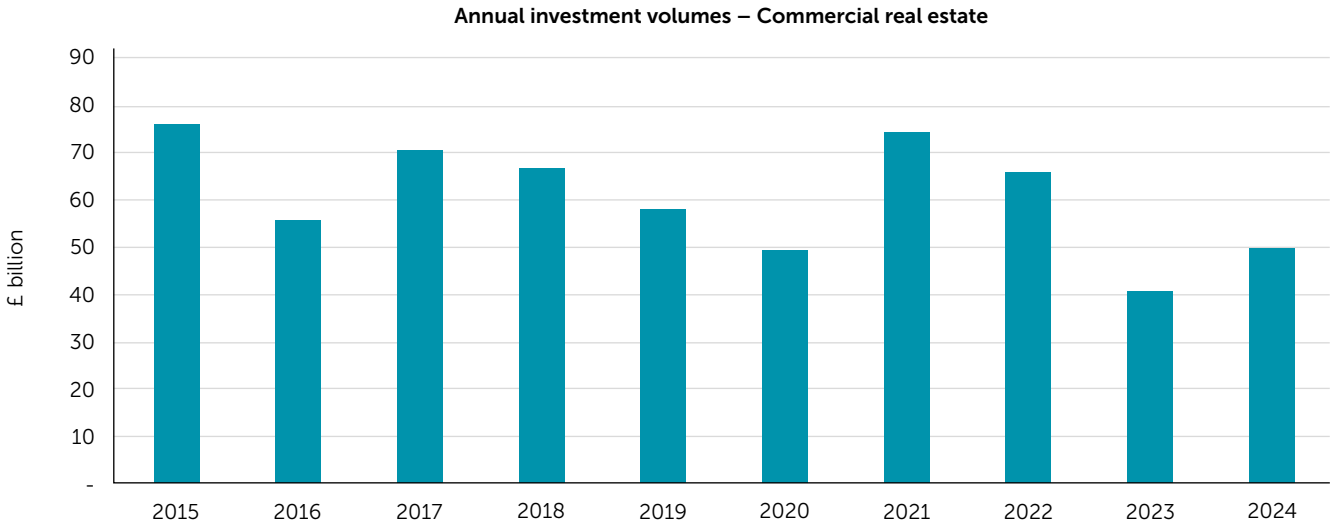
improvements across other sectors. Hotel investment surged from £2.1bn in 2023 to £6.8bn in 2024, retail rose from £6.7bn to £9bn and industrial increased from £10.2bn to £11.4bn. While offices accounted for a 44% share of all investment into UK commercial real estate in 2015, this share reduced to just 19% in 2024. Over the same period, the living sector increased its share from 20% to 33% while the industrial share rose from 11% to 23%.

If gilt yields decline throughout the year as the Bank of England cut interest rates then investment activity should pick up again. 2025 should at least match the 2024 investment total of £50bn. If borrowing costs fall further and faster than currently anticipated and the economy picks up then the annual total could be higher.

## CAPITAL VALUES AND YIELDS

Significant yield movements since the middle of 2022 resulted in a collapse in capital values. However, quarterly Morgan Stanley Capital International ("**MSCI**") data suggests that at the all property level, capital values have risen for the first time in over two years in Q3, followed by a further rise in Q4. Retail and industrial recorded by far the strongest increases while offices saw capital values decline for a tenth consecutive quarter.

Equivalent yields continued to compress across several sectors in Q4 and we believe that this trend will continue. However, with interest rates and borrowing costs expected to be higher for longer there is a risk that property yields will fall slower than previously thought. We therefore think that 2025 will only see mild yield compression.



Source: Real Capital Analytics



# SUSTAINABILITY REPORT



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# SUSTAINABILITY REPORT

## HIGHLIGHTS



### SUPPORTING A SUSTAINABLE ENVIRONMENT

#### Improvement in Energy Performance Certificate ratings



Tannery House, Alfreton  
Nutwood House,  
Canterbury



Cleddau Bridge Business  
Park, Pembroke Dock



Saxon Mill Lane,  
Tamworth



Wyvern House, Bedford  
Oates House, Stratford

#### Achieved Sustainability Performance Targets

- 3.5% of portfolio achieved EPC rating of at least B
- 23.1% of portfolio achieved EPC rating of at least C



#### Green Leases

**98.6%** of portfolio



### ENABLING POSITIVE SOCIAL IMPACT

#### Supporting UK Government's social agenda

through providing crucial Social Infrastructure to primary occupier DWP.



Conferred the distinguished  
**Company of Good — 3 Hearts**  
by the National Volunteer and  
Philanthropy Centre.

A recognition of significant contributions  
in five impact areas of Society, People,  
Governance, Environment and Economy.

#### Fundraising for homeless youth in the UK

through Landaid Trek

Employees in Singapore and in the UK trekked closed to  
120 km and fundraised approximately S\$2,000.

#### Mentoring Migrant Workers in Singapore

Volunteered a cumulative nine hours with aidha  
Singapore to mentor migrant workers in developing  
business plans to create brighter futures.



### UPHOLDING CORPORATE GOVERNANCE

2024 Singapore Governance and Transparency Index  
('SGTI') Ranking:

**15<sup>th</sup> Rank**

REIT and Business Trust category  
Improved from its 40th position in 2023

Maintained inclusion in SGX Fast Track Programme  
which recognises listed issuers who have upheld high  
standards of corporate governance and maintained a  
good compliance track record.

Maintained

**Zero incidents**

of non-compliance / corruption in 2024

#### Strong board independence

Board includes five independent directors and is  
led by an Independent Non-Executive Chairman

## ABOUT THIS REPORT

This is the fourth annual sustainability report for Elite UK REIT ("**Elite REIT**"). The report provides a detailed overview of Elite REIT's environmental, social and governance ("**ESG**") performance for the financial year ending 31 December 2024. The report is presented by the REIT manager, Elite UK REIT Management Pte. Ltd. (the "**Manager**").

### Standards and Frameworks

The report has been prepared in accordance with the Global Reporting Initiative ("**GRI**") Standards, chosen for their global recognition and focus on managing material economic, environmental, and social impacts. It aligns with the Sustainability Accounting Standards Board ("**SASB**") Real Estate Sustainability Accounting Standard to address financially material ESG metrics for investors and complies with the Singapore Exchange ("**SGX-ST**") Listing Rules 711A and 711B for sustainability reporting.

In preparation for the transition to International Sustainability Board ("**ISSB**") standards, we have adhered to the Taskforce on Climate-Related Financial Disclosures ("**TCFD**") framework, and the Guidelines on Environmental Risk Management ("**EnvRM**") for Asset Managers, issued by the Monetary Authority of Singapore ("**MAS**"). The report also highlights Elite REIT's contributions to the United Nations Sustainable Development Goals ("**UN SDGs**").

### STANDARDS AND FRAMEWORKS USED

#### GRI Standards 2021

#### SASB Standards: Real Estate Sustainability Accounting Standard

#### TCFD Recommendations

#### MAS EnvRM Guidelines

#### SGX-ST Listing Rules (711A and 711B) – Sustainability Reporting

#### UN SDGs

### Reporting Principles

This report has been prepared in alignment with the principles outlined in the GRI Standards (Universal Standards 2021): Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness, and Verifiability. These principles serve as the foundation for producing a high-quality sustainability report.

### Reporting Scope

This report covers Elite REIT's operations as a Real Estate Investment Trust, including its entire property portfolio. As of 31 December 2024, the portfolio comprised 149 properties in the United Kingdom ("**UK**"), primarily leased to the UK Government on a full repairing and insuring ("**FRI**") basis.

Due to the nature of these leases, the Manager does not have operational control over the day-to-day management and utilities consumption of these properties. The report includes data for occupied properties by the primary occupier and excludes vacant properties where utilities consumption is minimal and not deemed material.

As part of our sustainability policy, we actively engage with our primary occupier, the Department for Work and Pensions ("**DWP**"), on sustainability issues and strive to obtain environmental performance data for reporting.

Approximately 98.6% of our portfolio, measured by gross rental income, includes green lease clauses. These clauses play a key role in facilitating the sharing of environmental data by occupiers for our reporting. The management team remains committed to continuously improving transparency and information sharing on sustainability-related matters.

### Restatements

This report contains no restatements of data from previous reports.

### Internal review and external assurance

As our leases operate on a FRI basis, we depend on occupiers to supply environmental data, which we report in good faith. For other disclosures in the report, the Manager has relied on internal checks to verify the accuracy of the data presented.

In addition, the internal audit function has conducted an internal review in 2024 in accordance with the International Standards for the Professional Practice of Internal Auditing issued by The Institute of Internal Auditors. The internal review of the sustainability reporting process builds on Elite REIT's existing governance structure, buttressed by adequate and effective internal controls and risk management systems. The identified processes relating to sustainability reporting have been incorporated into the internal audit plan, which covers key aspects of this Sustainability Report. The review took place over an audit cycle, which spans a few years in accordance with risk-based planning, as approved by the ARC. Seeking external assurance for future reports remains under consideration.

### Feedback

We welcome feedback and suggestions from our stakeholders. For any questions about this report, please contact:

#### Elite UK REIT Management Pte. Ltd.

T: (65) 6955 9999

E: [sustainability@eliteukreit.com](mailto:sustainability@eliteukreit.com)

Contact Person: Pearl Lam

# SUSTAINABILITY REPORT

## BOARD STATEMENT

The Board is pleased to present the 4th sustainability report for Elite REIT. The Board recognises that stewarding sustainability well is fundamental to good governance. The Board acknowledges its stewardship responsibilities for Elite REIT and is committed to building a sustainable and resilient REIT, aiming to create long-term value for our unitholders and stakeholders.

In fulfilling this commitment, the Board actively promotes excellence in corporate governance, robust risk management, diversity, ethical conduct, responsible business practices, and environmental and social stewardship.

In 2024, Elite REIT ranked 15th in the 2024 Singapore Governance and Transparency Index ("SGTI") under the REIT and Business Trust category. This marked a significant improvement from its 40th position in 2023, with an overall score increase of 22% to 93.3, among 43 Singapore-listed REITs and business trusts assessed.

The Board has considered sustainability issues in Elite REIT's business and strategy, determined the material ESG factors and overseen the management and monitoring of the material ESG factors. The Board, supported by the Manager, identifies and prioritises material ESG factors, including climate-related risks and opportunities across short, medium, and long-term horizons, integrating them into Elite REIT's sustainability and business strategies. Oversight of sustainability matters is maintained through periodic updates from the Manager.

The Manager is entrusted with the continuous monitoring and management of ESG factors, ensuring they are addressed effectively and providing regular updates to the Board.

Our sustainability strategy is designed to deliver long-term value for unitholders and stakeholders by addressing the material ESG impacts, risks, and opportunities associated with Elite REIT's portfolio. We aim to minimise negative ESG impacts, mitigate potential risks, invest in UK's social infrastructure and living sector assets, and leverage opportunities to contribute positively to sustainable development.

We are committed to fostering strong governance, implementing effective policies and strategies, setting short-, medium-, and long-term targets, and publicly monitoring and reporting on Elite REIT's sustainability performance.

-Board of Directors

## SUSTAINABILITY GOVERNANCE STRUCTURE

Managing material ESG factors and environmental risk management are key aspects of corporate governance at Elite REIT, with the Board of Directors (the "**Board**") providing oversight.

The Board is responsible for reviewing, determining, and approving Elite REIT's material ESG factors for reporting. The Board assesses climate-related risks and opportunities, oversees ESG performance, and assumes ultimate responsibility for sustainability reporting. The Board has reviewed and approved this sustainability report.

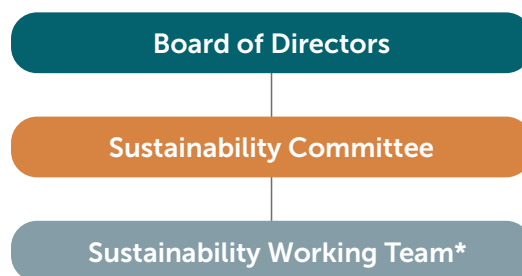
To drive sustainability performance, the Board has established a Sustainability Committee ("**SC**"), which is chaired by the Independent Board Chairman. The SC comprises an Independent Director, a Non-Independent Director, the Chief Executive Officer ("**CEO**"), Chief Investment Officer ("**CIO**"), Chief Financial Officer ("**CFO**"), and Assistant Vice President, Investor Relations.

Under the Board's oversight, the SC develops, manages, implements, and monitors the ESG strategy, addressing material sustainability-related risks and opportunities to create long-term value for stakeholders. It also takes into account stakeholder concerns and expectations into its strategy.

The SC is supported by a cross-functional Sustainability Working Team ("**SWT**") from the Manager, which comprises representatives from Investor Relations, Asset Management, Finance and Compliance teams. The SWT is responsible for implementing, managing, and monitoring material ESG issues and targets, while providing regular updates to the Board. The SWT executes sustainability strategies and collects ESG performance data from internal stakeholders for reporting purposes.

The SC convenes semi-annually to assess progress and performance in sustainability, and to receive updates from the SWT. Additionally, the SC undergoes an annual review of its sustainability performance and effectiveness.

## SUSTAINABILITY GOVERNANCE STRUCTURE



\*Members include representatives from across the business: Investor Relations, Asset Management, Finance and Compliance.

## Sustainability-related Policies

The Manager has established an overarching Sustainability Policy and adopted various Board-endorsed policies to achieve its sustainability goals and objectives. These policies are outlined in the relevant sections of this report, with a summary provided in the table below. As part of the harmonisation process, the Sustainability-related policies and the ESG factors have been implemented and will be made available across Elite REIT and its subsidiaries.

Policies	Description of policies
<b>Sustainability Policy</b>	Establish guidelines for managing material environmental, social and governance impacts, risks and opportunities, and promoting responsible and sustainable business practices.
<b>Code of Conduct and Ethics Policy</b>	Sets out guidance for all directors, managers and employees to perform their scope of duties with proper conduct and ethics.
<b>Anti-Bribery and Corruption Policy</b>	Provide a principled approach for all directors, managers and employees to perform their scope of duties without contravening any applicable anti-corruption laws.
<b>Whistleblowing Policy</b>	<p>Whistleblowing channels are put in place for our business partners, customers, suppliers, other stakeholders, and any third party to report actual or suspected corruption, dishonesty, fraud, negligence, any other forms of illegal, inappropriate, unethical or unprofessional behaviour or conduct (collectively "<b>Serious Breaches</b>").</p> <p>For more information, please visit <a href="https://www.eliteukreit.com/whistleblowing-statement.html">https://www.eliteukreit.com/whistleblowing-statement.html</a></p>
<b>Anti-Money Laundering ("AML") and Countering the Financing of Terrorism ("CFT") Measures Policy</b>	Provide guidance on ensuring compliance with AML/CFT laws, regulations and notices
<b>Data Protection and Privacy Policy</b>	<p>Singapore's Personal Data Protection Act 2012 ("<b>PDPA</b>") was passed in October 2012 and PDPA has established provisions for Do Not Call registry.</p> <p>The Company's PDPA policy establishes guidance on ensuring compliance with Singapore's PDPA and applicable data privacy laws globally.</p> <p>For more information, please visit <a href="https://www.eliteukreit.com/pdpa.html">https://www.eliteukreit.com/pdpa.html</a></p>
<b>Third-Party Agent and Outsourcing Policy</b>	Provide guidance for ensuring compliance with regulations on outsourcing of functions



# SUSTAINABILITY REPORT

## Sustainability-Linked Finance Framework

As part of our commitment to achieving net-zero carbon emissions by 2050, we introduced a Sustainable and Sustainability-Linked Finance Framework (the "**Framework**") in November 2022. 100% of Elite REIT's loans are sustainability-linked and this Framework underpins our efforts to fund projects that drive positive environmental, social, and sustainability outcomes, both now and in the future.

The Sustainable Finance Framework focuses on ensuring that our projects contribute to sustainable growth while aligning with broader environmental and social goals. Meanwhile, the Sustainability-Linked Finance Framework provides operational flexibility, holding us accountable to measurable and ambitious sustainability targets.

The Framework introduces Sustainable Finance Instruments ("**SFIs**") under two distinct sub-frameworks:

### Sustainable Finance Framework

This sub-framework focuses on allocating proceeds to eligible green and/or social projects. It enables Elite REIT to issue SFIs to fund or refinance, either fully or partially, new or existing projects that fall within the eligible green and social categories. Additionally, it allows for the refinancing of projects initiated up to 24 months before the issuance of an SFI.

### Sustainability-Linked Finance Framework

This sub-framework provides Elite REIT with the flexibility to issue financing instruments for general corporate purposes. What sets it apart is that the financial characteristics of these instruments are tied to selected sustainability Key Performance Indicators ("**KPIs**") and their corresponding Sustainability Performance Targets ("**SPTs**"). These KPIs and SPTs are integral to our business, ambitious, and measurable.

We developed the Framework with strict adherence to internationally recognised principles and standards. DNV Business Assurance Singapore Pte. Ltd., as an Independent Second Party Opinion Provider, has reviewed the Framework.

As at 31 December 2024, 100% of our loans are sustainability-linked and sustainability performance targets agreed with the lender have been met, resulting in lower finance costs.



Read more about our Sustainable and Sustainability-Linked Finance Framework on our website: <https://www.eliteukreit.com/pdf/Green-Finance-Framework.pdf>



# SUSTAINABILITY REPORT

## STAKEHOLDER ENGAGEMENT

Building and maintaining trust with stakeholders is essential to Elite REIT's success. We are committed to fostering trust through constructive engagement, transparency, and clear communication, with a strong focus on delivering value to sustain these relationships.

Our engagement efforts prioritise stakeholders who are vital to value creation and those affected by our decisions and actions. Our engagement efforts include annual general meetings, tenant feedback sessions, road shows, employee engagement, and surveys, as well as ongoing discussions tailored to specific needs. While some interactions, such as annual general meetings, occur periodically, others are ongoing and responsive to emerging needs. The Manager actively engages stakeholders, incorporating their feedback into strategies to enhance business effectiveness and align with their expectations.

An overview of our stakeholders and how we engage with them is illustrated in the table below.

Stakeholders	Engagement Method	Purpose of Engagement	Stakeholders' Expectations	Our Response	Engagement Examples in FY2024
Internal Stakeholders					
<b>Directors</b>	<ul style="list-style-type: none"> <li>Meetings and calls</li> <li>Quarterly Board Meetings</li> <li>Regular engagements with committees delegated by the Board</li> <li>Ad hoc Board Meetings (when required)</li> </ul>	<ul style="list-style-type: none"> <li>To comply with regulatory requirements</li> <li>Best practices for good corporate governance</li> <li>For the interest of unitholders</li> <li>For strategic guidance</li> </ul>	<ul style="list-style-type: none"> <li>Regular and timely updates on Elite REIT's and the Manager's operations and performance</li> </ul>	<ul style="list-style-type: none"> <li>Terms of Reference for each Board committee are laid out and executed</li> <li>Clear agenda setting for all Board Meetings</li> <li>All matters arising are addressed in a timely manner</li> <li>Promote productive engagements between senior management and the Board members</li> <li>Providing regular, timely and accurate updates on Elite REIT's operations and performance</li> </ul>	<ul style="list-style-type: none"> <li>Regular Board Meetings</li> <li>Directors attended trainings on a range of topics including climate change, corporate governance and compliance amounting to an average training hours of 7 hours per director</li> </ul>

# SUSTAINABILITY REPORT

Stakeholders	Engagement Method	Purpose of Engagement	Stakeholders' Expectations	Our Response	Engagement Examples in FY2024
Internal Stakeholders					
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Face-to-face meetings</li> <li>• Regular conference calls</li> <li>• E-mails</li> <li>• Health and well-being activities</li> <li>• Employee satisfaction survey</li> </ul>	<ul style="list-style-type: none"> <li>• To build a cohesive team with high productivity</li> <li>• To ensure the well-being of employees</li> <li>• To provide an inclusive environment that is conducive for working</li> <li>• To attract future and potential employees with a sustainability mindset</li> </ul>	<ul style="list-style-type: none"> <li>• Competitive remuneration and benefits for talent retention</li> <li>• Good personal growth and development opportunities</li> <li>• Career progression</li> <li>• Attentive and supportive managers</li> <li>• Fair treatment</li> <li>• A respectful and conducive working environment</li> <li>• Work-life balance</li> </ul>	<ul style="list-style-type: none"> <li>• People-friendly human resources ("HR") policies and practices</li> <li>• Regular open communications</li> <li>• Training and development opportunities</li> <li>• Regular employee engagements and performance reviews</li> <li>• Whistleblowing channels for malpractice and compliance concerns</li> </ul>	<ul style="list-style-type: none"> <li>• Open communications</li> <li>• Team lunch gatherings</li> </ul>
External Stakeholders					
<b>Investors (Retail and institutional)</b>	<ul style="list-style-type: none"> <li>• One-on-one and group investor meetings and conference calls</li> <li>• Local and overseas non-deal roadshows</li> <li>• Public outreach events, such as the participation in virtual investment conferences, webinars, panel discussions and industry forums</li> <li>• Corporate website with dedicated investor relations contact details</li> <li>• Social media via our corporate LinkedIn page</li> <li>• Annual General Meetings</li> <li>• Extraordinary General Meetings when required</li> <li>• Regular announcements and updates</li> <li>• Results briefings</li> </ul>	<ul style="list-style-type: none"> <li>• To keep all unitholders, investors and stakeholders informed on the financial and portfolio performance of Elite REIT and material information that could affect the price or value of Elite REIT's units</li> </ul>	<ul style="list-style-type: none"> <li>• Stable and growing returns from their investments</li> <li>• Sustainable financial and portfolio performance</li> <li>• Timely and accurate information for their investment decisions</li> <li>• Good corporate governance</li> <li>• Prudent risk management</li> <li>• Unitholder interests are aligned with the management and the Board</li> </ul>	<ul style="list-style-type: none"> <li>• Timely and accurate disclosures of material information</li> <li>• Majority independent Board with competent Board members providing quality corporate governance</li> <li>• Experienced management with ground presence in the UK</li> <li>• Engage competent consultants on remuneration matters, controls and governance</li> <li>• Necessary disclosures under corporate governance in the Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>• AGM</li> <li>• Annual Report and Sustainability Report</li> <li>• Broker-organised investor calls</li> <li>• Corporate LinkedIn page</li> <li>• Non-deal roadshows</li> <li>• REITs Symposium</li> <li>• SIAS-SGX Corporate Connect</li> <li>• Trading representative and retail investor teach-in sessions</li> </ul> <p>(Please refer to pages 6 to 9 for the full events listing)</p>

Stakeholders	Engagement Method	Purpose of Engagement	Stakeholders' Expectations	Our Response	Engagement Examples in FY2024
External Stakeholders					
<b>Investment community (Analysts, the media and financial bloggers)</b>	<ul style="list-style-type: none"> <li>Regular analysts and media briefings</li> <li>Face-to-face and virtual meetings</li> <li>Conference calls, e-mails and phone calls</li> <li>Media interviews</li> </ul>	<ul style="list-style-type: none"> <li>To keep the market informed on the financial and portfolio performance of Elite REIT and material information that could affect the price or value of the units</li> </ul>	<ul style="list-style-type: none"> <li>Good corporate governance</li> <li>Prudent risk management</li> <li>Unitholder interests are aligned with the management and the Board</li> <li>Access to senior management</li> </ul>	<ul style="list-style-type: none"> <li>Timely, transparent and accurate disclosures of material information</li> <li>Necessary disclosures under corporate governance in the Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>Research reports by our covering analysts</li> <li>Site Visits</li> <li>Gathering of feedback from analysts and unitholders</li> </ul>
<b>Primary Occupier and Other Tenants/ Occupiers</b>	<ul style="list-style-type: none"> <li>Periodical engagement to ensure they are satisfied with our buildings</li> <li>Collection of environmental performance data</li> </ul>	<ul style="list-style-type: none"> <li>To engage on energy efficiency measures</li> <li>Get buildings improved for lease longevity</li> <li>To ensure regulatory compliance for energy performance certifications and other regulatory requirements</li> </ul>	<ul style="list-style-type: none"> <li>Higher energy performance rating for buildings</li> <li>Ensuring occupiers comply with regulation by ensuring building accessibility to end users</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing engagement on sustainability issues such as energy, emissions and water</li> <li>Negotiations and discussions for co-investments to improve buildings' energy efficiency</li> <li>Proactive incorporation of green lease clauses into agreements</li> </ul>	<ul style="list-style-type: none"> <li>Discussions with primary occupier and agents on a regular basis</li> <li>Quarterly dialogues with main occupier to track progress of sustainability enhancement works across DWP-occupied assets to improve energy efficiency</li> <li>Engagements to obtain energy performance data</li> </ul>
<b>Property Managers</b>	<ul style="list-style-type: none"> <li>Meetings, emails, calls</li> </ul>	<ul style="list-style-type: none"> <li>To keep updated on the operational aspects of our assets</li> </ul>	<ul style="list-style-type: none"> <li>Communication of business plans and strategy</li> </ul>	<ul style="list-style-type: none"> <li>Regular and open communication and engagements</li> <li>Engagements on ESG matters</li> </ul>	<ul style="list-style-type: none"> <li>Daily engagements and dialogues to keep an ear to the ground</li> </ul>
<b>Trustee</b>	<ul style="list-style-type: none"> <li>Meetings, emails, calls</li> </ul>	<ul style="list-style-type: none"> <li>To keep the trustee updated on the financial, operational and portfolio performance of the REIT</li> </ul>	<ul style="list-style-type: none"> <li>Transparent, honest and accurate information</li> </ul>	<ul style="list-style-type: none"> <li>Regular, timely and accurate updates on business and sustainability plans</li> <li>Regular dialogues</li> </ul>	<ul style="list-style-type: none"> <li>Regular meetings and engagements</li> </ul>
<b>Banks</b>	<ul style="list-style-type: none"> <li>Meetings, emails and calls</li> <li>Ongoing compliance to loan covenants</li> <li>Dialogues on sustainability issues</li> </ul>	<ul style="list-style-type: none"> <li>For funding and advisory needs</li> </ul>	<ul style="list-style-type: none"> <li>Transparent and accurate information</li> <li>Asset package, compliance, business plan</li> <li>Manage sustainability risk, timely interest and maturity payments</li> </ul>	<ul style="list-style-type: none"> <li>Timely interest and maturity payments</li> <li>Continuous engagements as added confidence for loan disbursements</li> <li>Regular updates on business and sustainability plans</li> <li>Regular dialogues</li> <li>Asset package</li> </ul>	<ul style="list-style-type: none"> <li>Underwriting due diligence</li> <li>Yearly credit update call</li> <li>Year-end bank calls</li> <li>Attend webinars organised by banks</li> </ul>



# SUSTAINABILITY REPORT

Stakeholders	Engagement Method	Purpose of Engagement	Stakeholders' Expectations	Our Response	Engagement Examples in FY2024
External Stakeholders					
<b>Regulators</b>	<ul style="list-style-type: none"> <li>Ad hoc and periodic survey submissions</li> <li>Regulatory applications and clarifications as appropriate</li> <li>Timely regulatory filings</li> <li>SGX announcements</li> <li>Circulars</li> <li>Website, AGM/EGM, Annual Report, Sustainability Report</li> </ul>	<ul style="list-style-type: none"> <li>To comply with the regulatory requirements in all countries of operations</li> </ul>	<ul style="list-style-type: none"> <li>Timely and transparent information</li> <li>Adequate resources devoted to compliance</li> <li>Setting compliance culture across all staff</li> <li>Good corporate governance</li> <li>Compliance with policies, rules and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Stay updated on all regulatory requirements</li> <li>Establish comprehensive policies, procedures and controls</li> <li>Independent review by third-party internal and external auditors</li> <li>Accountability of senior management and the Board</li> <li>Active membership in industry associations</li> <li>Maintenance of zero tolerance approach towards fraud, corruption, bribery and unethical practices across the business</li> <li>Regular communications with regulators and governing bodies</li> </ul>	<ul style="list-style-type: none"> <li>Attend trainings prescribed by SGX</li> <li>Contribute inputs to consultation and industry feedback via REITAS</li> </ul>
<b>Auditors</b>	<ul style="list-style-type: none"> <li>Planning of audit schedule and scope</li> <li>Participating in audit exercises (internal and external)</li> </ul>	<ul style="list-style-type: none"> <li>To comply with regulatory requirements in all countries of operations</li> </ul>	<ul style="list-style-type: none"> <li>Timely and transparent information</li> <li>Compliance with policies, rules and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Stay updated on all regulatory requirements</li> <li>Establish comprehensive policies, procedures and controls</li> <li>Unfettered access to information</li> </ul>	<ul style="list-style-type: none"> <li>Annual internal and external audit exercises</li> </ul>

Stakeholders	Engagement Method	Purpose of Engagement	Stakeholders' Expectations	Our Response	Engagement Examples in FY2024
External Stakeholders					
<b>Industry associations (e.g REITAS, RICS, SGListcos)</b>	<ul style="list-style-type: none"> <li>E-mails, calls</li> </ul>	<ul style="list-style-type: none"> <li>To keep abreast of industry developments</li> </ul>	<ul style="list-style-type: none"> <li>Active participation in activities and surveys</li> <li>Provide feedback when appropriate</li> </ul>	<ul style="list-style-type: none"> <li>Active participation in activities and surveys</li> <li>Provide feedback when appropriate</li> <li>Attend training and courses provided by the associations</li> <li>Attend industry events organised by the associations</li> </ul>	<ul style="list-style-type: none"> <li>Employee participation in the Rules and Ethics Course by REITAS as part of the requirement to fulfil continuing professional development ("CPD") hours</li> <li>Royal Institution of Chartered Surveyors ("RICS") — an accredited asset management team</li> </ul>
<b>Local Community</b>	<ul style="list-style-type: none"> <li>Corporate social responsibility ("CSR") activities</li> <li>Philanthropic programmes and activities</li> </ul>	<ul style="list-style-type: none"> <li>To contribute back to the society</li> <li>Aligns with Elite REIT's theme of being a social infrastructure play</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing monetary and in-kind donations</li> <li>Ongoing volunteer work</li> <li>Ongoing support for their efforts</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing CSR activities for continual support</li> </ul>	<ul style="list-style-type: none"> <li>Volunteering with aidha Singapore to mentor migrant works in business planning</li> <li>Fundraising for homeless youths in the UK through Landaid Trek</li> </ul>

## MATERIAL TOPICS

Our materiality assessment identifies and defines the most significant ESG impacts, risks, and opportunities associated with Elite REIT's business activities as material matters.

It also addresses stakeholder expectations and sustainability-related risks across short-, medium-, and long-term horizons.

In FY2024, we reviewed our material sustainability topics, building on our initial comprehensive assessment conducted in FY2021 and subsequent annual reviews. The process incorporated insights from ongoing stakeholder engagements with internal and external stakeholders, including unitholders, investors, analysts, trustees, sponsors, industry associations, business partners, and employees.

Our assessment considers various factors, including the actual and potential impacts of our operations, climate-related risks and opportunities, financial implications, tenant relationships, stakeholder expectations, and global

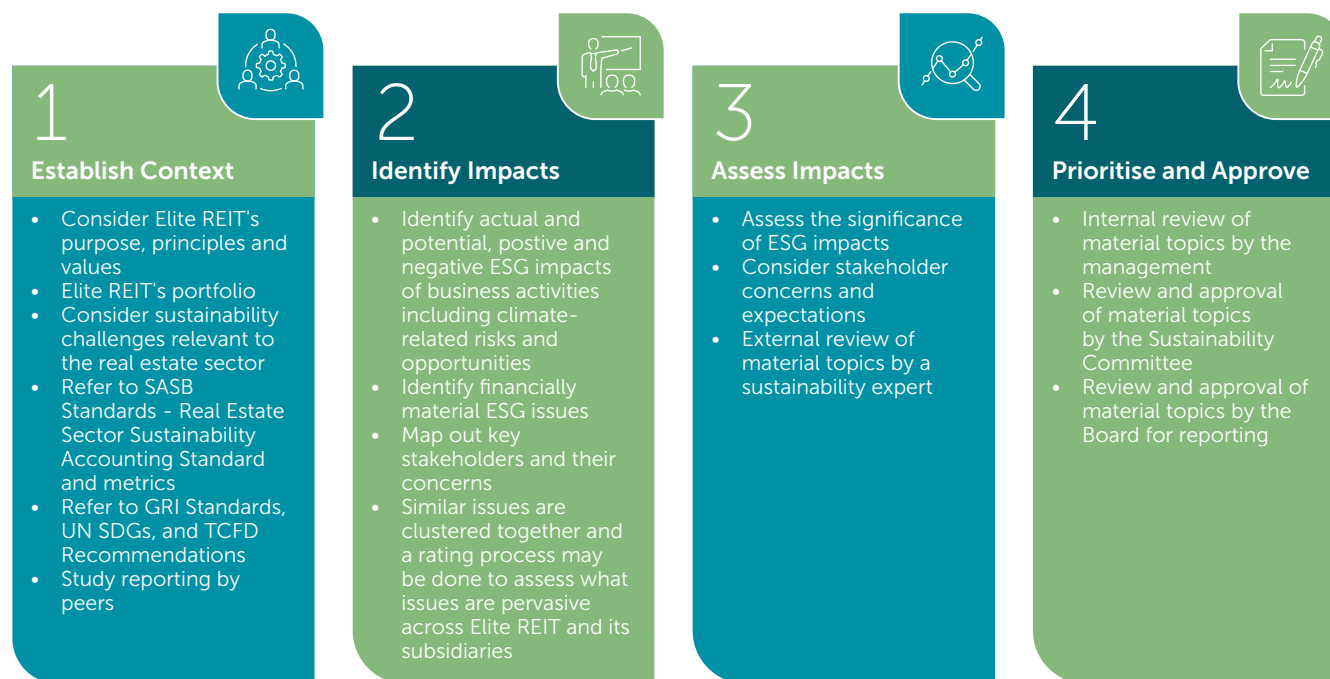
sustainability challenges specific to the real estate sector. Additionally, it takes into account reporting obligations mandated by SGX and MAS, regulatory developments in Singapore and the UK, and ESG reporting trends among peers.

In FY2024, following a peer benchmarking and annual review, and in consideration that the Manager does not have operational control over the assets as the leases are on FRI basis, we have determined that water is no longer considered a material topic. Apart from water, the topics reported in the 2023 Sustainability Report remain valid and relevant. We have also rephrased the previously reported topic 'Climate Change' to 'Climate-related Risks and Opportunities' for enhanced clarity.

The materiality process aligns with internationally recognised standards and frameworks, such as the GRI Standards, SASB Real Estate Sustainability Accounting Standard, TCFD Recommendations, and the UN SDGs, ensuring a robust approach to identifying and prioritising ESG topics for reporting.

# SUSTAINABILITY REPORT

Our materiality process is illustrated below.



Material Topics	
Governance	Regulatory Compliance
	Anti-corruption
Social	Attracting and Retaining Talent
	Employee Development
	Diversity and Inclusion
Environment	Climate-related Risks and Opportunities
	Energy and Greenhouse Gas ("GHG") Emissions
	Tenant Engagement



## Supporting the UN SDGs

The 17 United Nations Sustainable Development Goals ("UN SDGs") serve as key reference points in our materiality assessment. Our proactive approach to managing significant ESG impacts aligns with and supports several UN SDGs, as outlined in the table below.

Contributing to the UN SDGs		
Material ESG Topics	SDG Targets Supported	Relevant SDGs
<b>ENVIRONMENT</b>		
<ul style="list-style-type: none"> <li>Climate-related Risks and Opportunities</li> <li>GHG Emissions</li> <li>Energy</li> <li>Tenant Engagement</li> </ul>	<p>SDG Target 7.2. By 2030, increase substantially the share of renewable energy in the global energy mix</p> <p>SDG Target 7.3. By 2030, double the global rate of improvement in energy efficiency</p> <p>SDG Target 9.4. By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p> <p>SDG Target 13.1. Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters</p> <p>SDG Target 13.3. Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>	  
<b>SOCIAL</b>		
<ul style="list-style-type: none"> <li>Attracting and Retaining Talent</li> <li>Employee Development</li> <li>Diversity and Inclusion</li> </ul>	<p>SDG Target 5.5. Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p> <p>SDG Target 8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p>	   
<b>GOVERNANCE</b>		
<ul style="list-style-type: none"> <li>Regulatory Compliance</li> <li>Anti-corruption</li> </ul>	<p>SDG Target 16.5. Substantially reduce corruption and bribery in all their forms</p>	



# SUSTAINABILITY REPORT

## UPHOLDING CORPORATE GOVERNANCE

### Policies and Practices

#### Anti-Bribery and Corruption

Corruption and bribery can result in severe legal consequences, reputational damage, and a loss of public trust. The Manager is firmly committed to maintaining the highest standards of governance and ethical conduct, enforcing a zero-tolerance policy against all forms of corrupt practices, including bribery, fraud, and money laundering.

All employees are required to adhere to the Group's stringent anti-bribery and anti-corruption policies and procedures. Our comprehensive Group-wide Code of Conduct and Ethics Policy provides clear guidelines on managing situations involving the giving or receiving of gifts (monetary or otherwise), kickbacks, concessionary offers, entertainment, and business dealings that might create actual or perceived conflicts of interest. This policy applies to all employees, directors, and business partners and strictly prohibits the offering or acceptance of bribes, gratification, or any other form of inducement.

To ensure alignment with these standards, the Group-wide Code of Conduct and Ethics Policy is communicated to all directors and employees. Additionally, the Group-wide Third-Party Agent and Outsourcing Policy requires a corruption risk assessment for all service providers. Policies and training materials are disseminated through emails, contractual agreements, and our corporate website to reinforce understanding and compliance.

The Manager remains unwavering in its commitment to ethical conduct and zero tolerance for corrupt practices. No confirmed incidents of corruption were reported during the period.

Find out more about our Anti-Bribery and Corruption Policy on page 129.

#### Anti-Competition

We uphold a strict policy against anti-competitive behaviour, anti-trust violations, and monopolistic practices. Employees are strictly prohibited from engaging in activities such as price fixing, market allocation, or any form of monopolistic conduct.

During the reporting period, no incidents of non-compliance with anti-competitive behaviour, anti-trust laws, or monopoly regulations were reported.

#### Anti-Money Laundering

We are committed to complying with applicable laws on anti-money laundering and countering the financing of terrorism. Our Anti-Money Laundering and Countering the Financing of Terrorism Policy mandates that all employees adopt a risk-based approach to Know Your Customer ("KYC") due diligence procedures and take proactive measures to prevent and detect unacceptable or suspicious payments.

Read more about our Anti-Money Laundering and Countering the Financing of Terrorism Measures on page 126.

#### Board Diversity

The Board has established a diversity policy to ensure an appropriate level of diversity in its composition. The Nominating and Remuneration Committee ("NRC") considers various aspects of diversity, including professional qualifications, industry and geographic knowledge, skills, length of service, age, gender, and the specific needs of Elite REIT, when reviewing and assessing the Board's composition and recommending new director appointments.

The Board has rich diversity in terms of professional qualifications, knowledge, and skills. Acknowledging the significance of gender diversity, the Board is committed to progressively increasing female representation upon renewal or expansion. It has set a target of at least 30% female directors by 2029. In demonstrating the Board's commitment, Datin Paduka Sarena Cheah has been appointed as a Non-Independent Non-Executive Director on 1 January 2024, replacing Mr Evan Cheah Yean Shin. Following the Board changes, female Board representation is 11.1%.

At the end of 2024, the Board comprises nine directors. In terms of age diversity, 67% of the directors are above 50 years old, and the remainder are between 30 and 50 years old.

#### Data Protection and Cyber Security

We are committed to protecting the personal data of our employees, customers, and other stakeholders collected during business operations. We have implemented measures to ensure privacy and compliance with data protection laws in the regions where we operate. In Singapore, we comply with the Personal Data Protection Act 2012 ("PDPA"), and in the UK, we adhere to the principles of the Data Protection Act 2018.

Information technology ("IT") risk and cybersecurity are integral to our enterprise risk management strategy. We have established a comprehensive framework with robust controls to protect IT systems from cyber-attacks and prevent data loss.

During the reporting period, no substantiated complaints or incidents of personal data breaches were reported.

Learn more about our data protection measures at <https://www.eliteukreit.com/pdpa.html>

#### Ethical Conduct

Upholding ethical standards and integrity is essential for building trust, protecting our reputation, and securing Elite REIT's long-term success. The Elite Partners Group-wide ("Group-wide") Code of Conduct and Ethics Policy provides comprehensive guidelines for directors, managers, and employees to carry out their responsibilities with the highest ethical standards.

The policy covers a wide range of areas, including regulatory compliance, confidentiality, personal data protection, insider trading, anti-money laundering, countering the financing of terrorism, and preventing corruption and bribery. It also addresses human rights, social and environmental responsibility, and whistleblowing. Non-compliance with this policy may result in disciplinary action.

### Regulatory Compliance

Non-compliance with laws and regulations can result in reputational harm, financial penalties, and operational disruptions. We are committed to complying with all relevant legal and regulatory requirements in the regions where we operate. These include, but are not limited to, business and commercial laws, governance codes, environmental regulations, and employment laws.

Our operations are primarily governed by UK laws, which apply to our portfolio, and Singapore laws, where our head office is located and where we are listed on the SGX-ST. To manage regulatory compliance risks effectively, we have established strong internal controls within our enterprise risk management framework.

There were no significant instances of non-compliance with applicable laws or regulations during the reporting or preceding period. We consider an incident significant if it involves a fine of more than £20,000.

### Whistleblowing Policy

Our Whistleblowing Policy provides a confidential channel for employees, REIT Manager directors, and other stakeholders to report suspected fraud, corruption, unlawful conduct, human rights or grievances regarding potential negative impacts on stakeholders.

Reports can be submitted via a dedicated email address at [whistleblow@eliteukreit.com](mailto:whistleblow@eliteukreit.com) or by post to Elite REIT's office, addressed to the Board Chairman, ARC Chairman, or the CEO. We uphold strict confidentiality standards to protect whistleblowers from reprisals and victimisation.

In FY2024, there were no whistleblowing concerns raised through the whistleblowing channel.

Read more about our Whistleblowing Policy on pages 125 to 126 and on our website: <https://www.eliteukreit.com/whistleblowing-statement.html>

### Political Contributions

Our policy prohibits making any contributions to political campaigns. As such, no political contributions were made in the reported period.

### Supply Chain

Elite REIT's suppliers include a diverse range of service providers, such as legal counsel, unit registrars, tax agents, insurance brokers, auditors, valuers, and surveyors. The Manager's supply chain further comprises property managers, a corporate secretary, a human resource consultant, an IT provider, marketing and events providers, auditors, and legal counsel.

Our Group-wide Third-Party Agent and Outsourcing Policy requires service providers to meet stringent evaluation criteria, addressing risks related to corruption, outsourcing, and other concerns. High-risk providers must annually certify their compliance with applicable laws, including anti-corruption regulations. Before engaging with critical suppliers, we conduct thorough due diligence to ensure their practices align with the Group's ethical standards.

### Targets and Performance

ESG TOPIC	TARGET	2024 PERFORMANCE
<b>Regulatory Compliance</b>	<b>Ongoing</b> <ul style="list-style-type: none"> <li>Zero incidents of significant non-compliance with environmental and socioeconomic regulations</li> </ul>	No confirmed incidents
<b>Anti-Corruption</b>	<b>Ongoing</b> <ul style="list-style-type: none"> <li>Zero incidents of corruption and bribery</li> <li>Annual training on anti-corruption and anti-money laundering policies</li> </ul>	No incidents  100% of eligible staff completed the annual training.  100% of the Board completed the annual training.

# SUSTAINABILITY REPORT

Anti-Corruption Training for the Board				
Performance Indicator	Unit	2022	2023	2024
Number of board directors that received anti-corruption training	Number	10	10	9
Percentage of board directors that received anti-corruption training	%	100%	100%	100%

Anti-Corruption Training for Employees				
Performance Indicator	Unit	2022	2023	2024
Number of employees that received anti-corruption training	Number	6	5	6
Percentage of employees that received anti-corruption training	%	100%	100%	100%

## ENABLING POSITIVE SOCIAL IMPACT: PEOPLE

We are committed to cultivating an inclusive and supportive workplace where our team can thrive and achieve their fullest potential. This commitment underpins our objective to attract, develop, and retain top talent. Our workplace policies are designed to foster active engagement, open communication, mutual trust, respect, collaboration, and continuous personal and professional growth.

## Employees

As of 31 December 2024, we employed six people, all as full-time employees on permanent contracts. There were no temporary or part-time employees in the reported period. Four are based in our Singapore office, and two in our UK office. We currently do not track the number of non-employees whose workplace is controlled by us.

Employee Data				
Particulars	2022	2023	2024	
<b>Employees</b>				
<b>Total number of permanent employees</b>				
Male	3	3	3	
Female	3	2	3	
Total number of temporary employees	0	0	0	
Total number of fixed-term contract employees	0	0	0	
Total number of employees	6	5	6	
<b>Total number of full-time employees</b>				
Male	3	3	3	
Female	3	2	3	
Total number of part-time employees	0	0	0	
Proportion of female employees	50%	40%	50%	
Proportion of female Heads of Department	50%	25%	25%	
<b>Employees by age group</b>				
Under 30 years	1	0	1	
30-50 years	5	5	5	
Over 50 years	0	0	0	
<b>Employees by category</b>				
Senior Management	3	3	3	
Executives	3	2	3	
Non-executives	0	0	0	
<b>Employees by region</b>				
Singapore	4	3	4	
UK	2	2	2	

## Employee Data

Particulars	2022	2023	2024
Hiring			
New hiring by gender			
Male	0	2	0
Female	1	0	2
Total new hiring	1	2	2
New hiring by age group			
Under 30 years	0	0	1
30-50 years	1	2	1
Over 50 years	0	0	0
New hiring by region			
Singapore	0	2	2
UK	1	0	0
New hiring rate by gender (%)			
Male	0%	67%	0%
Female	33%	0%	33%
Overall rate	17%	40%	33%
New hiring rate by age group (%)			
Under 30 years	0%	0%	17%
30-50 years	20%	40%	17%
Over 50 years	0%	0%	0%
New hiring rate by region			
Singapore	0%	67%	33%
UK	50%	0%	0%
Employee turnover			
Number of turnovers by gender			
Male	0	2	0
Female	1	1	1
Total number of turnovers	1	3	1
Number of turnovers by age group			
Under 30 years	0	1	0
30-50 years	1	1	1
Over 50 years	0	1	0
Employee turnover rate by gender (%)			
Male	0%	67%	0%
Female	33%	50%	17%
overall rate	17%	60%	17%
Employee turnover by region			
Singapore	0	3	1
UK	1	0	0
Employee turnover rate by age (%)			
Under 30 years	0%	20%	0%
30-50 years	17%	20%	33%
Over 50 years	0%	20%	0%
Employee training			
Employee training by gender			
Average hours of training per employee (male)	87.8	34.5	15.3
Average hours of training per employee (female)	54.3	22.8	15.7
Average hours of training per employee	71.0	29.8	15.5
Average hours of training by category			
Senior Management	29.3	34.5	15.3
Executives	112.8	22.8	15.7



# SUSTAINABILITY REPORT

## **Policies and Practices**

### **Diversity, Equality and Inclusion**

We believe that workplace diversity enhances decision-making, market competitiveness, talent attraction and retention, and corporate reputation. We are dedicated to fostering an inclusive and welcoming workplace that respects diversity through inclusive policies and practices. Our policies promote equality and mutual respect, ensuring every employee feels valued, respected, and empowered.

Women make up 50% of our workforce, including representation at the management level. With the appointment of Datin Paduka Sarena Cheah as a Non-Independent Non-Executive Director effective 1 January 2024, the proportion of women on our Board is 11.1%, further enhancing the Board's gender diversity. We have set a target to achieve 30% female representation at the Board level by 2029.

### **Employee Engagement**

Creating an environment where employees are actively engaged and motivated to achieve business objectives is a cornerstone of our talent management strategy. As a compact team, we prioritise open communication, frequent meetings, collaborative cross-functional initiatives, and continuous interaction. In addition, we utilise formal engagement mechanisms, including performance evaluations and the establishment of personal development objectives, to ensure alignment with organisational goals.

### **Employee Development**

Investing in employee development is essential to building a knowledgeable and capable team, which is critical to achieving Elite REIT's business objectives. We are committed to providing regular training opportunities, recognising the importance of both personal and professional growth in driving our success.

To stay ahead in a dynamic environment, our teams are equipped to address emerging challenges such as climate-related risks and opportunities, regulatory changes in climate change, energy, emissions, water, ESG screening of assets, green building certifications, and sustainability reporting.

We have set an ongoing target of providing each employee with at least 20 hours of training annually, including a minimum of one hour dedicated to ESG matters. To track our progress, we monitor and report the average training hours attended by employees. For detailed insights into our training performance, please refer to the accompanying data tables and charts.

### **Employee Well-being**

The health and well-being of our employees are of utmost importance to us. We regularly organise programmes that promote healthy lifestyles and enhance team cohesion. For example, our team actively participates in various sporting

events, such as walking, jogging, badminton, and cycling, which contribute to both their physical and mental well-being. These activities also strengthen teamwork, team bonding, and camaraderie among colleagues.



*Getting ready for a friendly game of laser tag*



*Strengthening camaraderie among colleagues*

### **Health and Safety**

Ensuring the safety and well-being of our employees, tenants, occupiers, customers, and visitors is a top priority. We collaborate with primary occupiers and tenants to implement necessary safety measures aimed at preventing workplace accidents and injuries across Elite REIT's buildings, in full compliance with relevant health and safety regulations.

Within our own offices, we adhere to all applicable health and safety requirements and ensure that necessary measures are in place to protect our employees.

There were no incidents of reportable injuries in our workplaces in FY2024.

### **Hiring and Turnover**

We prioritise attracting and retaining highly qualified and suitable talent, both of which are critical for delivering high-quality services to our primary occupiers and tenants, as well as ensuring healthy returns for Elite REIT's unitholders. We consistently monitor hiring and turnover rates and provide updates for management review.

## Human Rights and Modern Slavery

Slavery, servitude, forced or compulsory labour, child labour, and human trafficking violate fundamental human rights. We are committed to taking measures to prevent modern slavery and human trafficking within our operations and supply chain. We uphold internationally recognised human rights principles, such as the UN Declaration of Human Rights and the International Labour Organization's core labour standards. Our Human Rights Policy fosters a supportive, trust-based work environment free from human rights violations, where employees treat one another with dignity. Human rights principles are integrated into our policies and practices wherever relevant.

The policy also prohibits all forms of discrimination or harassment, including those based on race, ancestry, family status, age, disability, religion, gender, or marital status. We respect employees' rights to freedom of association and collective bargaining; however, none of our employees are currently part of a collective bargaining agreement.

Our whistleblowing channel allows stakeholders to raise concerns or grievances related to human rights. The Manager is committed to taking or supporting remedial actions when it has caused or contributed to adverse human rights impacts.

### Non-discrimination

We are committed to fostering a respectful and inclusive workplace where every individual feels valued and empowered. Our policies are designed to ensure fair, equal, and respectful treatment of all employees and external stakeholders. We strictly prohibit any form of discrimination or harassment based on race, colour, ancestry, familial

status, age, disability, religion, gender, marital status, or any other characteristic.

We are committed to addressing all complaints of discrimination promptly and implementing appropriate remedial measures when necessary. In FY2024, there were no incidents of discrimination.

### Performance Management

We are committed to maintaining a fair, objective, and transparent performance management system that aligns employees' development aspirations with Elite REIT's business objectives. Our annual performance evaluation process includes self-assessment, performance discussions, identifying training and development needs, and establishing key performance indicators to drive employee growth and motivation.

Employees actively participate in setting and reviewing individual and team goals, ensuring clear alignment between performance expectations and compensation.

In FY2024, all employees participated in regular performance and career development reviews, achieving a 100% participation rate.

### Talent Management

At Elite REIT, effective talent management is fundamental to our success and long-term growth. Our strategy is built around fostering a fair, inclusive, and high-performance culture that enables us to attract, nurture, and retain exceptional talent. We are committed to promoting employee engagement, continuous development, diversity and inclusion, teamwork, collaboration, work-life balance, and a transparent performance management system with equitable rewards.

## Targets and Performance

ESG TOPIC	TARGET	2024 PERFORMANCE
Attracting and retaining talent	<b>Ongoing</b> To improve net promoter score of employee satisfaction survey	Conducted employee satisfaction survey, with improvement by 30 points
Employee Development	<b>Ongoing</b> Average 20 hours of training per employee  At least one hour of compulsory ESG training for all employees	Achieved average 16 hours of training per employee, including ESG-related training
Diversity	<b>Ongoing</b> Introduction of gender diversity at the Board level  Achieve 30% female representation on the Board by 2029	Female representation on the Board at 11.1% in 2024

# SUSTAINABILITY REPORT

## ENABLING POSITIVE SOCIAL IMPACT: COMMUNITY

In many of Elite REIT's physical spaces which are operated by our primary occupier, Department for Work and Pensions ("DWP"), initiatives that maximise employment and support in-work progression are being carried out. The Manager is aligned with its primary occupier's mission of improving lives and fostering economic prosperity and we collaborate with other institutions including our Sponsors as part of a broader effort to create secure and prosperous futures. Our key community engagement programmes in FY2024 are summarised below.

### Mentoring migrant workers in Singapore

Team Elite REIT joined other volunteers in a mentoring session in December 2024. The mentoring session is organised by social enterprise Aidha Singapore and aimed at guiding migrant domestic workers in developing business plans, empowering them to achieve economic independence and create brighter futures.

Through the mentoring session, ideas for opening businesses such as restaurants, drinks stalls, or even chicken farms back in their home countries of the Philippines and Indonesia were crystallised.

With Aidha Singapore's analysis revealing that the education of 1 migrant domestic worker can impact up to 9 lives, we are humbled to contribute to this ripple effect of positive change.



*Mentoring migrant workers in Singapore*

### Fundraising for homeless youth and underserved children

In September 2024, Team Elite REIT together with representatives from its Sponsor trekked over 10km and raised closed to ~£2,000 for homeless youth. With many shelters charging between £15-£35 per night, the funds raised could cover the costs for for a young person for up to two months of emergency accommodation.

In December 2024, Team Elite REIT also joined its Sponsor at pop-up booths across Marina Central to raise funds for the underserved children at Glyph Community. Glyph Community organises weekend enrichment activities that inspire and empower their children, offering them opportunities to learn, grow, and stay positively engaged. Thanks to the collective goodwill of everyone who participated, donated, or supported the campaign, a total of SGD 14,000 in donations were raised.



*Bringing together a community to fund raise*



*Fundraising for homeless youth and underserved children*



## ENABLING POSITIVE SOCIAL IMPACT: OUR PORTFOLIO



JobCentre Plus

Elite REIT's portfolio delivers a significant positive social impact. A key element of Elite REIT's investment strategy is its emphasis on social infrastructure in the UK, with the majority of its properties leased to the UK Government. The DWP, the UK's largest public service department, is the primary tenant of these properties.

The DWP plays a critical role in strengthening the UK's social fabric by managing welfare, pensions, and child maintenance policies. Through its network of JobCentre Plus centres, the department supports over 20 million claimants and has distributed more than £265 billion in benefits, according to the DWP Annual Report and Accounts 2023–2024.

Over 88% of DWP-occupied assets in Elite REIT's fit-for-purpose portfolio are used as public-facing JobCentre Plus centres. These centres serve local communities, particularly individuals requiring financial assistance and career services to re-enter the workforce. JobCentre Plus is an indispensable enabler for the UK Government's efforts to alleviate poverty and drive social change through employment.





# SUSTAINABILITY REPORT

## SUPPORTING A SUSTAINABLE ENVIRONMENT

We are committed to building an environmentally responsible and resilient portfolio by managing climate-related risks and opportunities, endeavouring to reduce GHG emissions and enhancing energy efficiency, in collaboration with our tenants. Since most of our portfolio operates on a full repairing and insuring ("FRI") basis, we have limited control over daily energy, water, and waste management in our portfolio. Consequently, active tenant engagement is critical to achieving our environmental objectives.

Our environmental strategy focuses on three key areas: mitigating climate-related physical and transition risks, upgrading assets to meet the growing demand for low-carbon spaces, and collaborating with our primary occupier to monitor environmental performance. Environmental data in this report, including energy consumption and GHG emissions have been provided by our tenants or occupiers. Our approach includes continuous evaluation and improvement of our portfolio's climate resilience, as well as integrating climate-related risks and opportunities into acquisition decisions.

### Policies and Practices

#### Engaging Tenants

We maintain regular engagement with our primary occupier and tenants on environmental performance matters, including the energy efficiency of our properties. Our proactive approach includes holding regular dialogues and maintaining a physical presence in the UK for operational oversight. These efforts enable us to comprehensively analyse occupier utilisation and gain deeper insights into the needs of our primary occupier.

We work closely with tenants to incorporate green lease clauses, which are essential for advancing sustainability and environmental responsibility within our properties. As of this year, approximately 98.6% of our portfolio by gross rental income includes these clauses.

Green lease clauses enable the sharing of environmental data between us and our occupiers, supporting more informed and effective environmental management. This report highlights energy consumption data provided by our primary occupier, the DWP, demonstrating the tangible benefits and impact of green lease agreements.

## 'Greening' the Portfolio

### Driving Sustainable Value for the Long Term

Sustainability enhancement works are planned across various DWP-occupied properties in Elite REIT's portfolio to optimise energy use. Planned initiatives include:

- Upgrading or expanding the variable refrigerant system ("VRS").
- Replacing gas- or oil-fueled boilers with high-efficiency or non-carbon-based heating solutions.
- Replacing air-conditioning systems with variable refrigerant systems.
- Upgrading air handling units ("AHUs"), including direct expansion cooling, ductwork modifications, and Building Management System ("BMS") replacements.
- Roof replacement projects.

### Improving Energy Efficiency

Our energy policy focuses on improving energy efficiency across our properties to reduce energy consumption and minimise our carbon footprint. We collaborate with tenants and occupiers to implement and sustain energy-saving measures, such as LED lighting, energy-efficient Heating, Ventilation, and Air-Conditioning ("HVAC") systems, and advanced smart building technologies. Additionally, we aim to enhance the energy performance of our properties by retrofitting older buildings with energy-efficient solutions and exploring renewable energy options like solar panels.

We are committed to achieving and maintaining high standards of green building and energy certifications for our portfolio. Through active engagement with tenants and occupiers, we promote energy-efficient practices and align with emerging technologies and industry best practices.

### Reducing GHG Emissions

We are committed to minimising our portfolio's carbon footprint by enhancing energy efficiency through smart building design, advanced cooling and heating systems, and adopting industry best practices. By collaborating with tenants and occupiers, we encourage their active participation in emission reduction initiatives and the promotion of sustainable practices. To ensure transparency and accountability, we work closely with them to monitor and disclose GHG emissions from our properties.

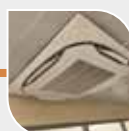
### **Strategic Partnership with Government Tenants**

The Group has made a sustainability contribution of £14.7 million to its tenants, the Department for Work and Pensions and UK Government's Ministry of Defence. The funds are channeled towards approved sustainability asset enhancement works to improve energy efficiency of occupied assets, such as the following:



#### **Kilner House Canning Town, London**

A replacement of variable refrigerant volume air conditioning system is being conducted across ground and first floor at Kilner House Canning Town, London. External variable refrigerant volume air conditioning units are being installed, as well as new internal ceiling cassettes throughout the building.



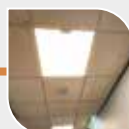
#### **Coustonholm Road Glasgow, Scotland**

The property at Coustonholm Road Glasgow, Scotland, uses modern boilers. New Whitecroft high efficiency, low energy LED lights with timing controls have been installed throughout the building; and existing general & emergency lights isolated and removed.



#### **Flemington House Motherwell, Scotland**

At Flemington House Motherwell, Scotland, external air-sourced heat pumps are being installed. Existing general and emergency lights are being isolated and removed. New Whitecroft high efficiency, low energy LED lights with timing controls are being installed.



# SUSTAINABILITY REPORT

## Targets and Performance

A low-carbon, climate-ready portfolio is crucial to maintaining Elite REIT's competitive edge, especially as climate resilience becomes an increasingly significant factor in shaping asset valuations, capital costs, and insurance decisions. In alignment with the Paris Agreement's goals to limit global warming to well below 2°C, with an aspiration of 1.5°C by 2030, and achieve net zero carbon emissions by 2050, we are committed to developing a net zero carbon portfolio by 2050.

With all assets located in the UK, our environmental strategy supports the UK's goal of achieving net zero GHG emissions by 2050. Over 90% of our portfolio is leased to the DWP, closely aligning our commitments with the UK's national climate agenda. As a Singapore-listed entity, we also contribute to the Singapore Green Plan 2030, a roadmap for sustainable development.

ESG TOPIC	TARGET	2024 PERFORMANCE
<b>Climate-related Risks and Opportunities</b>	<b>Ongoing</b> <ul style="list-style-type: none"> <li>Environmental Risk Management Policy is approved by the Board</li> <li>Integrate climate-related risks and opportunities into our due diligence process when considering new asset investments</li> </ul>	Please see pages 84 to 86 of Annual Report 2024 for more information.
<b>Energy and GHG Emissions</b>	<b>Ongoing</b> <ul style="list-style-type: none"> <li>Reporting on buildings where sustainability enhancement works have completed</li> <li>Continue the engagements with the primary occupier</li> <li>Gather data and achieve an EPC rating of B or higher for all properties by 2030</li> </ul>	Please see pages 86 to 88 of Annual Report 2024 for more information.
<b>Tenant Engagement</b>	<b>Ongoing</b> <ul style="list-style-type: none"> <li>Maintain regular engagements with the primary occupier on periodic and regular sharing of environmental data for performance tracking</li> </ul>	Regular engagements with the primary occupier are maintained on periodic and regular sharing of environmental data for performance tracking



## TCFD REPORT

This is our fourth TCFD Report, prepared in line with TCFD Recommendations, to provide stakeholders with insights into climate-related risks and opportunities relevant to Elite REIT and our approach to addressing them. The report is organised around four key areas: governance, strategy, risk management, and metrics and targets.

### Governance

We have established a robust governance framework, with the Board overseeing climate-related issues and the Manager responsible for implementing and monitoring climate strategies.

### Board Responsibility

The Board ensures effective management of environmental and climate-related risks and opportunities as part of its strategic oversight. During risk reviews, strategy approvals, and budget planning, the Board incorporates climate considerations. It also reviews and approves sustainability reports and TCFD disclosures and evaluates performance against key ESG and climate metrics.

To support this oversight, the Board has formed a Sustainability Committee ("**SC**"), chaired by the Independent Board Chairman. The SC includes an Independent Director, a Non-Independent Director, and senior management, such as the CEO, CIO, CFO, and Assistant Vice President, Investor Relations. The SC meets biannually to review progress on ESG initiatives, including climate-related measures. A cross-functional Sustainability Working Team ("**SWT**") supports the Board and SC in assessing and managing climate-related issues.

### Management Responsibility

The Manager is responsible for implementing and managing climate strategies, monitoring climate risks, and tracking performance indicators. The Assistant Vice President, Investor Relations, with direct line reporting to the CEO, leads these efforts. The SWT, comprising representatives from various functions, identifies material climate risks and opportunities, assesses financial impacts, and develops mitigation and adaptation strategies.

The SWT regularly updates the SC, which reports to the Board. The Manager also engages with tenants and the primary occupier to enhance building energy efficiency and reduce carbon emissions. The Manager monitors the environment performance of the primary occupier through data provided by the primary occupier. To ensure accountability, the SC conducts an annual performance evaluation against key ESG and climate-related metrics.

### Strategy

The buildings and construction sector accounts for approximately 37% of global energy-related CO<sub>2</sub> emissions, making energy efficiency improvements critical to decarbonising the industry. This is essential for achieving the Paris Agreement's goals of limiting global warming to well below 2°C, aiming for 1.5°C by 2030, and attaining net zero carbon emissions by 2050.

In the UK, building operations contribute 19% of the total carbon footprint, primarily due to energy usage for heating, cooling, and powering buildings, according to the UK Green Building Council. Non-domestic buildings alone account for 23% of carbon emissions from the built environment. With 80% of the buildings expected to be in use by 2050 already constructed, decarbonising the existing building stock is critical.

The UK Government has set a legally binding target to achieve net zero emissions by 2050, accompanied by policies and strategies to decarbonise all sectors. As a result, the demand for energy-efficient, low-carbon buildings is increasing significantly.

Since all Elite REIT assets are in the UK, our decarbonisation strategy aligns with the UK Government's net zero plans for the real estate sector. We continuously evaluate climate-related risks and opportunities within our portfolio, developing mitigation and adaptation strategies to transition toward a low-carbon economy.

### Our Strategic Approach

Our strategy considers potential climate-related financial impacts over short-, medium-, and long-term horizons, defined as:

**Short-Term (0-5 years):** In the near term, our focus is on improving energy efficiency across our portfolio and mitigating physical risks from extreme weather events, such as rising sea levels and floods. As the majority of our assets are under FRI leases, we collaborate with tenants and occupiers to monitor environmental performance. Green lease clauses, included in all leases with our primary occupier, the DWP, enable the sharing of environmental data, allowing us to track performance effectively. We are actively working to incorporate green lease provisions with other tenants as part of our mid- to long-term climate risk management strategy.

We are refining our framework for assessing climate-related risks and opportunities for new acquisitions. Key considerations include physical risks from extreme weather and environmental performance metrics such as energy efficiency, carbon emissions, and water usage.

As part of our roadmap, we aim to achieve a B EPC rating or higher for all assets by 2030. We are engaging with both DWP and non-DWP occupiers to gather data including energy and emissions, while exploring partnerships to enhance performance. We also monitor the progress of sustainability enhancement projects for assets occupied by the DWP and the Ministry of Defence ("**MOD**") as part of our sustainability collaboration.

**Mid-Term (6-10 years):** Our mid-term strategy focuses on ongoing collaboration with our primary occupier, other occupiers, and tenants, as well as targeted investments in our property portfolio to comply with the UK Government's Minimum Energy Efficiency Standards. In line with the UK's objectives, we are committed to achieving an EPC rating of B or higher for all properties by 2030.



# SUSTAINABILITY REPORT

**Long-Term (Over 10 years):** In the long term, our goal is to ensure our properties remain tenable and resilient under various climate scenarios. We plan to continue investing in mitigation and adaptation strategies to enhance the resilience of our existing properties. Additionally, climate-related risks and opportunities will remain integral to our due diligence process for new asset acquisitions. This will include assessing physical risks from climate change and conducting carbon appraisals to evaluate transition costs for achieving a net-zero carbon pathway.

## Collaboration with the DWP

Our primary occupier, the DWP has implemented a Carbon and Water Management Plan and a Sustainability Management Plan to support the UK's net-zero carbon target by 2050. We are committed to close collaboration with the DWP to drive progress in sustainability initiatives. These efforts include improving energy and water efficiency across our properties and supporting the DWP's broader sustainability goals.

## Risk Management

We continue to deepen our understanding of potential climate-related risks and opportunities through climate scenario analysis, first conducted in 2021. This analysis evaluates global temperature increase scenarios of 2°C and 4°C, referencing the Representative Concentration Pathways ("RCPs") developed by the Intergovernmental Panel on Climate Change ("IPCC"). RCPs model potential future emissions and greenhouse gas concentrations up to 2100.

Our 2°C scenario, aligned with IPCC's RCP2.6, assesses both transition risks and opportunities, as well as physical risks. In contrast, the 4°C scenario, based on IPCC's RCP8.5, focuses exclusively on evaluating physical risks.

Using insights from this scenario analysis and aligned with Elite REIT's risk management framework, we apply the TCFD Recommendations and the MAS Guidelines on Environmental Risk Management to identify and assess climate-related risks and opportunities effectively.

The Sustainability Committee supports the Board in integrating climate-related risks into our overall risk management strategy. Additionally, the Audit and Risk Committee ("ARC") assists the Board by reviewing the adequacy and effectiveness of internal control policies and procedures. For more details on the ARC's roles and responsibilities, please refer to the Corporate Governance section of this Annual Report.

## Carbon Risk Real Estate Monitor

In 2024, we enhanced our climate risk assessment by adopting the Carbon Risk Real Estate Monitor ("CRREM") tool, an EU-funded research project. This tool helps evaluate the risk of assets becoming 'stranded'—properties that fail to meet future energy efficiency standards and where energy upgrades may not be financially viable.

The CRREM assessment enables investors and property owners to identify their assets' exposure to stranding risks by analysing energy and emissions data alongside regulatory requirements.

## Assessment of Climate-related Risks

### Physical Risk

Global warming poses significant physical risks to societies, economies, and businesses, which can be categorised into acute and chronic risks. Acute risks are event-driven, such as severe weather events like floods, cyclones, or hurricanes. Chronic risks, on the other hand, stem from long-term climate changes, including rising temperatures, sea level rise, and prolonged heatwaves. Both types of risks can impact our properties, disrupt tenant operations, and, in extreme cases, render properties unrentable.

We conducted a comprehensive evaluation of the physical risks to our 149 UK properties using the Met Office's UK Climate Projections 2018 ("UKCP18") in FY2021. These projections forecast warmer, wetter winters and hotter, drier summers in the 21st century. Under a high-emission scenario, average summer temperatures could rise by 0.9°C to 5.4°C, and winter temperatures by 0.7°C to 4.2°C by 2070. Summer rainfall may decline by up to 47%, while winter rainfall could increase by up to 35%.

UKCP18 also predicts an increase in the frequency and intensity of extreme weather events, such as heavier summer downpours and more frequent heatwaves, particularly in the Southeast of England. Additionally, sea levels in the UK have risen approximately 17 centimetres since the 20th century and are projected to continue rising. For example, London could experience a sea level rise of 0.53 to 1.15 metres by 2100 under a high-emission scenario, compared to levels observed between 1981 and 2000.

### UK Weather in 2024

We regularly monitor weather patterns and forecasts to better understand and mitigate climate-related risks. In 2024, the United Kingdom experienced several significant weather events, as reported by the MET Office and media outlets, highlighting the increasing impacts of climate change on the region.

### Record-Breaking Temperatures

The year 2024 is projected to be the hottest since records began in 1940 and the first to exceed 1.5°C above pre-industrial levels. This unprecedented warming was driven by a strong El Niño event and exceptionally high temperatures in the North Atlantic and Southern Ocean. Notably, September recorded seven consecutive days with temperatures above 30°C—a first in UK history—with the year's highest temperature of 33.5°C on 10 September. While El Niño tends to limit tropical storm development in the North Atlantic, it increases the likelihood of colder winters in the UK. Globally, El Niño cycles disrupt weather patterns across months, significantly impacting agriculture, infrastructure, health, and energy sectors.

### Storm Darragh

In early December, Storm Darragh brought winds of nearly 100 mph and heavy rainfall across the UK, causing widespread power outages and fatalities. Around 70,000 homes lost power, and two individuals died due to falling trees in Lancashire and Birmingham. The storm severely disrupted transportation and infrastructure, with recovery efforts continuing in its aftermath.

### Heavy Rainfall and Flooding

Several regions experienced heavy rainfall throughout the year, resulting in flooding. In September, torrential downpours in the Midlands, caused by low-pressure systems, led to major road closures and property flooding. In November, storms Bert and Conall delivered heavy rainfall to south Wales, south-west England, and the southern coast, increasing flood risks.

### Snow and Cold Spells

Despite the overall warming trend, cold spells and snowfall occurred in parts of the UK. November 2024 featured cold spells in its latter half, punctuated by two storms. Storm Bert delivered heavy rainfall, exceeding 150 mm in south Wales and south-west England, while Storm Conall brought further heavy rain to the southern coast of England.

### Insurance Payouts

The Association of British Insurers ("ABI") reported that in the second quarter of 2024, insurers paid out a record £1.4 billion in claims to assist homeowners and businesses affected by unexpected events like fires and floods. This marks the highest quarterly payout since the ABI began collecting this data in 2017 and represents a 5% increase from the first quarter of 2024. Notably, weather-related claims amounted to £144 million during this period, underscoring the financial impact of severe weather events.

These extreme weather events underscore the UK's growing vulnerability to diverse climate challenges, emphasising the urgent need for robust adaptation and mitigation strategies.

### Flood Risk

Our assets could face increasing vulnerability to surface water and river flooding due to rising precipitation and more intense rainfall events. Urban and low-lying areas are particularly prone to severe flash floods, while coastal

properties face heightened risks from sea-level rise. Preliminary analysis indicates that approximately 22.4% of our portfolio (by floor area) is currently located in high-risk flood zones.

Although a direct comparison of current and future flood risks is challenging due to limited data, we anticipate a long-term increase in surface water flooding exposure. The actual risk varies depending on factors such as building characteristics, local drainage systems, and surrounding landscapes. We remain committed to monitoring these risks and incorporating flood risk management into our asset management strategies.

### Water Impact

Given the potential for water shortages in the UK, we assessed the water-related risks affecting our portfolio. The UK Climate Change Risk Assessment 2017 projects that by the 2050s, England's water demand could exceed supply by 1.1 to 3.1 billion litres per day, driven by climate change and population growth.

Using the WRI Aqueduct Water Risk Atlas, we found that approximately 9.5% of our portfolio is currently in areas with high baseline water stress. This figure could rise to 33% by 2030 under the SSP2-45 intermediate scenario from the IPCC's Sixth Assessment Report ("AR6"), which assumes CO<sub>2</sub> emissions remain stable until mid-century.

As climate science evolves and more data becomes available, we will continue to review our water stress risks and refine our assessment methodologies to address emerging challenges effectively.

### Transition Risk

Transitioning to a lower-carbon or net-zero carbon economy presents potential risks for our portfolio. These transition risks may stem from significant changes in policies, regulations, legal requirements, technologies, and markets aimed at addressing climate change mitigation and adaptation.

Conversely, climate-related opportunities can emerge from such mitigation and adaptation efforts. These include improving resource efficiency and achieving cost savings, adopting low-carbon energy sources, developing low-carbon products and services, accessing new markets, and enhancing supply chain resilience.

# SUSTAINABILITY REPORT

A summary of potential climate-related risks and opportunities we have identified is provided below.

## Climate-related Risks

Risk Category	Risk Type	Risk Description	Potential Financial Impacts	Mitigation or Adaptation Measures
Physical Risk	Increased severity of extreme weather events such as floods and flash floods	<ul style="list-style-type: none"> <li>Properties located in high flood-risk areas</li> </ul>	<ul style="list-style-type: none"> <li>Asset valuation</li> <li>Inability to rent or sell the asset</li> <li>Increase in insurance costs</li> <li>Physical damage or impairment of assets</li> <li>Cost of pre-emptive mitigation measures</li> </ul>	<ul style="list-style-type: none"> <li>Undertake a further study to assess local town councils' preparedness and plans in areas where there is a high risk of river, coastal and surface water flooding</li> <li>Engage with the local councils and the tenant and/or occupier</li> </ul>
	Rising mean temperatures	<ul style="list-style-type: none"> <li>Properties located in high water-stressed or heat-stressed areas</li> </ul>	<ul style="list-style-type: none"> <li>Asset valuation</li> <li>Inability to rent or sell the asset</li> <li>Higher energy costs for tenants and/or occupiers due to increased cooling demand</li> </ul>	<ul style="list-style-type: none"> <li>Prioritise water efficiency measures in collaboration with tenants and occupiers in properties identified to be in high water-stress risk areas</li> </ul>
Transition Risk	Policy and Legal	<ul style="list-style-type: none"> <li>Stricter building energy efficiency and water efficiency regulations</li> <li>For example, the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 stipulated that from 1 April 2023, landlords of privately rented property in England or Wales must ensure that their properties reach at least an EPC rating of E before the non-domestic properties can be rented out<sup>1</sup></li> <li>From 15 June 2022, new commercial buildings in England are required to emit 27% less carbon in comparison to current standards. Other improvements include increasing ventilation, boosting air quality and cutting transmission risks of airborne viruses</li> <li>In addition, from 15 June 2022, existing non-residential, non-mixed-use buildings undergoing major renovation (more than 25% of the surface area of the whole building envelope) will be required to have at least one electric vehicle charging point for every 10 car parking spaces<sup>2</sup></li> <li>Pricing on carbon emissions</li> </ul>	<ul style="list-style-type: none"> <li>Cost of asset enhancements to meet high energy efficiency regulations</li> <li>Cost of asset enhancements to improve water efficiency</li> <li>Loss of revenue from the inability to lease non-compliant buildings</li> <li>Higher compliance cost</li> <li>Increased cost of operations due to carbon tax and carbon offsets</li> </ul>	<ul style="list-style-type: none"> <li>Adopted a target to achieve EPC rating of B or higher for all properties by 2030</li> <li>Committed to net zero portfolio by 2050</li> </ul>

1. Gov.UK, Non-domestic private rented property: minimum energy efficiency standard – landlord guidance, 15 October 2019.

2. HM Government, The Building Regulations 2010, Infrastructure for the charging of electric vehicles, 2021 edition – for use in England.

Risk Category	Risk Type	Risk Description	Potential Financial Impacts	Mitigation or Adaptation Measures
Transition Risk	Market	<ul style="list-style-type: none"> <li>Reduced demand for carbon-inefficient buildings due to changing customer preferences</li> <li>Increasing demand for climate-related and ESG disclosures</li> </ul>	<ul style="list-style-type: none"> <li>Repricing of assets</li> <li>Lower rental yield</li> <li>Inability to rent or sell the assets</li> <li>Lower ESG ratings could affect asset valuation</li> </ul>	<ul style="list-style-type: none"> <li>Adopted a target to achieve an EPC rating of B or higher for all properties by 2030</li> <li>Committed to a net zero portfolio by 2050</li> </ul>
	Reputation	<ul style="list-style-type: none"> <li>New reporting requirements: Market regulators may require adoption of the newly launched IFRS Sustainability Disclosure Standards (S1 and S2). S2 Standard relates to climate risk reporting</li> </ul>	<ul style="list-style-type: none"> <li>Inability to comply with emerging reporting requirements may affect our reputation, including intangible assets such as brand equity</li> <li>Increased cost of compliance</li> </ul>	<ul style="list-style-type: none"> <li>We closely monitor for gaps and emerging regulations to plan timely implementation</li> </ul>

### Climate-related Opportunities

Category	Opportunity	Description	Potential Financial Impacts	Management Approach
Resource Efficiency	Higher demand for energy-efficient buildings	<ul style="list-style-type: none"> <li>Improve energy efficiency of buildings</li> </ul>	<ul style="list-style-type: none"> <li>Rental premium</li> <li>Asset valuation</li> <li>Energy and operational cost savings for tenants and occupiers</li> <li>Lease longevity</li> </ul>	<ul style="list-style-type: none"> <li>Adopted a target to achieve an EPC rating of B or higher for all properties by 2030</li> <li>Committed to a net zero portfolio by 2050</li> </ul>
Energy Source	Use of renewable energy to lower carbon emissions	<ul style="list-style-type: none"> <li>Installation of photovoltaic ("PV") solar panels on our assets</li> </ul>	<ul style="list-style-type: none"> <li>On-site PV solar panel installations could generate renewable energy to offset carbon emissions and lower carbon tax</li> <li>Surplus from on-site PV solar panel installations could generate additional source of revenue</li> <li>Asset valuation</li> <li>Rental premium</li> <li>Lease longevity</li> </ul>	<ul style="list-style-type: none"> <li>Explore opportunities to collaborate with tenants and occupiers to improve properties' sustainability performance, including the feasibility of on-site PV solar panel installations</li> </ul>
Products and Services	Higher demand for energy-efficient and green-certified buildings	<ul style="list-style-type: none"> <li>Improve energy efficiency of buildings</li> <li>Obtain green building certification</li> </ul>	<ul style="list-style-type: none"> <li>Rental premium</li> <li>Asset valuation</li> <li>Energy and operational cost savings for tenants and occupiers</li> <li>Lease longevity</li> </ul>	<ul style="list-style-type: none"> <li>Adopted a target to achieve an EPC rating of B or higher for all properties by 2030</li> <li>Committed to a net zero portfolio by 2050</li> </ul>
	Green finance	<ul style="list-style-type: none"> <li>Green finance for asset enhancements</li> </ul>	<ul style="list-style-type: none"> <li>Lower interest cost on green loans</li> </ul>	<ul style="list-style-type: none"> <li>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</li> </ul>



# SUSTAINABILITY REPORT

Category	Opportunity	Description	Potential Financial Impacts	Management Approach
<b>Products and Services</b>	Higher demand for buildings with electric vehicle ("EV") charging facilities	<ul style="list-style-type: none"> <li>Installation of EV charging stations in our assets</li> </ul>	<ul style="list-style-type: none"> <li>Encourage users of buildings to switch to more energy-efficient vehicles</li> <li>Adhering to regulatory requirements</li> </ul>	<ul style="list-style-type: none"> <li>Explore opportunities to collaborate with tenants and occupiers to improve properties' sustainability performance, including the feasibility of installing EV charging stations in the buildings' car parks</li> </ul>
<b>Resilience</b>	Higher demand for energy-efficient and green-certified buildings	<ul style="list-style-type: none"> <li>Increased adoption of energy efficiency measures and renewable energy across the portfolio</li> </ul>	<ul style="list-style-type: none"> <li>Increased market valuation due to climate-resilience</li> </ul>	<ul style="list-style-type: none"> <li>Adopted a target to achieve an EPC rating of B or higher for all properties by 2030</li> <li>Committed to a net zero portfolio by 2050</li> <li>Considers ESG data when evaluating acquisition opportunities</li> </ul>

## Metrics and Targets

We have adopted a basket of metrics and targets as part of our climate action plan aimed at managing Elite REIT's climate-related risks and opportunities. Our progress against these metrics is presented below.

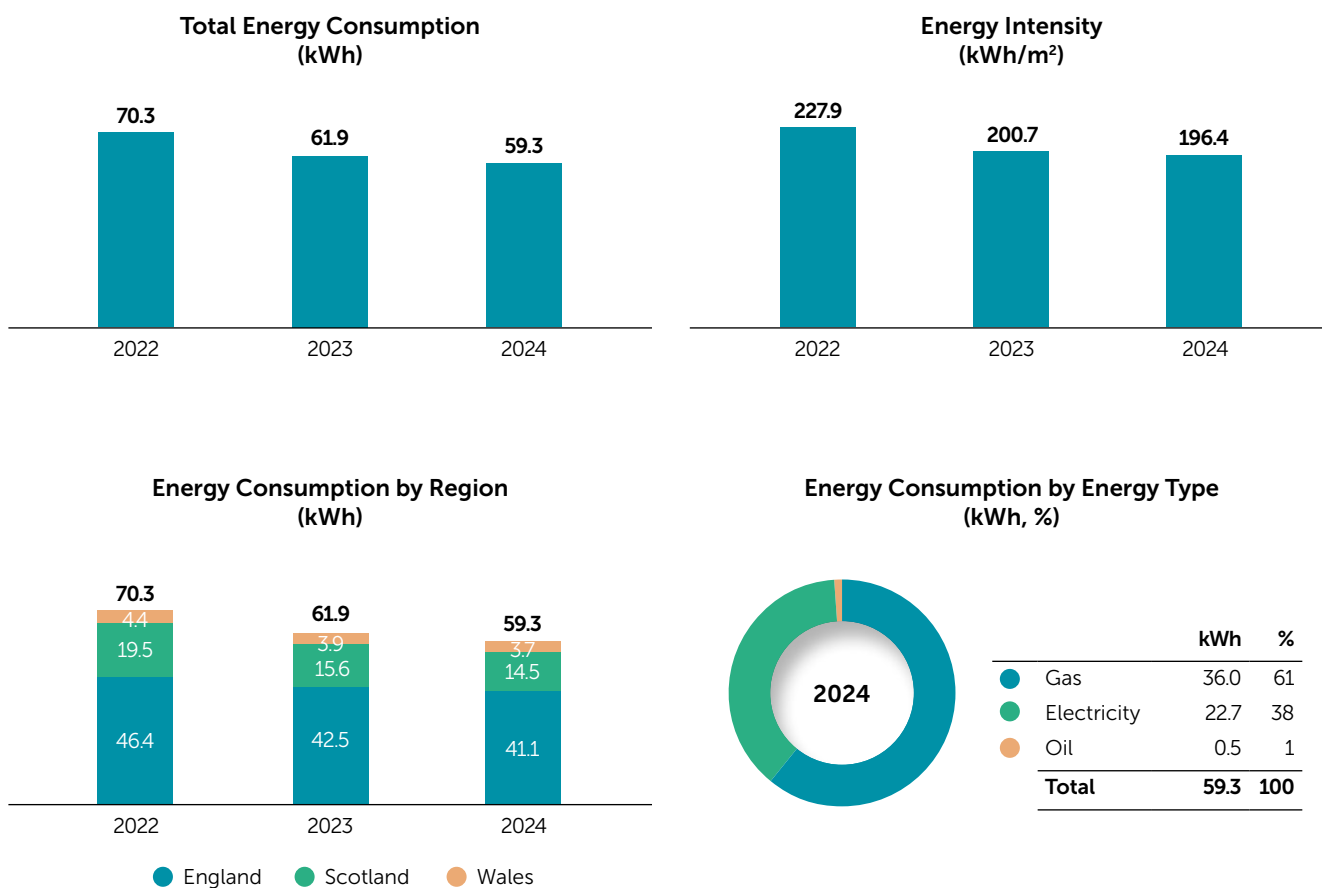
## TCFD Metrics and Targets

Climate-related Opportunities				
Topics	Metric	2022	2023	2024
<b>Products and services</b>	Percentage of portfolio with an EPC rating of A or B (floor area)	0.9%	1.9%	3.5%
	Percentage of gross rental income from EPC A and B-rated assets	1.2%	1.3%	3.2%
Climate-related Risks				
Topics	Metric	2022	2023	2024
<b>Policy and legal</b>	Percentage of portfolio with an EPC rating of C, D or E (by floor area)	96.2%	95.1%	85.3%
	Percentage of portfolio with an EPC rating of F or G (by floor area)	2.9%	3.0%	3.0%
<b>Extreme weather</b>	Percentage of portfolio exposed to high risk of inland, coastal and flash flooding (by floor area)	21.3%	34.4%	20.7%
	Percentage of portfolio exposed to high risk of inland, coastal and flash flooding (by value)	19.4%	32.7%	21.6%
<b>Resource supply</b>	Percentage of portfolio located at high and extremely high baseline water stress area (by floor area)	10.1%	15.9%	9.2%
	Percentage of portfolio located at high and extremely high baseline water stress area (by value)	21.2%	30.4%	21.3%
REIT Manager's Employee Travel				
Topics	Metric	2022	2023	2024
<b>GHG emissions (Scope 3)</b>	Total business commute (tCO <sub>2</sub> e)	1.6	1.1	2.8
	Total business travel (tCO <sub>2</sub> e)	0.7	49.7	26.5
	Total GHG emissions (tCO <sub>2</sub> e)	2.3	50.8	29.4
Occupier's Performance				
Topics	Metric	2022	2023	2024
<b>Energy</b>	Total energy consumption (kWh)	70.3	61.9	59.3
	Total electricity consumption (kWh)	25.0	23.0	22.7
	Total fuel consumption (e.g. gas) (kWh)	45.4	38.9	36.5
	Total energy intensity by floor area (kWh/m <sup>2</sup> )	227.9	200.7	196.4

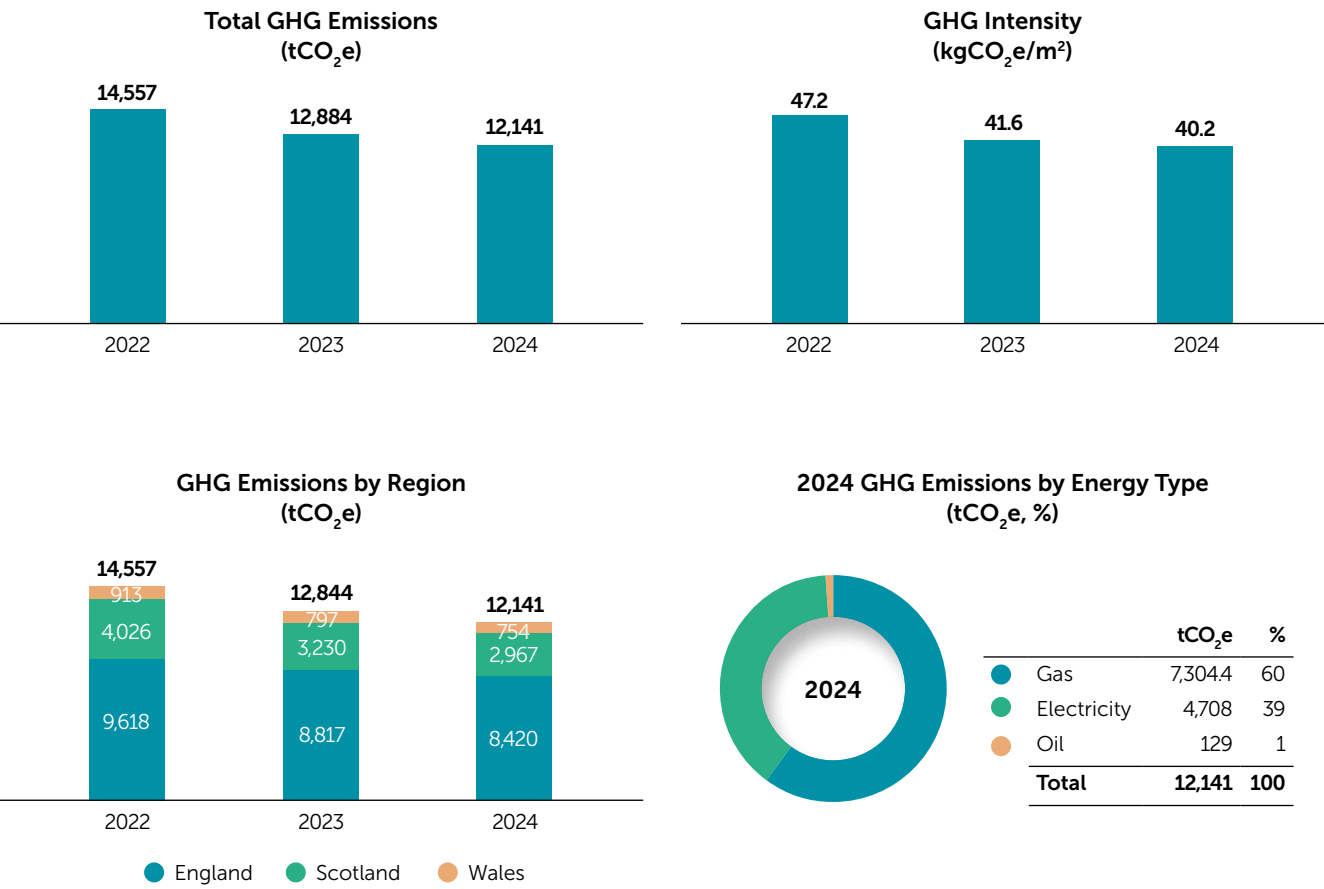
Occupier's Performance				
Topics	Metric	2022	2023	2024
<b>GHG emissions (Scope 3)</b>	Total GHG emissions intensity by floor area (kgCO <sub>2</sub> e/m <sup>2</sup> )	47.2	41.6	40.2
<b>Water</b>	Total water consumption (m <sup>3</sup> )	98,175	82,435	73,670
	Total water intensity by floor area (m <sup>3</sup> /m <sup>2</sup> )	0.32	0.27	0.24
<b>Waste<sup>5</sup></b>	Hazardous waste (tonnes)	15.2	315.5	4.1
	Non-hazardous waste (tonnes)	1,214.2	1,307.3	1,178.3
	Total waste (tonnes)	1,229.4	1,622.8	1,182.4
	Hazardous waste recycled (tonnes)	15.0	301.9	2.7
	Non-hazardous waste recycled (tonnes)	590.5	722.2	669.0

Elite REIT does not have operational or management control of its assets in the portfolio in terms of day-to-day management or utilities' consumption, as all current leases are on full repairing and insuring basis, commonly known as a triple net lease. Occupier's performance data presented here pertains only to DWP-occupied assets and has been provided by our primary occupier who also publishes their own sustainability reports.

Data for 2022 is based on 145 assets occupied by the DWP as at 31 December 2022, while data for 2023 and 2024 is based on 136 assets occupied by the DWP as at 31 December 2023 and as at 31 December 2024 respectively.



# SUSTAINABILITY REPORT



## GRI CONTENT INDEX

<b>Statement of Use</b>	Elite REIT has reported in accordance with the GRI Standards for the period 1 January 2024 to 31 December 2024.
<b>GRI 1 Used</b>	GRI 1: Foundation 2021
<b>Applicable GRI Sector Standard(s)</b>	Not applicable as a GRI sector standard is not available for our industry

GRI Standard	Disclosure	Location
<b>GRI 2: General Disclosures 2021</b>		
<b>The Organisation and its Reporting Practices</b>		
GRI 2-1	Organisational details	Page 1
GRI 2-2	Entities included in the organisation's sustainability reporting	Page 59
GRI 2-3	Reporting period, frequency and contact point	Page 59
GRI 2-4	Restatements of information	Page 59
GRI 2-5	External assurance	Page 59
<b>Strategy</b>		
GRI 2-6	Activities, value chain and other business relationships	Page 1, 71  There were no significant changes in activities, value chain and other relevant business relationships during the reporting period.
GRI 2-7	Employees	Page 72
GRI 2-8	Workers who are not employees	Page 72
<b>Governance</b>		
GRI 2-9	Governance structure and composition	Page 102-103
GRI 2-10	Nomination and selection of highest governance body	Page 110-111
GRI 2-11	Chair of the highest governance body	Page 109  The Chairman of the Board is not a senior executive in the organisation
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	Page 96
GRI 2-13	Delegation of responsibility for managing impacts	Page 96
GRI 2-14	Role of the highest governance body in sustainability reporting	Page 60, 125
GRI 2-15	Conflicts of interest	Page 118
GRI 2-16	Communication of critical concerns	Page 125-126
GRI 2-17	Collective knowledge of the highest governance body	Page 107
GRI 2-18	Evaluation of the performance of the highest governance body	Page 113-114
GRI 2-19	Remuneration policies	Page 114-117
GRI 2-20	Process to determine remuneration	Page 114-117
GRI 2-21	Annual total compensation ratio	Page 117
<b>Strategy, Policies and Practices</b>		
GRI 2-22	Statement on sustainable development strategy	Page 60
GRI 2-23	Policy commitments	Page 61
GRI 2-24	Embedding policy commitments	Page 70-71, 74-75, 78
GRI 2-25	Processes to remediate negative impacts	Page 70-71, 74-75, 78
GRI 2-26	Mechanisms for seeking advice and raising concerns	Page 71, 125
GRI 2-27	Compliance with laws and regulations	Page 61, 70-71
GRI 2-28	Membership associations	Page 67
<b>Stakeholder Engagement</b>		
GRI 2-29	Approach to stakeholder engagement	Page 63-67
GRI 2-30	Collective bargaining agreements	Page 75
<b>Material Topics</b>		
GRI 3-1	Process to determine material topics	Page 67-68
GRI 3-2	List of material topics	Page 68



# SUSTAINABILITY REPORT

GRI Standard	Disclosure	Location
<b>GRI 2: General Disclosures 2021</b>		
<b>ENVIRONMENTAL TOPICS</b>		
<b>Energy</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 67, 78-79
GRI 302: Energy 2016	302-2 Energy consumption outside of the organisation	Page 86-87
	302-3 Energy intensity	Page 87
<b>Water</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 67
Topic Management Disclosures	303-1 Interactions with water as a shared resource	Page 67
	303-2 Management of water discharge-related impacts	Page 67
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	Page 87
<b>Emissions</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 67
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	Page 86-87
	305-4 GHG emission intensity	Page 87-88
<b>SOCIAL TOPICS</b>		
<b>Employment</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 72-75
GRI 401: Employment 2016	401-1 New Employee hires and employee turnover	Page 73
<b>Training and Education</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 74-75
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page 73
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 75
<b>Diversity and Equal Opportunities</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 74
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 70, 73-74, 108
<b>GOVERNANCE TOPICS</b>		
<b>Anti-Corruption</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 70
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Page 71
<b>Public Policy</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 70
GRI 415: Public Policy 2016	415-1 Political contributions	Page 71
<b>Customer Privacy</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 70
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 70
<b>NON-GRI MATERIAL TOPICS</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 78, 80
Tenant Engagement	Refer to the SASB Index (Metric: Management of Tenant Sustainability Impacts)	Page 78, 80

## SASB STANDARDS

### Real Estate Sustainability Accounting Standard

Topic	SASB Code	Accounting Metric	Property Subsector	2022	2023	2024
Energy Management	IF-RE-130a.1	Energy consumption data coverage as a percentage of total floor area, by property subsector (%)	Office (N742)	100% see Note #1	100% see Note #1	100% see Note #1
	IF-RE-130a.2	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity (%), and (3) percentage renewable, by property subsector	Office (N742)	(1) 253,246 GJ (70,346 MWh) (2) 100% (3) 0% see Note #1	(1) 227,209 GJ 63,114 MWh (2) 100% (3) 0% see Note #1	(1) 213,349 GJ (59,264 MWh) (2) 100% (3) 0%
	IF-RE-130a.3	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Office (N742)	-1.9	-11.9	-6.1
	IF-RE-130a.4	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property subsector	Office (N742)	(1) 100% (2) Not applicable to UK	(1) 100% (2) Not applicable to UK	(1) 100% (2) Not applicable to UK
	IF-RE-130a.5	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Office (N742)	Page 78, 86		
Water Management	IF-RE-140a.1	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	Office (N742)	(1) 100% (2) 10.1% see Note #1	(1) 100% (2) 9.1% see Note #1	(1) 100% (2) 9.2%
	IF-RE-140a.2	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property subsector	Office (N742)	(1) 98,175 m <sup>3</sup> (2) 12.7%	(1) 83,849 m <sup>3</sup> (2) 14.4%	(1) 83,849 m <sup>3</sup> (2) 11.6 %
	IF-RE-140a.3	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	Office (N742)	28.2%	-16.0%	-12.1%
	IF-RE-140a.4	Description of water management risks and discussion of strategies and practices to mitigate those risks	Office (N742)	Page 83, 87		

# SUSTAINABILITY REPORT

Topic	SASB Code	Accounting Metric	Property Subsector	2022	2023	2024
<b>Management of Tenant Sustainability Impacts</b>	IF-RE-410a.1	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements and (2) associated leased floor area, by property subsector	Office (N742)	(1) 0% (2) 0	(1) 0% (2) 0	(1) 0% (2) 0
	IF-RE-410a.2	Percentage of tenants that are separately metered or sub-metered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	Office (N742)	Not applicable	Not applicable	Not applicable
	IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants	Office (N742)	Page 78-80, 86		
<b>Climate Change Adaptation</b>	IF-RE-450a.1	Area of properties located in 100-year flood zones, by property subsector	Office (N742)	1,349,023 sq. ft (125,328 m <sup>2</sup> )	781,966 sq ft (72,647m <sup>2</sup> ) see Note #2	1,000,679 sq ft (92,966 m <sup>2</sup> )
	IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Office (N742)	Page 82-86		

Activity Metric	Property Subsector	SASB Code	2022	2023	2024
Number of assets, by property subsector	Office (N742)	IF-RE-000.A	155	150	149* (of which 136 are DWP assets)
Leasable floor area, by property subsector	Office (N742)	IF-RE-000.B	3,889,340 sq. ft (361,332 m <sup>2</sup> )	3,773,433 sq ft (350,563 m <sup>2</sup> )	3,708,435 sq. ft. (344,525 m <sup>2</sup> )
Percentage of indirectly managed assets, by property subsector	Office (N742)	IF-RE-000.C	100%	100%	100%
Average occupancy rate, by property subsector	Office (N742)	IF-RE-000.D	97.9% see Note #3	92.3% see Note #3	93.9% see Note #3

## Notes:

1. The energy consumption and water withdrawal presented in this index covered only the assets occupied by DWP, and pertains to the 12-month period of January to December in 2022, 2023, and 2024.
2. Properties refer those with High (>3.3% chance a year) and Medium (1% - 3.3% chance a year) risk of river, sea and surface water flooding in Wales, High (10% chance each year) and Medium risk (0.5% chance each year) of river, coastal and surface water flooding in Scotland, and High Probability (1% or greater chance each year) of river and coastal flooding in England.
3. As at 31 December of the respective years.



## TCFD DISCLOSURES

This report is aligned with the Task Force on Climate-Related Financial Disclosures ("TCFD") recommendations in preparation for the transition to International Sustainability Board ("ISSB"). The following table indicates the locations of our TCFD disclosures.

Code	TCFD Recommendations	Page No.
<b>GOVERNANCE</b>		
TCDF 1(a)	Describe the board's oversight of climate-related risks and opportunities.	Page 81
TCFD 1(b)	Describe management's role in assessing and managing climate-related risks and opportunities.	Page 81
<b>STRATEGY</b>		
TCFD 2(a)	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	Page 81-86
TCFD 2(b)	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Page 84-86
TCFD 2(c)	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Page 82
<b>RISK MANAGEMENT</b>		
TCFD 3(a)	Describe the organisation's processes for identifying and assessing climate-related risks.	Page 82-85
TCFD 3(b)	Describe the organisation's processes for managing climate-related risks.	Page 84-85
TCFD 3(c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Page 82-85
<b>METRICS AND TARGETS</b>		
TCFD 4(a)	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Page 86-88
TCFD 4(b)	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Page 86-87
TCFD 4(c)	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Page 80



# SUSTAINABILITY REPORT

## SGX CORE ESG METRICS

Topic	Metric	Unit	Framework Alignment	Reference
<b>Environmental</b>				
GHG Emissions	Absolute Emissions by: (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate	tCO <sub>2</sub> e	GRI 305-1, GRI 305-2, GRI 305-3, TCFD, SASB 110	Page 86, 88
	Emission Intensities by: (a) Total; (b) Scope 1, Scope 2 and (c) Scope 3, if appropriate	tCO <sub>2</sub> e/organisation specific metric	GRI 305-4, TCFD, SASB 110	Page 87, 88
Energy Consumption	Total Energy Consumption	MWh/GJ	GRI 302-1, SASB 130	Page 86-87
	Energy Consumption intensity	MWh/GJ/organisation specific metric	GRI 302-3, TCFD	Page 86-87
Water Consumption	Total water consumption	ML/m <sup>3</sup>	GRI 303-5, TCFD	Page 87
	Water consumption intensity	ML/m <sup>3</sup> /organisation-specific metrics	TCFD	Page 87
Waste Generation	Total waste generated	t	GRI 306-3, TCFD	Page 87
<b>Social</b>				
Gender Diversity	Current employees by gender	Percentage (%)	GRI 405-1	Page 72
	New hires and turnover by gender	Percentage (%)	GRI 401-1	Page 73
Age-based diversity	Current employees by age	Percentage (%)	GRI 405-1	Page 72
	New hires and turnover by age groups	Percentage (%)	GRI 401-1	Page 73
Employment	Total turnover	Number and percentage (%)	GRI 401-1	Page 73
	Total number of employees	Number	GRI 2-7	Page 72
Development and training	Average training hours per employee	Hours/number of employees	GRI 404-1	Page 74
	Average training hours per employee by gender	Hours/number of employees	GRI 404-1	Page 73
Occupational health and safety	Fatalities	Number of cases	GRI 403-9, MOM	Not illustrated
	High-consequence injuries	Number of cases	GRI 403-9, MOM	Not illustrated
	Recordable injuries	Number of cases	GRI 403-9, MOM	Page 74
	Recordable work-related ill health cases	Number of cases	GRI 403-9, MOM	Not illustrated
<b>Governance</b>				
Board Composition	Board Independence	Percentage (%)	GRI 2-9	Page 106, 108, 111
	Women on the board	Percentage (%)	GRI 2-9, GRI 405-1	Page 108
Management Diversity	Women in the management team	Percentage (%)	GRI 2-9, GRI 405-1	Page 19-20
Ethical Behaviour	Anti-corruption disclosures	Discussion and number of standards	GRI 205-1, GRI 205-2, GRI 205-3	Page 61, 70
	Anti-corruption training for employees	Number and percentage (%)	GRI 205-2	Page 72
Certifications	List of relevant certifications	List	Commonly reported metric by SGX Issuers	Page 58
Alignment with frameworks	Alignment with frameworks and disclosure practices	GRI/TCFD/SASB/SDGs/others	GRI 2-5, SGX-ST Listing Rules (Mainboard) 711A and 711B, Practice Note 7; SGX-ST Listing Rules (Catalist) 711A and 711B, Practice Note 7F, EnvRM	Page 59
Assurance	Assurance of sustainability report	Internal/external/none	GRI 2-5, SGX-ST Listing Rules (Mainboard) 711A and 711B, Practice Note 7.6; SGX-ST Listing Rules (Catalist) 711A and 711B, Practice Note 7F	Page 59

# SUSTAINABILITY REPORT

## FEEDBACK SURVEY

### ELITE REIT SUSTAINABILITY REPORT 2024: STAKEHOLDER FEEDBACK

Thank you for your time in reading our Sustainability Report. Elite REIT welcomes any feedback or suggestions and will take your comments into due consideration for our next report. You may scan the QR code or e-mail the completed form to [sustainability@eliteukreit.com](mailto:sustainability@eliteukreit.com)



#### 1. Which of the following best describes you?

- ☐ Employee
- ☐ Non-governmental organisation (NGO)
- ☐ Supplier
- ☐ Community
- ☐ Investor
- ☐ Contractor
- ☐ Customer
- ☐ Financial institution
- ☐ Government
- ☐ Business partner
- ☐ Others

#### 2. In which region do you reside?

- ☐ Asia
- ☐ UK
- ☐ South America
- ☐ Others
- ☐ Europe
- ☐ North America
- ☐ Middle East

#### 3. How did you hear about this report?

- ☐ Company website
- ☐ Social media
- ☐ Others
- ☐ Annual general meeting (AGM)
- ☐ Word of mouth

#### 4. Please rank the material topics according to your interest in them, with the highest being of greatest interest and the lowest being not interested at all.

	Not at all interested				Extremely interested
Climate Change	1	2	3	4	5
Energy and GHG emissions	1	2	3	4	5
Water	1	2	3	4	5
Tenant Engagement	1	2	3	4	5
Attracting and Retaining Talent	1	2	3	4	5
Employee Development	1	2	3	4	5
Diversity	1	2	3	4	5
Regulatory Compliance	1	2	3	4	5
Anti-Corruption	1	2	3	4	5

#### 5. Why did you choose to read this report?

- ☐ For research and education
- ☐ For an investment decision
- ☐ For greater understanding of Elite REIT's business

#### 6. In your opinion, does the report cover all material topics in a fair manner?

- ☐ Yes
- ☐ No
- ☐ Partially

#### 7. Please rate your satisfaction with the report design, with 1 star being unsatisfied and 5 stars being totally satisfied.



#### 8. Please rate your satisfaction with the clarity of the content, with 1 star being unsatisfied and 5 stars being totally satisfied.



#### 9. Please rate your satisfaction with the balance and credibility of the content, with 1 star being unsatisfied and 5 stars being totally satisfied.



#### 10. Any additional topics that Elite REIT should consider for our next report?

# ENTERPRISE RISK MANAGEMENT

Enterprise Risk Management ("**ERM**") is an integral part of the business strategy for Elite UK REIT ("**Elite REIT**"). Elite UK REIT Management Pte. Ltd. (the "**Manager**") reviews risk and opportunity on a scale of balance, with appropriate calibration to maximise outcomes on the strategic and operational levels. The objective is not merely centred on risk minimisation, but rather the optimisation of opportunities within the known and agreed risk appetite levels determined by the Board of Directors (the "**Board**"). All businesses carry inherent risks; therefore, the Manager will consider the corresponding risks in relation to Elite REIT's strategy and business objectives. This approach enables the Manager to manage risks in a systematic and consistent manner to support its business objectives and strategy, thereby creating sustainable value for all stakeholders.

## RISK MANAGEMENT GOVERNANCE STRUCTURE

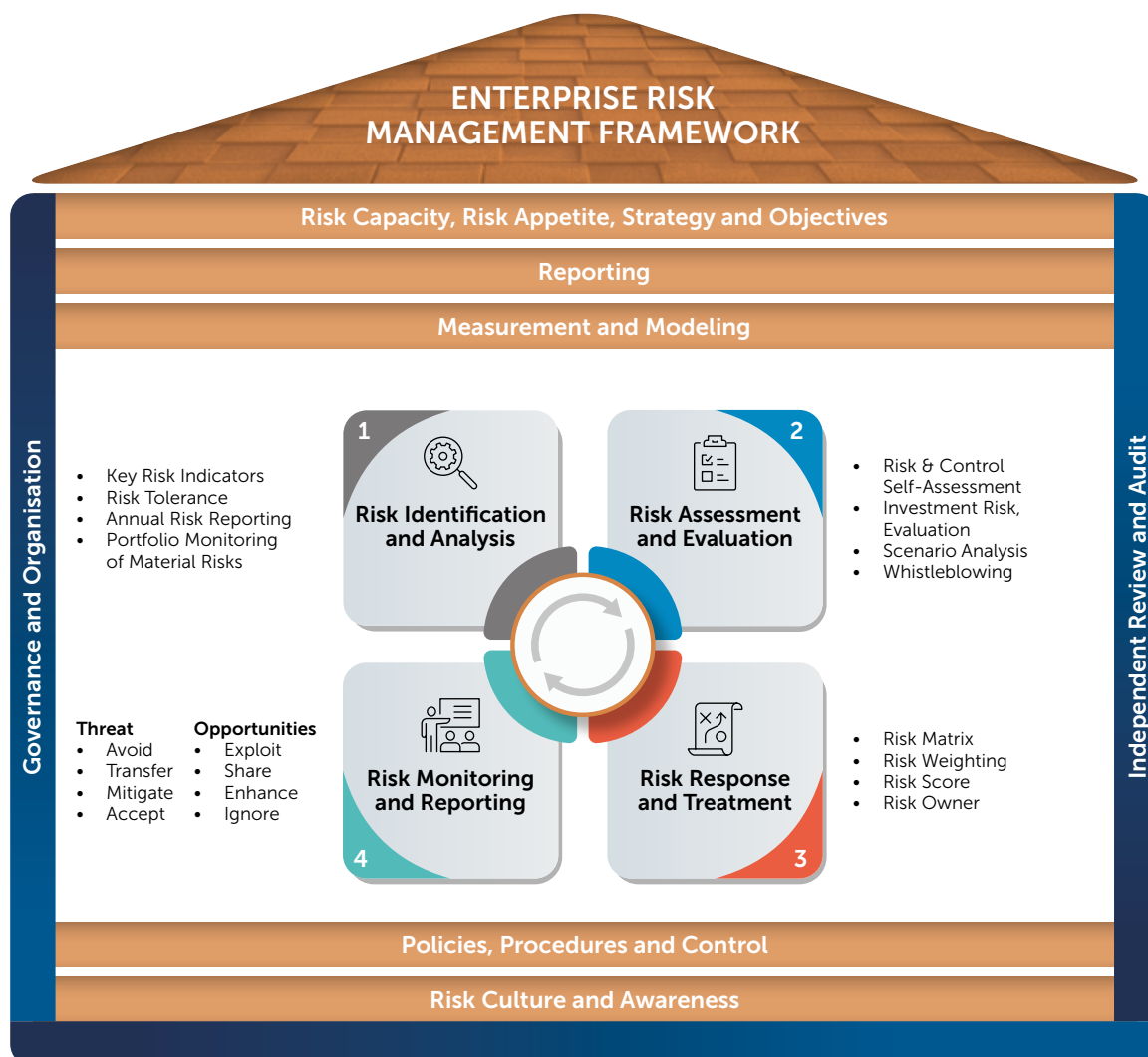
The Board has overall responsibility for the governance of risk. The Board is responsible for the oversight of Elite REIT's risk appetite and risk tolerance limits in relation to

its strategic business objectives. The Board also reviews Elite REIT's risk oversight structure to ensure appropriate accountability by risk owners. Additionally, material risks are regularly and properly monitored to detect deviation. This ensures that the risk management framework and policies are adequate and effective. For these purposes, the Board is supported by the Audit and Risk Committee (the "**ARC**"), which assists the Board in discharging risk management oversight responsibility by ensuring the establishment, review, and assessment of Elite REIT's policies, risk management systems and internal controls.

The ARC, which is made up of three independent Board members, meets on a regular basis. The meetings are attended by the Chief Executive Officer ("**CEO**"), Chief Financial Officer ("**CFO**") and Chief Investment Officer ("**CIO**") (collectively, the Key Management Personnel ("**KMP**"). The KMP is responsible for directing and monitoring the development, improvement, implementation, and practice of ERM for Elite REIT.

### Risk and Governance Structure





The Manager's ERM Framework is based on the principles and guidelines of the International Organisation for Standardization<sup>1</sup> ("ISO") 31000 on Risk Management and the Committee of Sponsoring Organizations of the Treadway Commission<sup>2</sup> ("COSO") ERM Integrated Framework. The ERM Framework is reviewed and approved by the Board annually.

A robust internal control system and an independent review process underpin Elite REIT's ERM Framework. While the KMP is responsible for the design and implementation of effective internal controls using a risk-based approach, the Internal Audit function, which is outsourced to an

independent professional firm, reviews such design and implementation to provide reasonable assurance to the ARC on the adequacy and effectiveness of risk management and internal control systems.

Elite REIT's ERM Framework is based on fostering the right risk culture. Regular risk workshops are conducted to enhance risk management knowledge and promote a culture of risk awareness. Risk management principles are embedded in all decision-making and business processes. Material risks and their associated controls are consolidated and reviewed by the Management before being presented to the ARC and the Board.

<sup>1</sup> An international standard-setting body comprised of representatives from various national standards organisations. The organisation develops and publishes worldwide technical, industrial and commercial standards

<sup>2</sup> A joint initiative of five professional organisations and is dedicated to helping organisations improve performance by developing thought leadership that enhances internal control, risk management, governance and fraud deterrence



# ENTERPRISE RISK MANAGEMENT

## MANAGING MATERIAL RISKS

The Manager undertakes a comprehensive approach in identifying, managing, monitoring, and reporting of material risks across Elite REIT. In FY2024, the Management, alongside the wider working group, reviewed and considered the top material risks to the business. Accordingly, the material risks are summarised as follows:

Risk Pillars	Material Risks	Details	Key Mitigating Measures
Governance	<b>Licence, Regulatory and Compliance Risk</b>	<ul style="list-style-type: none"> <li>Changes in property-related regulations and other events in Singapore and the UK.</li> <li>Continuous compliance with the licencing conditions of the MAS and listing rules from the Singapore Exchange.</li> <li>Any forms of fraud, bribery, and corruption that could be perpetrated by employees, third parties, or collusion between employees and third parties.</li> </ul>	<ul style="list-style-type: none"> <li>Active monitoring of developments in the laws and regulations governing Singapore and the UK.</li> <li>Periodic review and update of policies and procedures to ensure relevance.</li> <li>Provision of regular training for all employees to promote a strong compliance culture.</li> <li>Maintaining a zero-tolerance approach towards fraud, corruption, bribery and unethical practices in the conduct of business. A Group-wide Code of Conduct and Ethics Policy sets out the behaviour and conduct expected of all employees.</li> <li>Providing an accessible communication channel to ARC through a Whistleblowing Policy.</li> </ul>
	<b>Political Risk</b>	<ul style="list-style-type: none"> <li>The concentration of Elite REIT's assets in the UK exposes Elite REIT to political risks from the UK. Doubts over real estate valuations may erode investors' interests in UK REITs or REITs with high exposure in the UK.</li> <li>Policy decisions will have an impact on the global perception of the UK and its government, including but not limited to their credit rating, currency, political stability and foreign affairs relations. The worst case scenario may include sanctions and exclusions from regional or world trade.</li> </ul>	<ul style="list-style-type: none"> <li>Political developments in the UK are outside the Manager's control but the Manager is able to mitigate its impacts to Elite REIT's business through prudent treasury management, debt management, and assuring its investors that the fundamentals of Elite REIT's business remains sound and that rental income will continue to remain secured by the AA-credit rated UK Government despite certain developments.</li> <li>The current policy is to use similar currency loan facilities and to fix majority of interest rate exposure via interest rate swaps. Distributions are declared in Pound sterling as well.</li> <li>To maintain constant dialogue with the DWP and other government tenants to understand their space requirements and calibrate our real estate to meet their needs, with the goal to be the preferred landlord for their operations.</li> </ul>
Operational	<b>Information Technology, Cybersecurity and Data Protection Risk</b>	<ul style="list-style-type: none"> <li>Material failure on information technology ("IT") infrastructure that the Manager relies on may inadvertently cause compromise on the confidentiality, integrity and availability of the information assets and/or systems of Elite REIT and/ or the Manager. This may have a negative impact on financials and/ or regulatory compliance.</li> <li>Fraudulent transactions and hacking attempts (including internal sabotage) will adversely affect the Manager.</li> <li>Any breach in data protection may undermine investors' confidence which may result in litigation from customers or fines and penalties from regulators.</li> </ul>	<ul style="list-style-type: none"> <li>The Manager has engaged a reputable and reliable professional third-party service provider to perform IT support services. The Manager's due diligence process for the service provider incorporates selection criteria such as the service provider's credentials, cybersecurity plan, firewall and incident management process.</li> <li>The Manager continuously monitors and reviews the adequacy of the IT infrastructure against existing and emerging IT and cyber risks.</li> <li>The Manager has developed a comprehensive Group-wide IT and Cyber Security policy. Ongoing staff's IT and Cyber Security Training to address human factors in cyber security is also being rolled out.</li> <li>Conducting regular Disaster Recovery exercises to ensure timely recoverability of business-critical IT systems.</li> <li>Conducting awareness training to ensure that employees who directly/ indirectly handle personal data in the course of their work are cognisant of data protection principles and are equipped with the right knowledge to carry out good data protection practices in their day-to-day activities.</li> </ul>

Risk Pillars	Material Risks	Details	Key Mitigating Measures
Economic	Financial Risk Management	<ul style="list-style-type: none"> <li>Elite REIT may not be able to meet all of its debt obligations or repay future borrowings through its cash flow from operations. Additional debt or equity financing may be required and there is no assurance that such financing will be available on acceptable terms or at all.</li> <li>Tax rulings in Singapore and the UK may be amended with either prospective or retrospective effect. This may affect the overall tax liabilities of the Singapore and/or UK entities.</li> <li>Changes to the International Financial Reporting Standards ("IFRS") may affect the ability of Elite REIT to make distributions to Unitholders.</li> </ul>	<ul style="list-style-type: none"> <li>In FY2024, the Manager completed its refinancing of loans and borrowings of £221.3 million and raised net proceeds of £27.5 million through issuance of preferential offering units.</li> <li>With the completion of refinancing in advance of maturities for all debts, there is no refinancing risk until FY2027.</li> <li>The Manager shall keep abreast of changes in accounting and tax policies in the SG and UK, via the support of the Audit and Tax teams. The advisory teams are managed by reputable firms, which are familiar with local conditions and cultures.</li> <li>Actively monitoring Elite REIT's debt maturity profile, operating cash flows and availability of funding to ensure that there are sufficient liquid reserves, in the form of cash and banking facilities to meet capital, refinancing and operational needs.</li> <li>Elite REIT has a Distribution Reinvestment Plan ("DRP") in place to support unitholders who wish to accumulate scrip in Elite REIT, which also aids the management of its working capital.</li> </ul>
Economic	Market and Valuation Risk	<ul style="list-style-type: none"> <li>Movement in domestic and international securities markets, economic conditions and interest rates may affect the market price and demand of the units of the REIT.</li> <li>Economic downturns can lead to decreased demand for rental properties, resulting in lower occupancy rates and rental income.</li> <li>The valuation of any of the properties does not guarantee a sale price at that value at present or in the future.</li> </ul>	<ul style="list-style-type: none"> <li>The Manager is in regular dialogue with our third-party property manager, Jones Lang Lasalle ("JLL"). JLL inspects the assets periodically to provide the Manager updates on the conditions of the assets.</li> <li>Proactive engagement with DWP and other government tenants to understand their space requirements and calibrate our real estate to meet their needs, with the goal of becoming the preferred landlord for their operation</li> <li>Regularly assess the exposure to changing market conditions.</li> </ul>
	Strategic, Investment and Divestment Risk	<ul style="list-style-type: none"> <li>Inability to successfully implement its expanded investment strategy for Elite REIT or make acquisitions or divestment of investments on favourable terms or within the desired time frame due to internal or external events.</li> <li>Inability to manage the operations with the right expertise and skillsets.</li> </ul>	<ul style="list-style-type: none"> <li>Conduct comprehensive independent risk evaluation and due diligence reviews and obtain independent valuations for all investments.</li> <li>All investment proposals should be objectively evaluated against Elite REIT's business strategy and investment criteria.</li> </ul>

# ENTERPRISE RISK MANAGEMENT

Risk Pillars	Material Risks	Details	Key Mitigating Measures
<b>Environment</b>	<b>Sustainability and Climate Risk</b>	<ul style="list-style-type: none"> <li>Includes physical risks such as rising sea levels, violent storms, prolonged heat waves, flash floods, water stress risk, etc.</li> <li>Transitional risks such as increased and more stringent regulations and increased expectations from stakeholders.</li> <li>A lack of holistic understanding, identification, and prioritisation of sustainability risk factors would be detrimental to Elite REIT's competitiveness and longevity.</li> <li>For example, a property with a Poor EPC rating or energy performance is likely to be subjected to obsolescence risk.</li> </ul>	<ul style="list-style-type: none"> <li>The Manager has set up a Sustainability Committee, chaired by the Board Chairman to ensure that sustainability is a key pillar to Elite REIT's business objectives and strategies.</li> <li>Acquisition considerations will include energy performance and technical due diligence outcomes on the assets.</li> <li>Close partnership with Elite REIT's primary occupier through the landmark Sustainability Collaboration, where the Manager engages the DWP in regular dialogues on the progress of sustainability enhancement works.</li> <li>Minimising environmental impact by deploying renewable and low- carbon intensive energy where possible and upgrading energy-intensive equipment through ongoing asset enhancement collaboration with the DWP.</li> <li>Regular meetings with Strategic Planning Committee to ensure key director representatives have been kept abreast of the dealings of Elite REIT.</li> <li>Keeping abreast of the latest regulations, requirements, guidelines as well as reporting and disclosure requirements pertaining to sustainability and ESG in Singapore and in the UK.</li> <li>Equipping the Board, Management and employees with the latest developments in sustainability and climate change, compliance as well as disclosure requirements through regular trainings for the Board, Management and employees.</li> </ul>
<b>Social</b>	<b>Stakeholder Risk (Internal)</b>	<ul style="list-style-type: none"> <li>Inability to appropriately manage human capital needs and human resource-related costs appropriately in relation to the business environment.</li> <li>High attrition rates and shortage of talent.</li> </ul>	<ul style="list-style-type: none"> <li>Building an inclusive and nurturing workplace culture with a focus to develop its employees, such as through continuous learning and development.</li> <li>Regular communication from management on overall employees' well-being.</li> <li>Regular review of remuneration packages and retention strategies.</li> <li>Regular meetings with Strategic Planning Committee to ensure key director representatives have been kept abreast of the dealings of Elite REIT</li> </ul>
	<b>Stakeholder Risk (External)</b>	<ul style="list-style-type: none"> <li>Tenant-customer relations; Investors and media relations; Singapore and UK Government relations.</li> </ul>	<ul style="list-style-type: none"> <li>Regular communication with regulators and governing bodies (as appropriate, depending on nature of engagement).</li> <li>Remain guided by the Code of Corporate Governance and strive to maintain the high standards of corporate governance to ensure that Elite REIT continues to instill stakeholder confidence.</li> <li>Maintaining proactive investor relations and media outreach plan.</li> <li>Participating actively in relevant industry associations and building on existing community partnerships</li> <li>Conducting yearly engagement surveys with tenants.</li> </ul>

# CORPORATE GOVERNANCE REPORT

Elite REIT is a real estate investment trust constituted by the trust deed dated 7 June 2018 (and as may be amended, varied or supplemented from time to time) (the **"Trust Deed"**), and entered into between Elite UK REIT Management Pte. Ltd. (in its capacity as the manager of Elite REIT) (the **"Manager"**) and Perpetual (Asia) Limited (in its capacity as the trustee of Elite REIT) (the **"Trustee"**).

The Manager was issued a capital markets services licence by the Monetary Authority of Singapore (**"MAS"**) for REIT management (**"CMS Licence"**) pursuant to the Securities and Futures Act 2001 of Singapore (the **"SFA"**) on 22 January 2020.

## The Manager's Role

The primary role of the Manager is to manage Elite REIT's assets for the benefit of unitholders of Elite REIT (the **"Unitholders"**) and set the strategic direction of Elite REIT in accordance with its mandate, and make recommendations to the Trustee on any investment or divestment opportunities for Elite REIT and the enhancement of the assets of Elite REIT, in accordance with the stated investment strategy for Elite REIT. The research, evaluation and analyses required for this purpose are coordinated and carried out by the Manager.

Other functions and responsibilities of the Manager include but are not limited to the following:

- (a) using its best endeavours to conduct Elite REIT's business in a proper and efficient manner;
- (b) preparing annual business plans for review by the directors of the Manager (the **"Directors"**), including forecasts on revenue, net income, and capital expenditure, explanations on major variances to previous years' financial results;
- (c) preparing written commentaries on key issues and underlying assumptions on rental rates, operating expenses and any other relevant assumptions;
- (d) attending to communications with the Unitholders; and
- (e) supervising and overseeing the management of real estate (including but not limited to lease audit, systems control, data management and business plan implementation) in accordance with the provisions of the Trust Deed.

Elite REIT is externally managed by the Manager. The Manager has general powers of management over the assets of Elite REIT. The Manager appoints experienced and well-qualified personnel to run the day-to-day operations.

The Manager has developed, and on an ongoing basis, maintains, sound and transparent policies and practices to meet the specific business needs of Elite REIT and to provide a firm foundation for trusted and respected business enterprise.

The Board of Directors (the **"Board"**) and management of the Manager (**"Management"**) aspire to meet the

highest standards of corporate governance, corporate transparency, and sustainability. The Manager focuses on complying with the substance and spirit of the principles of the Code of Corporate Governance 2018 while achieving operational excellence and delivering Elite REIT's long term strategic objectives. It is fully committed to continuous improvement of its corporate governance practices as it firmly believes those are essential in protecting the interests of the Unitholders.

## Elite REIT and Corporate Governance

The framework of relevant legislation and guidelines governing Elite REIT include:

- (i) the SFA;
- (ii) the Code on Collective Investment Schemes (including Appendix 6 thereon on property funds) (the **"CIS Code"**, and Appendix 6 of the CIS Code, the **"Property Funds Appendix"**);
- (iii) the listing manual (the **"Listing Manual"**) issued by Singapore Exchange Securities Trading Limited (**"SGX-ST"** or the **"Exchange"**);
- (iv) the Code of Corporate Governance 2018 (the **"Code"**);
- (v) the Trust Deed; and
- (vi) written directions, notices, codes and other guidelines that may be issued, modified or updated by the MAS from time to time.

The Manager is fully dedicated to upholding the highest standards of corporate governance, business integrity and professionalism in all its activities. The Manager believes that its sound corporate governance policies and practices reflect its focus on strong leadership, effective internal controls and risk management, a robust corporate culture, accountability to the Unitholders, and engagement with stakeholders.

This corporate governance report (**"CG Report"**) sets out Elite REIT's corporate governance framework and practices with specific reference to the principles and the provisions of the Code, in accordance with Rule 710 of the Listing Manual, and where applicable, other relevant rules and provisions in the Listing Manual and the Companies Act 1967 of Singapore.

For the financial year ended 31 December 2024 (**"FY2024"**), save as stated in the CG Report, Elite REIT has complied with the core principles of corporate governance laid down by the Code and also, in all material respects, with the provisions that underpin the principles of the Code.

Where the Manager's practices vary from any provisions of the Code, it has provided appropriate explanations, which include the reason for the respective variations, as well as the practices adopted to be consistent with the intent and philosophy of the relevant principle in question.

Elite REIT has been included by the SGX-ST in the SGX Fast Track Programme list. The scheme recognises listed companies that have high corporate governance



# CORPORATE GOVERNANCE REPORT

standards and have maintained a good compliance track record, and accords prioritised response on selected corporate action submissions to SGX Exchange Regulation.

## (A) BOARD MATTERS

### The Board's Conduct of Affairs, Duties and Responsibilities

#### Principle 1

The Manager is headed by an effective Board which is collectively responsible and works with Management for the long-term success of Elite REIT.

#### Role of The Board

The Board is entrusted with the overall leadership and oversight of both Elite REIT's and the Manager's business, financial, investment and material operational affairs and performance objectives and their long-term success.

The key roles and responsibilities of the Board are to:

- set strategic objectives and direction, and provide guidance to the Management in executing those objectives;
- approve the business plans in relation to Elite REIT's properties;
- ensure that Management discharges its duties with integrity and accountability, and demonstrate the highest level of skill and professionalism;
- establish a framework of prudent and effective controls which enables risks to be assessed and managed to safeguard the interests of the Unitholders and the assets of Elite REIT;
- consider sustainability issues such as environmental issues as part of its strategic formulation;
- ensure that Management maintains sound measures relating to corporate governance, financial regulation and internal policies including the Group-wide Code of Conduct and Ethics Policy ("**Code of Conduct**"); and
- consider the perceptions of stakeholders that would affect Elite REIT's reputation.

The Board has approved a list of matters reserved for the Board's decision-making. This sets clear directions for Management on matters that must be approved by the Board. The Board decides on these matters and clearly communicates this to Management in writing.

The list of matters reserved for the Board's approval includes, but is not limited to:

- long-term strategy and objectives of Elite REIT;
- annual budget and business plans in relation to Elite REIT's properties;
- policies to safeguard the interests of the Unitholders and the assets of Elite REIT;

- distribution policy;
- announcements and press releases concerning Elite REIT;
- Board membership and other appointments;
- Key Management Personnel ("**KMP**") appointment; and
- appointment and removal of the Company Secretary.

In fulfilling its responsibilities to Elite REIT, the Board has approved a set of financial controls which sets out approval limits for operating expenditures, capital expenditures, procurements, general and administrative expenses, as well as arrangements in relation to bank signatories. Appropriate delegation of authority and approval sub-limits are also provided at Management level to facilitate operational efficiency.

#### Culture

The Directors are to discharge their duties and responsibilities objectively as fiduciaries in the best interests of Elite REIT at all times and hold Management accountable for performance.

The Manager has in place a Code of Conduct which sets out general principles and standards of behaviour that the Manager expects from its employees in their dealings with fellow employees, customers, suppliers and business partners. This sets an appropriate tone from the top and desired organisational culture, and ensures proper accountability.

The Manager's Code of Conduct requires the Directors to observe the following key principles:

- Directors must carry out their responsibilities in compliance with all the applicable laws, rules and regulations and the Manager's policies and procedures.
- Directors are to exercise due care and maintain the confidentiality of information entrusted to them. The Directors' obligation to protect the confidential information continues after leaving the Manager.
- Directors must not trade in the securities of Elite REIT if, at the relevant time, they are in possession of non-public material price-sensitive or trade sensitive information. Directors are committed to fully complying with all anti-money laundering and countering the financing of terrorism laws throughout the world.

#### Board Composition and Board Committees

The Manager has nine Directors, five of whom (including the Chairman of the Board) are Independent Non-executive Directors ("**IDs**"). The NRC reviews, on an annual basis, the structure, size and composition of the Board and Board Committees, taking into account the Code and Regulations 13D to 13H of the Securities and Futures (Licensing and Conduct of Business) Regulations (the "**SF(LCB)R**"). The NRC has assessed that the current structure, size and composition of the Board and Board

# CORPORATE GOVERNANCE REPORT

Committees are appropriate for the scope and nature of Elite REIT's and the Manager's operations.

Datin Paduka Sarena Cheah was appointed as a Non-Independent Non-Executive Director ("**NINED**") on 1 January 2024, replacing Mr Evan Cheah Yean Shin as part of board renewal and succession planning. Dr Tan Kok Heng's appointment as an Alternate Director ceased upon the resignation of Mr Evan Cheah Yean Shin as a NINED of the Manager. In the same vein of board renewal and succession planning, Mr Tan Huay Lim stepped down as ID and Chairman of the Audit and Risk Committee on 6 August 2024. Mr Yezdi Phiroze Chinoy took on the Audit and Risk Committee Chairman role on 7 August 2024. Mr Tan Chin Hwee was appointed as the ID on the same date.

The Manager did not appoint a lead independent Director as the Chairman of the Board is not conflicted and is independent. No individual or group dominates the Board's decision-making process or has unfettered powers of decision-making.

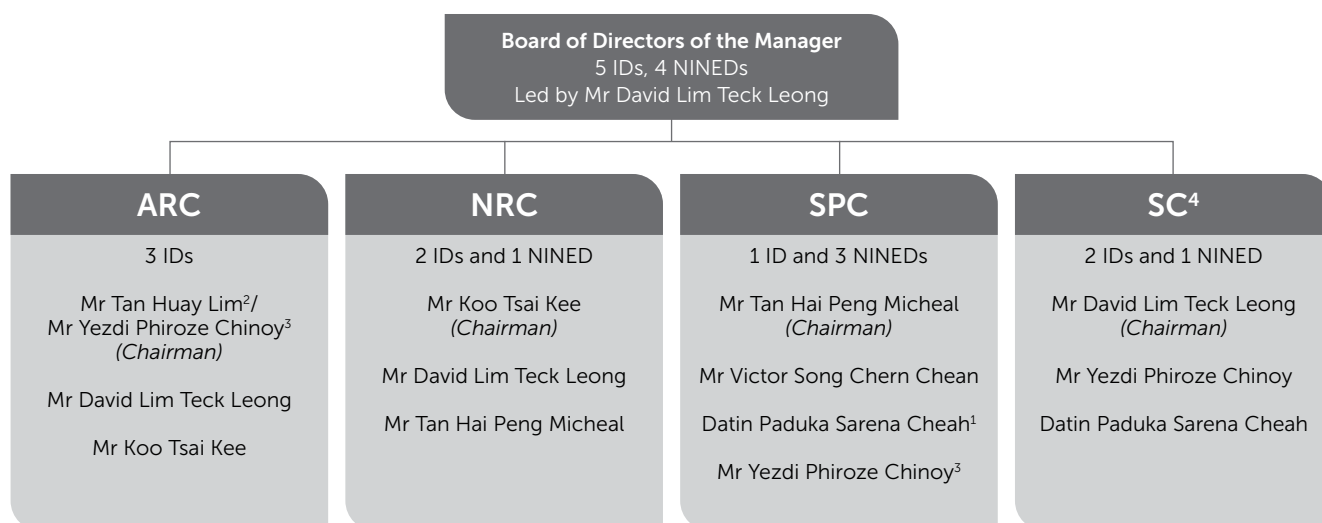
The Board has established four board committees to assist it in the discharge of its functions. These committees are the Audit and Risk Committee ("**ARC**"), the Nominating and Remuneration Committee ("**NRC**"), the Strategic Planning Committee ("**SPC**") and the Sustainability Committee ("**SC**") (collectively known as "**Board Committees**"). The ARC, NRC and SC are chaired by IDs while the SPC is chaired by a NINED.

Membership in the various Board Committees is managed to ensure an equitable distribution of responsibilities among Board members, to maximise the effectiveness of the Board and to foster active participation and contribution from Board members. Diversity of experience and appropriate skills are considered in determining the composition of the respective Board Committees.

Each of the Board Committees has its own clear written terms of reference, setting out their compositions, authorities and duties, including reporting back to the Board, and operates under delegated authority from the Board. The terms of reference sets out their compositions, authorities and duties, including reporting back to the Board. Notwithstanding that, the Board retains ultimate responsibility for all decisions made by the Board as a whole. Information on the ARC and NRC can be found in the "**Accountability and Audit**"; "**Board Membership**" and "**Board Performance**"; and "**Remuneration Matters**" sections of this CG Report, respectively. Terms of reference of the respective Board Committees, as well as other relevant information on the Board Committees, are disclosed in pages 102 to 111, 114, 121 to 125 of this CG Report.

Minutes of all Board Committees' meetings are circulated to the Board so that all Directors are aware of and kept updated as to proceedings, matters discussed and decisions made during such meetings, and to enable the Directors to weigh in on any key points under consideration.

The current composition of the Board and Board Committees is as follows:



## Notes:

1. Datin Paduka Sarena Cheah was appointed as a NINED on 1 January 2024, replacing Mr Evan Cheah Yean Shin as part of Board renewal and succession planning. Dr Tan Kok Heng's appointment as an Alternate Director ceased upon the resignation of Mr Evan Cheah Yean Shin as a NINED of the Manager.
2. Mr Tan Huay Lim stepped down as ARC Chairman of the Manager on 6 August 2024, as part of board renewal.
3. Mr Yezdi Phiroze Chinoy was appointed to the SPC on 16 February 2024 and as ARC Chairman of the Manager 7 August 2024.
4. Members of SC also comprise Mr Joshua Liaw (CEO), Mr Michael Tong (CFO), Mr Jonathan Edmunds (CIO) and Ms Pearl Lam (Assistant Vice President, Investor Relations).

# CORPORATE GOVERNANCE REPORT

## Board Meetings and Activities

Directors attend and actively participate in Board and Board Committees' meetings. The Board meets regularly, at least once every quarter, and as required by business imperatives or particular circumstances, to discuss and review business strategies and policies, including any significant acquisition and/or divestment, portfolio performance, business outlook, movement in Unitholdings, deliberate growth opportunities of Elite REIT, and approve the release of half-year and full-year financial results, and quarterly business updates. Board and Board Committee meetings are scheduled prior to the start of each financial year in consultation with the Directors.

As a general rule, Board and Board Committees' meeting notices and papers are required to be sent to the Directors and members of Board Committees, with ample time ahead of the meetings to review the papers. Where exigencies prevent a Director from attending a meeting in person, the constitution of the Manager allows the Director to participate in such Board or Board Committee meeting via audio or video conference. If a Director is unable to attend a Board or Board Committee meeting, he may provide his input to the Chairman of the Board or the relevant Board Committee, as the case may be, and raise queries on the agenda items ahead of the meeting. These comments are taken into consideration for deliberations. The Board and Board Committees may also make decisions by way of passing written resolutions.

Board papers are detailed and give the background, explanatory information, justification, risks and mitigation measures for each agenda item and mandate sought by Management, including, where applicable, relevant budgets, business plans, forecasts and projections. Directors can ask for additional information as needed to make informed decisions. However, papers containing price sensitive information may be tabled at the meetings themselves or discussed without any papers being distributed. All Board and Board Committees' papers are kept and disseminated via an electronic board portal, which has proven to be an effective, secure and sustainable form of communication.

External consultants or advisers who can provide additional insights into the relevant matters at hand may be invited to attend the meetings. These parties will not participate in any decision-making process.

The Management recognises that an on-going flow of information in an accurate, complete, adequate, and timely manner prior to meetings and on an on-going basis is critical to enable the Board to make informed decisions and be effective in discharging its duties and responsibilities.

At the Board and ARC meetings, Directors are updated on developments, challenges and changes in the operating environment, including changes in accounting standards, changes in laws and regulations governing the REIT industry, and other changes that have bearing on Elite REIT. Written updates on Elite REIT's operating and financial performance, strategic plans, regulatory and compliance updates and other matters will also be provided to facilitate discussions. On a quarterly basis, Management also provides the Board with an update on the operating performance of Elite REIT, as well as a set of management accounts and analysis, to enable the Board to exercise effective oversight over Elite REIT.

The Board is responsible for providing a balanced and understandable assessment of Elite REIT's performance, position and prospects.

The Directors have separate and independent access to Management, the company secretary of the Manager ("**Company Secretary**") and external advisors at all times, and they are entitled to request from Management additional information to make informed decisions. The Directors, either individually or as a group, may at the Manager's expense, seek independent professional advice where appropriate, to discharge his/her/their duties effectively.

The Company Secretary and/or her representative attends the Board and Board Committees' meetings and is responsible for ensuring that Board procedures are observed and that applicable rules and regulations are complied with. The Company Secretary also periodically updates the Board on relevant changes to the listing rules affecting Elite REIT. The appointment and removal of the Company Secretary is a matter for the Board as a whole.

In each meeting where matters requiring the Board's approval are to be considered, all members of the Board present participate in the discussions and deliberations; and resolutions in writing are circulated to all Directors for their consideration and approval. The exception is where a Director has a conflict of interest in a particular matter in which case, he/she will be required to recuse himself/herself from the discussions and deliberations, and abstain from voting on the matter. This principle of collective decisions adopted by the Board ensures that no individual influences or dominates the decision making process.

The Board's responsiveness allowed Management to manage Elite REIT's business and operations effectively in an increasingly competitive business environment. Individual Directors make themselves available and accessible to Management for discussion and consultation outside the formal framework of the Board and Board Committees' meetings.

# CORPORATE GOVERNANCE REPORT

The number of Board and Board Committees' meetings and general meetings held during FY2024, as well as the attendance of every Director and the Chief Executive Officer ("CEO") at these meetings are set out in the table below:

**FY2024 Attendance Table**

Meeting	Board	ARC	NRC	SPC	SC	Annual General Meeting <sup>1</sup>
No. of meetings held	4	5	1	21	2	1
Directors	No. of Meetings Attended					
Mr David Lim Teck Leong	4	5	1		2	1
Mr Tan Huay Lim <sup>2</sup>	3	4	-			1
Mr Koo Tsai Kee	4	5	1			1
Mr Nicholas David Ashmore	4	-	-			1
Mr Yezdi Phiroze Chinoy <sup>3</sup>	4	2 <sup>9</sup>	-	21	2	1
Mr Tan Hai Peng Micheal	4	-	1	20		1
Mr Victor Song Chern Chean	4	-	1 <sup>8</sup>	19		1
Mr Tan Dah Ching	4	-	-			1
Mr Evan Cheah Yean Shin <sup>4</sup>	-	-	-			1
Dr Tan Kok Heng <sup>5</sup>		-	-			1
Datin Paduka Sarena Cheah <sup>6</sup>	4	-	-	14	2	1
Mr Tan Chin Hwee <sup>7</sup>	1	-	-			-
Chief Executive Officer						
Mr Liaw Liang Huat Joshua	4	4	1	21	2	1

Notes:

1 Annual General Meeting was held on 29 April 2024.

2 Mr Tan Huay Lim stepped down as ARC Chairman of the Manager on 6 August 2024, as part of board renewal.

3 Mr Yezdi Phiroze Chinoy was appointed as ARC Chairman of the Manager on 7 August 2024. He attended one of the ARC meetings by invitation.

4 Mr Evan Cheah Yean Shin stepped down as a NINED of the Manager on 1 January 2024, as part of board renewal and succession planning.

5 Dr Tan Koh Heng was an Alternate Director to Mr Evan Cheah Yean Shin and ceased his directorship following the resignation of Mr Evan Cheah Yean Shin.

6 Appointed on 1 January 2024.

7 Appointed on 7 August 2024.

8 Mr Victor Song Chern Chean joined the NRC meeting by invitation.

Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of the Manager and Elite REIT. As disclosed on page 112, the NRC is satisfied that all Directors gave sufficient time and attention to the affairs of the Manager and were able to and have adequately carried out their duties as a director of the Manager in FY2024.

## Orientation for Directors

The NRC exercises oversight on the orientation, training and professional development of Directors, in order to ensure that they understand Elite REIT's business as well as their directorship duties (including their roles as executive, non-executive and independent directors, as the case may be).

Upon the appointment of each new Director, he/she is issued a formal letter of appointment setting out his/her duties, responsibilities and obligations.

The Board has a comprehensive and structured orientation framework. Newly appointed Directors will have to attend a familiarisation exercise whereby they undergo a tailored programme to enable them to have a good understanding of Elite REIT. The appropriate induction, and orientation sessions will be conducted to orientate the Directors in acting as a director of a manager of a publicly listed REIT.

The orientation exercise consists of management presentations on Elite REIT's strategic objectives, business, operations, responsibilities of key management personnel, and financial and governance practices and site visits to Elite REIT's properties.

The orientation exercise allows new Directors to get acquainted with Management and helps pave the way for Board interaction and direct access to Management.

The NRC also ensures that new Directors are aware of their duties and obligations, the Manager's policies relating to restrictions on dealings in Elite REIT's securities and disclosure of price-sensitive and trade-sensitive information.

In addition to the above, copies of the minutes of the latest Board and Board Committees' meetings will be made available to newly appointed Directors. They are also provided with other materials relating to the Board and Board Committees, including the terms of reference of the various Board Committees on which they are appointed as well as relevant guidelines and policies.

Any new Director appointed to the Board who has had no prior experience as director of a SGX-ST's listed issuer must undergo mandatory training on his or her roles and responsibilities as prescribed by the SGX-ST. Datin Paduka Sarena Cheah, who was elected to the Board in 2024, will

9 Mr Yezdi Phiroze Chinoy joined one ARC meeting by invitation.



# CORPORATE GOVERNANCE REPORT

complete the relevant mandatory training on her roles and responsibilities as a director of an issuer listed on the SGX-ST in 1H2025.

## Training for Directors

The Board also recognises the importance of continual training and development for the Directors so that they can perform their roles on the Board and Board Committees to the best of their abilities. The NRC is tasked with identifying important training topics for Directors and recommending them to the Board.

Directors are encouraged to participate in industry conferences, seminars, courses and training programmes which are relevant to their duties. Training programmes include those organised by the Singapore Institute of Directors ("SID") on corporate governance, leadership and industry-related subjects. The Manager funds the training and development programmes for the Board members.

In FY2024, various Directors attended training sessions relating to anti-money laundering and countering the financing of terrorism. All Directors will also undergo training on sustainability matters as prescribed by the SGX-ST. The Manager believes that the provision of continuing education opportunities to Directors will keep them updated on matters relevant to their appointments and responsibilities. A training register is maintained with respect to the courses/seminars attended by the Directors and such register is also tabled to the NRC for information at its meeting. All Directors have undergone training on sustainability matters as required under Rule 720(7) of the Listing Manual.

The Board is regularly updated on new developments in laws and regulations or changes in regulatory requirements, tax matters or financial reporting standards which are relevant to or may affect Elite REIT or the Manager either during Board meetings or at specially convened meetings (with the attendance of professional advisers, consultants, auditors and Management) or disseminated by way of handouts. Management also provides the Board with timely information through regular updates on financial results, relevant market, and business developments.

## Board Composition and Guidance

### Principle 2:

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of Elite REIT.

The Board reviews the size and composition of the Board annually, to ensure that the Board is of an appropriate size and has the appropriate mix of expertise, experience and other aspects of diversity. The Board works to avoid groupthink, and foster constructive debate, with a view to ensure effective decision making by taking into account the scope and nature of the operations of Elite REIT.

Profiles of the Directors are provided on pages 14 to 18 of this Annual Report. Key information on the Directors is also available on Elite REIT's website at [www.eliteukreit.com](http://www.eliteukreit.com).

## Review of Directors' Independence

The Board presently comprises nine Directors, five of whom are IDs. All the Directors are non-executive directors. The composition of the Board complies with Provision 2.3 of the Code which requires a majority of the board to be made up of non-executive directors. In addition to the Chairman of the Board being independent and non-executive, IDs make up the majority of the Board. This enables Management to benefit from their external, diverse and objective perspectives on issues that are brought before the Board. It would also enable the Board to interact and work with Management through a robust exchange of ideas and views to help shape the strategic process. This, together with a clear separation of the roles of the Chairman of the Board and the CEO, provide a healthy professional relationship between the Board and Management, with clarity of roles and robust oversight as they deliberate on the business activities of the Manager.

The NRC reviewed and assessed the independence of each ID in relation to the Code and SF(LCB)R. Pursuant to the Code and Regulation 13E of the SF(LCB)R, the Board and NRC ascertained the following for FY2024:

- (a) each ID had been independent from Management of the Manager and Elite REIT;
- (b) each ID had been independent from any business relationship with the Manager and Elite REIT;
- (c) each ID had been independent from every substantial shareholder of the Manager, and every substantial Unitholder of Elite REIT;
- (d) none of the IDs was a substantial shareholder of the Manager or a substantial Unitholder of Elite REIT; and
- (e) none of the IDs has served as a director of the Manager for a continuous period of nine years or longer.

Each of the IDs had recused himself from the deliberations of the NRC and Board on his independence.

## Board Diversity

The Manager embraces diversity, and believes that a balanced Board can provide diversity of viewpoints and insights that will enhance decision-making. The Board has established a Board Diversity Policy that seeks to have an appropriate level of size as well as diversity in its composition, including the dimensions of skills, knowledge and industry experiences, gender, age and tenure.

The NRC is responsible for:

- (a) reviewing the Board Diversity Policy;
- (b) setting qualitative and measurable quantitative objectives (where appropriate) for achieving board diversity;
- (c) monitoring and implementing the Board Diversity Policy, and taking the principles of the Board Diversity Policy into consideration when determining the optimal composition of the Board and/or Board

# CORPORATE GOVERNANCE REPORT

Committees, and recommending any proposed changes to complement Elite REIT's objectives and strategies; and

- d) reviewing the Manager's progress towards achieving the objectives under the Board Diversity Policy.

The Board will set certain measurable objectives and diversity targets (each a **"Target"**) based on the NRC's recommendation in order to achieve an optimal Board composition. The Targets will be reviewed by the NRC annually to ensure their appropriateness. The NRC will endeavour to ensure that the Targets are taken into consideration when assessing candidates for new Board appointments.

## Tenure

Elite REIT was listed on 6 February 2020. Most of the IDs were appointed on the same date prior to listing and their nine-year term will also expire on the same date. Not counting Mr Yezdi Phiroze Chinoy (ID), Datin Paduka Sarena Cheah (NINED) and Mr Tan Chin Hwee (ID) the average tenure of existing board members is about five years.

The Board believes diversity of tenure and progressive renewal of the Board are important so that there is continuity of experienced directors as well as the onboarding of new directors to provide fresh perspectives on an ongoing basis. The Board has added two new Board members during 2024, as part of Board succession planning. Datin Paduka Sarena Cheah, was appointed as NINED on 1 January 2024 in place of Mr Evan Cheah Yearn Shin, and Mr Tan Chin Hwee was appointed as ID on 7 August 2024 in place of Mr Tan Huay Lim.

All director appointments will be based on merit, having due regard to the overall balance and effectiveness of the Board. The NRC and the Board will continue to review the tenure of the Board members and plan for renewal gradually.

## Skills and Expertise

Currently, the Board and its Board Committees comprise Directors with an appropriate balance and diversity of skills and expertise. The Directors have diverse backgrounds in audit and accounting, business advisory, corporate finance, corporate governance, investment and fund management, construction, real estate and property development, management consulting and commercial litigation. The diversity of skills and expertise enrich the discussions and deliberations of the Board as the members bring their broad range of views, perspectives and breadth of experience to the table. Therefore, the Directors are well-equipped to engage in open and constructive debate, and regularly challenge the Management on its assumptions and proposals. This facilitates the effective oversight of the Management.

When considering new directors for appointment to the Board, candidates who have relevant skills, expertise and/or experience which would complement those already on the Board would be prioritised.

As of 31 December 2024, the Target for Skills and Expertise was met. Please refer to the Experience / Skills Matrix of the Directors below.

## Director Experience / Skills Matrix FY2024

	Real Estate Industry Experience	Strategic Planning	Senior Management	Legal	Audit & Accounting	Risk Management	Banking and Corporate Finance	Investment & Fund Management	Asset Management	Facilities Management	Operations Management	Capital Markets & Fundraising	Business Development	Human Resources
Mr David Lim Teck Leong	Y	Y	Y	Y		Y								Y
Mr Tan Huay Lim <sup>1</sup>	Y	Y	Y		Y	Y	Y	Y				Y		Y
Mr Koo Tsai Kee	Y	Y	Y			Y								Y
Mr Nicholas David Ashmore	Y	Y	Y							Y				Y
Mr Yezdi Phiroze Chinoy	Y	Y	Y	Y		Y	Y	Y				Y		
Mr Tan Hai Peng Micheal	Y	Y	Y									Y	Y	Y
Mr Victor Song Chern Chean	Y	Y	Y					Y	Y	Y	Y	Y	Y	Y
Mr Tan Dah Ching	Y	Y	Y				Y	Y				Y		
Datin Paduka Sarena Cheah <sup>2</sup>	Y	Y	Y										Y	
Mr Evan Cheah Yearn Shin <sup>3</sup>	Y	Y	Y					Y				Y		
Dr Tan Kok Heng <sup>4</sup>	Y	Y	Y					Y				Y		
Mr Tan Chin Hwee <sup>5</sup>	Y	Y	Y		Y	Y		Y	Y		Y	Y	Y	Y

### Notes:

1 Resigned on 6 August 2024

2 Appointed on 1 January 2024

3 Resigned on 1 January 2024

4 Alternate Director to Mr Evan Cheah Yearn Shin. Dr Tan ceased to be an Alternate Director to Mr Evan Cheah on 1 January 2024

5 Appointed on 7 August 2024

# CORPORATE GOVERNANCE REPORT

## Gender Representation

The NRC, the Board, together with the Sustainability Committee have agreed that it will be a medium to long term Target for the Board to achieve and maintain a 30% minimum representation of each gender on the Board by 2029. The Board is committed to the Target and has included the Target in its Board Diversity Policy.

With the appointment of Datin Paduka Sarena Cheah to the Board, the gender diversity composition of the Board is 11.1% – the first step towards achieving the targeted minimum representation of each gender on the Board.

The Board is of the view that gender is an important aspect of diversity and will strive to ensure that:

- (a) when seeking to identify a new Director for appointment, the NRC will request for female candidates to be fielded for consideration. If external search consultants are engaged, their recruitment brief will include this specific requirement; and
- (b) at least one female Director is appointed; and there is significant and appropriate female representation on the Board.

## Age Diversity

The Board comprises Directors falling within at least two out of three age groups, being:

- (i) 61-70
- (ii) 51-60
- (iii) 41-50

As of 31 December 2024, the ages of the Board members range from 46 to 70. The Target for age diversity was met. Please refer to the chart below.

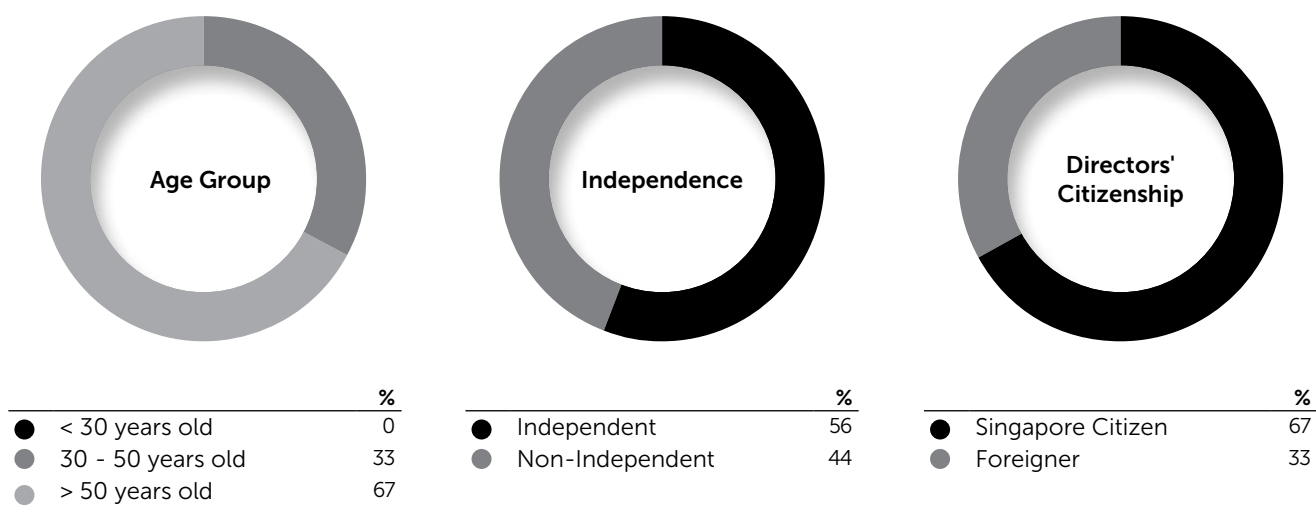
The Manager believes the age diversity would contribute beneficially to the Board’s deliberations.

## Diverse Board Nationalities

The Board comprises Directors of different nationalities. Coupled with their diverse backgrounds and competencies, this adds value to the Board’s capacity for strategic thinking and problem solving.

Please refer to the chart below.

## Composition of the Board in FY2024



# CORPORATE GOVERNANCE REPORT

The Board continues to seek to introduce greater diversity as it progressively reviews the composition of the Board and its Board Committees. As of 31 December 2024, the Board and Board Committees are of an appropriate size, and comprise Directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate.

## Meetings of Directors Without Management

The IDs, led by the Independent Chairman of the Board, regularly meet to discuss matters both formally and informally without the presence of the Management and the non-independent Directors.

The Audit and Risk Committee, which comprises three IDs, also meets with the external auditor and the internal auditor at least annually and without the presence of Management.

The Independent Chairman of the Board provides feedback and recommendations to the Board as appropriate.

## Chairman and Chief Executive Officer

### Principle 3:

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The positions of Chairman of the Board and CEO of the Manager are held by two different individuals to maintain effective segregation of duties, ensure an appropriate balance of power and authority, increased accountability, and to maintain effective checks and balances, and for more independent decision making. The Chairman of the Board is Mr David Lim Teck Leong, and the CEO of the Manager is Mr Joshua Liaw. In accordance with Regulation 13D(1) of the SF(LCB)R, the Chairman is a non-executive director and not a member of immediate family of the CEO. The Chairman leads the Board to ensure its effectiveness in all aspects of its role. He ensures that adequate time is given for discussion of all items at the Board meeting, in particular strategic issues. He also facilitates effective contribution of the Directors and encourages a culture of openness and debate at Board meetings. The Chairman also ensures that the Board works together with integrity and competency, and that the Board engages the Management in constructive debate on strategy, business operations, enterprise risk and other plans. The Chairman also has the discretion to hold meetings with the other IDs without the presence of the Management as he deems appropriate or necessary, and provides feedback and recommendations to the Board as appropriate. The Chairman presides over the Annual General Meeting ("AGM") each year and other general meetings of the Unitholders. The Chairman addresses, and/or requests the CEO and the CFO of the Manager to address the Unitholders' queries, and ensures that there is clear and open dialogue between all stakeholders.

The Management is led by the CEO. The CEO is principally responsible for execution of the strategies and policies

approved by the Board and conduct of the business of the Manager. He has full executive responsibilities over the business direction and operational decisions in managing Elite REIT. The CEO is accountable to the Board for the conduct and performance of Management.

The CEO also makes sure that the information that is shared with the Board is timely, appropriate and of the requisite quality so that the Board can discharge its duties and responsibilities effectively.

The Manager adopted terms of reference for the Chairman and the CEO which set out clearly their respective duties. The Chairman leads the Board and ensures the effectiveness of all aspects of its role. His responsibilities include, inter alia:

- (a) constructively determining and approving, with the full Board, the Manager's strategy;
- (b) ensuring that the Board is properly organised, functioning effectively, and meeting its obligations and responsibilities;
- (c) setting the agenda and ensuring adequate time is available for discussion of all agenda items, in particular, strategic issues;
- (d) fostering effective communication and constructive relations amongst the Directors, within Board Committees, between Unitholders, between the Directors and the Management;
- (e) encouraging the constructive exchange of views within the Board and between Board members and the Management;
- (f) facilitating the effective contributions of all Directors;
- (g) promoting a culture of openness and debate at the Board level and promoting high standards of corporate governance; and
- (h) establishing a relationship of trust with the CEO.

The CEO leads the Management and his responsibilities include, inter alia:

- (a) day-to-day running of the Manager's and Elite REIT's business in accordance with the business plans approved by the Board;
- (b) meeting or communicating with the Chairman on a regular basis to review key developments, issues, opportunities and concerns;
- (c) developing and proposing the Manager's strategies and policies for the Board's consideration;
- (d) implementing the strategies and policies approved;
- (e) assessing risks to the Manager and Elite REIT;
- (f) maintaining regular dialogue with the Chairman on important and strategic issues faced by the Manager and Elite REIT;
- (g) providing to the Board timely reports which contain relevant, accurate, timely and clear information necessary for the Board to fulfil its duties;
- (h) ensuring the Board is alerted to forthcoming complex, contentious or sensitive issues affecting the Manager and Elite REIT which it might otherwise not be aware;
- (i) overseeing the affairs of the Manager and Elite REIT in accordance with the practices and procedures adopted by the Board and promoting the highest standards of integrity, probity and corporate governance within the Manager and Elite REIT; and
- (j) communicating, on behalf of the Manager, with the Unitholders, government entities and the public.



# CORPORATE GOVERNANCE REPORT

Provision 3.3 of the Code recommends the appointment of an Independent Director to be the lead independent director, to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. As the Chairman, Mr David Lim Teck Leong, is independent, and most of the Board Committees are chaired by and comprise at least a majority of IDs, the Board is of the view that it is not necessary, for the time being, to appoint a lead independent director. In addition, the Group-wide Whistleblowing Policy provides an independent mechanism for employees and other persons to raise any concerns where normal channels of communication with the Chairman or Management are inappropriate or inadequate, and matters under the policy are reported directly to the ARC Chairman, who is also an ID of the Manager.

### Relationships between the Board and the CEO

The members of the Board and CEO are not related to one another, and none of the members of the Board has any business relationship with the CEO or vice versa.

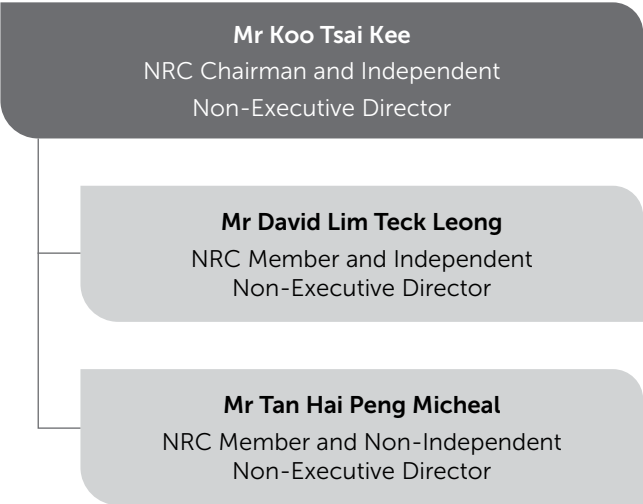
### Board Membership

**Principle 4:**  
The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board.

The Board has a formal process in place to evaluate the effectiveness of the Board and its Board Committees on an annual basis.

### Nominating and Remuneration Committee

The NRC members are appointed by the Board from among its members, and comprise three Directors, two of whom (including the NRC Chairman) are IDs. The members of the NRC are:



### Roles and Responsibilities of the NRC (in Relation to Nomination Matters)

The NRC has written terms of reference setting out its scope and authority in performing the functions of a nominating and remuneration committee, including assisting the Board in matters relating to:

#### Nomination

- reviewing and recommending to the Board a general framework of remuneration and succession plans for each director and executive officer, in particular the appointment and/or replacement of the Chairman, the CEO and KMPs;
- developing the process and criteria for evaluation of the performance of the Board as a whole and each of its Board Committees and Directors;
- reviewing the training and professional development programmes for the Board;
- establishing a formal and transparent process for the appointment and re-appointment of Directors (including alternate directors, if applicable), having regard to the composition and progressive renewal of the Board and each Director’s competencies, commitment, contribution and performance, including, if applicable, as an ID;
- determining annually, and as and when circumstances require, if a Director is independent, having regard to the circumstances set forth in Provisions 2.1 and 2.2 of the Code and Rule 210 (5)(d) of the SGX-ST’s Listing Manual;
- ensuring that new Directors are apprised of their duties and obligations;
- deciding if a Director is able to and has been adequately carrying out his/her duties as a director, taking into consideration the Director’s other principal commitments and other listed company directorships;
- reviewing Elite REIT’s obligations arising in the event of termination of Directors’ and KMP’s contracts of service and ensuring that such contracts of service contain fair and reasonable termination clauses which are not overly generous;
- implementation and monitoring of the Board Diversity Policy, and making recommendations to the Board on the diversity of skills, experience, gender, age, knowledge, size and composition of the Board; and
- such other duties as provided in the Code.

**Note:**  
The roles and responsibilities of the NRC with regard to remuneration matters are detailed in the section under *REMUNERATION MATTERS*.

The NRC administers nominations to the Board, reviews the structure, size and composition of the Board and reviews the performance and independence of the Directors.

The NRC is of the view that the members of the Board provide an appropriate balance and diversity of skills and

# CORPORATE GOVERNANCE REPORT

commercial experience. The NRC believes that a director's eligibility for selection, appointment and re-appointment goes beyond his or her attendance at meetings. The NRC takes into consideration a director's competencies, commitment, contribution and performance, and is committed to ensuring an appropriate balance and diversity of skills, experience and knowledge in the Board.

## Review of Directors' Independence by the NRC

The NRC formally assesses the independence of each Director in accordance with the circumstances set forth in the Code and the accompanying Practice Guidance, the Listing Manual and the CIS Code (collectively, the "**Relevant Regulations**") on an annual basis. Under the Code, an ID is one who is independent in conduct, character and judgement, and has no relationship with the Manager, its related corporations, its substantial shareholders or its officers, or Elite REIT's substantial unitholders that could interfere, or be reasonably perceived to interfere, with the exercise of his/her independent business judgement in the best interests of Elite REIT.

Rule 210(5)(d) of the Listing Manual of the SGX-ST also sets out circumstances under which a director will not be independent:

- (i) if he/she is employed or has been employed by the Manager or Elite REIT or any of its related corporations in the current or any of the past three financial years;
- (ii) if he/she has an immediate family member who is employed or has been employed by the Manager or Elite REIT or any of its related corporations in the current or any of the past three financial years, and whose remuneration is or was determined by the remuneration committee of the Manager; or
- (iii) if he/she has been a director of the Manager for an aggregate period of more than nine years (whether before or after listing). Such director may continue to be considered independent until the conclusion of the next annual general meeting of Elite REIT.

There is currently no ID who has served on the Board for more than nine years.

The Board through the NRC assesses annually the independence of each ID based on his/her declaration of independence provided to the NRC/Board, taking into account the requirements and/or guidance set out in the Relevant Regulations.

As part of the rigorous process to evaluate the independence of each ID:

- (a) each ID provides information on his/her business interests and confirms that there are no relationships with the Manager, its related corporations, its substantial shareholders or its officers, Elite REIT's substantial unitholders which interfere with the exercise of his/her independent business judgement in the best interest of Unitholders as a whole. Such information is then reviewed by the NRC and the Board; and

- (b) the Board through NRC reflects on the respective IDs' conduct and contributions at Board and Board Committee meetings, and considers whether the relevant ID exercises independent judgement in discharging his/her duties and responsibilities.

The Board has considered the views of the NRC, and determined that Mr David Lim Teck Leong, Mr Koo Tsai Kee, Mr Nicholas David Ashmore, Mr Yezdi Phiroze Chinoy, and Mr Tan Chin Hwee have demonstrated independence in character and judgement in the discharge of their responsibilities as Directors in FY2024, and is satisfied that each of them has acted with independent judgement. The Board has also assessed the relationships or circumstances which are likely to affect, or could appear to affect, the Directors' judgement.

Mr Nicholas David Ashmore acts as a resident director of the following subsidiaries of Elite REIT incorporated in the UK:

- (a) Elite REIT Holdings Limited ("**ERHL**"). ERHL is listed on The International Stock Exchange;
- (b) Elite Kist Limited;
- (c) Elite UK Commercial Limited;
- (d) Elite Gemstones Properties Limited;
- (e) Elite Amphora Limited;
- (f) Elite Cask Limited; and
- (g) Elite Commercial REIT Management (UK) Limited.

The appointment of Mr Ashmore in the above entities is to satisfy the resident director requirement in the UK and he does not play any executive role in the above entities. The NRC, with the concurrence of the Board, is of the view that the appointment of Mr Ashmore as director of the above entities does not impede his independence as an ID. As at the last day of FY2024, the Board was satisfied and Mr Ashmore was able to act in the best interests of all the Unitholders as a whole despite not being independent under Regulation 13E(b)(i)(B). As at the last day of FY2024, Mr Ashmore was able to act in the best interest of the Unitholders as a whole.

In FY2024, based on the annual review of the Directors' independence conducted by the NRC, and the declarations by the IDs of their independence, the NRC and the Board are satisfied that Mr David Lim Teck Leong, Mr Koo Tsai Kee, Mr Nicholas David Ashmore, Mr Yezdi Phiroze Chinoy, and Mr Tan Chin Hwee are independent.

Except as disclosed above, none of the IDs had any management or business relationship with the Manager, its related companies, its substantial shareholders or its officers, as well as with Elite REIT and its substantial Unitholders that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of Elite REIT.

During FY2024, each of the IDs had been independent from the management of the Manager and Elite REIT, as well as from every substantial shareholder of the Manager, and every substantial Unitholder of Elite REIT. None of the IDs were a substantial shareholder of the Manager or a substantial unitholder of Elite REIT. These disclosures are made in accordance with Regulation 13E(b) (i) of the SF(LCB)R.

# CORPORATE GOVERNANCE REPORT

Each ID is also required to recuse himself from deliberating on his own independence. An ID is required to report to the Manager when there is any change of circumstances which may affect his independence. As and when circumstances require, the NRC and the Board will review the independence of an ID of the Manager.

## Review of Directors' Time Commitments

The Non-Independent Non-Executive Directors – Tan Hai Peng Micheal, Victor Song Chern Chean, Tan Dah Ching and Datin Paduka Sarena Cheah – are representatives of the Manager's shareholders. The Board is satisfied that as at the last day of FY2024, the Non-Independent Non-Executive Directors were able to act in the best interests of all Unitholders as a whole.

All Directors are required to commit sufficient time and attention to the affairs of Elite REIT and the Manager. The NRC will annually, and as required, assess the major commitments of the Directors, including their employment and listed company directorships, and whether the Director has and can suitably fulfill his or her duties as a director of the Manager. All the Directors are required to notify the Board of any changes in their directorships.

Provision 4.5 of the Code requires listed companies to disclose the number of listed company directorships and principal commitments of each director in the Annual Report and where a director holds a significant number of such directorships and commitments, it provides the Board a reasoned assessment of the ability of the director to diligently discharge his or her duties.

The Board believes that it is not practicable to impose a limit on the maximum number of listed company board representations each Director may hold or stipulate the amount of time that each Director should devote to the affairs of Elite REIT and the Manager. The effectiveness of the Board and contributions of each Director cannot be assessed solely on a quantitative basis. The number of listed company directorships and principal commitments of each Director, such as whether he or she is in full-time employment and the nature of his or her other responsibilities, are considered on a case-by-case basis and taken into account in the NRC's and the Board's assessment of the ability of each Director to diligently discharge his or her duties as a director of the Manager, without any potential or actual conflict of interest.

A Director with multiple directorships and significant commitments is expected to ensure that sufficient attention can be given to the affairs of Elite REIT and the Manager. A Director's capacity is determined by metrics such as his/her attendance (including preparedness and productive participation) at Board and Board Committee meetings and contributions to the effective supervision of Elite REIT.

Each Director is or has been a senior executive, and has knowledge about and/or experience in serving as a director of listed companies. Further, each Director confirms that he/she is able to devote sufficient time to

discharge his/her duties as a director of the Manager. Directors who hold more than five listed company directorships are required to provide the NRC and/or the Board additional assurance and representation in writing on how he/she is able to allocate sufficient time to properly discharge his/her duties.

Based on every Director's attendance record for Board and Board Committees' meetings (set out in page 105 and contributions outside of formal Board and Board Committees' meetings, the NRC is satisfied that all Directors have committed sufficient time and discharged their duties adequately for FY2024, and can commit sufficient time and discharge their duties adequately.

Key information regarding the Directors such as academic and professional qualifications, committee membership, date of appointment, other principal commitments and details about the present and past directorships of each Director are set out in pages 14 to 18 of this Annual Report. The Directors' unitholdings in Elite REIT are set out in page 177.

## Selection and Appointment of New Directors

The NRC will regularly review the existing attributes and competencies of the Board in order to determine the desired experience or expertise required to strengthen or supplement the Board. The NRC is in charge of making recommendations to the Board regarding the identification and selection of Directors for appointment and re-appointment.

In identifying candidates for appointment to the Board as part of the Board's renewal process, the following principles are applied by the NRC:

- the Board should comprise directors with a broad range of commercial and professional experience, including expertise in business management, real estate, finance, investments, risk management and legal matters;
- the Board should have diversity in terms of gender, age and relevant skillsets;
- a majority of the Board should comprise IDs if the Chairman is not an ID; and
- the candidate is fit and proper in accordance with MAS' fit and proper guidelines, taking into account his or her experience, skills, track record, capabilities and such other relevant experience as may be determined by the Board.

The Manager envisages to maintain at least five IDs on the Board to ensure that Directors are able to exercise independent business judgement in the best interest of Elite REIT.

To ensure the continuity of experienced Directors alongside new Director appointments, the NRC will continue its efforts to progressively refresh Board membership in an orderly manner. The Manager believes that Board renewal is a necessary and continual process, for good governance and ensuring that the Board has the skills, expertise and experience which are relevant to

# CORPORATE GOVERNANCE REPORT

the evolving needs of Elite REIT's business; renewal or replacement of a Director therefore does not necessarily reflect his/her performance or contributions to date.

The Manager has a policy which sets out a detailed process on the search, selection, nomination and appointment of Directors.

The NRC will take the lead in identifying, evaluating and selecting suitable candidates for new directorships based on selection criteria provided, taking into account, among other things, the scope and nature of the operations, business requirements. Potential candidates would be sourced from different channels, including existing networks of contacts and recommendations of Board members and business associates, director associations, advertisements, and from conducting an external search for candidates.

The NRC will then shortlist and interview the candidates. Shortlisted candidates are evaluated by the NRC on his/her skills, competencies and experience as well as the ability to contribute productively to discussions, deliberations and activities of the Board and Board Committees with an understanding of Elite REIT's and the Manager's business, industry, finance and other factors relevant to the success of Elite REIT. Once a candidate is selected for the Board, the NRC will conduct due diligence through reference checks before putting the appointment of such candidate up to the Board for approval.

The process for selection and appointment of IDs also takes into account the relevant requirements under the Listing Manual and SF(LCB)R.

## Succession Planning of the Board Chairman and Key Management Personnel

The NRC is cognisant of succession planning for key positions in the Manager and has in mind Elite REIT's strategic priorities and the factors affecting the long-term success of Elite REIT. The Board seeks to refresh its membership progressively and in an orderly manner, whilst ensuring continuity and sustainability of corporate governance. The NRC aims to maintain an optimal board composition by considering the trends affecting Elite REIT, reviewing the skills needed and identifying gaps, including considering whether there is an appropriate level of diversity of thought. The NRC considers different time horizons for purposes of succession planning. The NRC evaluates the Board's competencies on a long-term basis and identifies competencies needed to achieve Elite REIT's strategy and objectives. As part of medium-term planning, the NRC seeks to refresh the membership of the Board in an orderly manner. The NRC also considers contingency planning to prepare for sudden and unforeseen changes.

Board succession planning is carried out through the annual review of Board composition as well as when an existing Director gives notice of his/her intention to retire or resign. The outcome of such review will then be reported to the Board.

As part of contingent leadership planning, the NRC has identified one of the board members capable to take on the role of the acting CEO in the event circumstances call for it. For the other KMP's succession, the CEO will cover their duties in the interim while looking for a replacement.

The Manager is mindful of identifying and developing the potential next-in-line for succession of the respective KMP roles. For Board Chairman's succession, the NRC will identify one of the Board members to undertake the role if the circumstances so require.

## Board Performance

### Principle 5:

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The NRC assesses and discusses the performance of the Board as a whole and its Board Committees on an annual basis. The NRC has in place a process to evaluate the effectiveness of the Board and its Board Committees, as well as the contributions of the Chairman and each individual Director. The review allows each Director to individually express his/her personal and confidential assessment of the Board's overall effectiveness in discharging its duties and responsibilities. It provides insights into the functioning of the Board and its Board Committees, whilst identifying areas that need strengthening or improvement.

## Board and Board Committees

On an annual basis, the Directors are required to complete evaluation questionnaires on the Board and its Board Committees. The individual Director's performance is assessed based on the Director's duties and performance, knowledge and interactive skills. The scope of evaluation in the evaluation questionnaires for the Board for FY2024 included (1) Board composition, (2) Board processes, (3) Internal control and risk management, (4) Board access to information, (5) Board accountability and committee effectiveness; and (6) Environmental, Social and Governance ("ESG") policy implementation. The evaluation questionnaires on the Board also required the Board to consider whether the creation of value for the Unitholders has been taken into consideration in its decision-making process.

The NRC recommends for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each Board Committee separately, as well as the contribution by the Chairman and each Director to the Board. With stakeholders becoming increasingly aware of the importance of ESG, the NRC recommended and the Board approved the additional performance criteria on ESG during FY2024.

The scope of evaluation for the Board committees is mainly based on the understanding of the respective terms of reference and areas of expertise relevant to the respective Committees.



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Each Director is given sufficient opportunity to bring to the Board his/her perspective to enable balanced and well-considered decisions to be made.

## Individual Directors

Each Director is required to complete an individual director self-assessment questionnaire. The questionnaire aims to assess whether each Director is willing and able to constructively challenge and contribute effectively to the Board, and demonstrates commitment to his/her roles on the Board and Board Committees.

The evaluation categories covered in the questionnaire include the Director's initiative, knowledge, skills, participation in constructive debate/discussion, declaration of conflicts of interest and disclosure of interested person transactions.

For FY2024, individual Directors, the Board, ARC, NRC, SPC and SC completed their respective evaluation forms and returned them to the Company Secretary for compilation of the summary of results of the evaluation.

The results of the evaluation questionnaires are first reviewed by the NRC and subsequently presented and deliberated upon by the Board. All necessary follow-up actions will be undertaken with a view to enhance the effectiveness of the Board and Board Committees in the discharge of its duties and responsibilities.

The Board, in consultation with the NRC, was satisfied with the Board, ARC, NRC, SPC and SC's performance evaluation results for FY2024, which indicated that each and every Director had demonstrated commitment and contributed to the effective functioning of the Board, ARC, NRC, SPC and SC. The formal annual assessment is conducted entirely by the NRC and does not rely on any external facilitator.

## REMUNERATION MATTERS

### Procedures for Developing Remuneration Policies

#### *Principle 6:*

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

### Level and Mix of Remuneration

#### *Principle 7:*

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of Elite REIT, taking into account the strategic objectives of Elite REIT.

## Disclosure on Remuneration

### *Principle 8:*

The Manager is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

## Roles and Responsibilities of the NRC (in Relation to Remuneration Matters)

The NRC plays an important role in ensuring the attraction, recruitment, motivation, and retention of talents through competitive remuneration and progressive policies so as to achieve Elite REIT's goals, and to deliver sustainable Unitholder value, distribution income, as well as growth in total returns. Terms of reference setting out the scope and authority in performing the function of the NRC have been put in place, and these include assisting the Board in matters relating to:

### Remuneration

- establishing a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and KMP;
- considering all aspects of remuneration, including termination terms, to ensure they are fair;
- reviewing and recommending the Directors' fees to the Board, for endorsement by the Board;
- reviewing and recommending a framework of remuneration for the Board and KMP (no member of the Board is involved in any decision of the Board relating to his or her own remuneration). The framework covers all aspects of remuneration, including fees, salaries, allowances, bonuses, award of Units and benefits in kind, as well as termination terms;
- reviewing and recommending specific remuneration packages for each Director and KMP;
- consulting independent professional consultancy firms where necessary in determining remuneration packages; and
- considering the various disclosure requirements on Directors' remuneration and ensuring that there is adequate disclosure in the financial statements to ensure and enhance transparency between Elite REIT and relevant interested parties.

The NRC seeks to ensure that a significant and appropriate proportion of executive Directors' (if any) and KMP's remuneration is structured so as to link rewards to the achievement of Elite REIT and individual performance targets. The Board sets performance targets with the purpose of motivating a high degree of business performance with emphasis on both short- and long-term quantifiable goals. The corporate and individual performance-related elements of remuneration have been established to align the interests of KMP with those of the Unitholders and other stakeholders with the aim of providing for the long-term interests of the Unitholders and to promote the long-term success of Elite REIT.

# CORPORATE GOVERNANCE REPORT

In addition, the NRC reviews the achievements of Elite REIT against the targets set to determine the overall performance taking into consideration qualitative factors such as the business environment, regulatory landscape and industry trends and approves a bonus pool that is commensurate with the performance achieved. The framework of remuneration is aligned with the interests of the Unitholders. The remuneration packages are also appropriately structured to attract, retain and motivate the Directors to provide good stewardship of the Manager and KMP to successfully manage Elite REIT for the long term.

The remuneration of the Directors, KMP (including the CEO) and employees of the Manager is not paid out of the deposited property of Elite REIT, but paid by the Manager.

## Remuneration Framework of Key Management Personnel

The remuneration of KMP is structured to take into account:

- the strategic objectives and goals of Elite REIT; and
- corporate and individual performance, both in terms of financial and non-financial performance of Elite REIT through the incorporation of appropriate key performance indicators ("KPIs") that are specific, measurable and result-oriented.

The KPIs used to determine the remuneration of the CEO and other KMP for FY2024, take into consideration, inter alia:

- Elite REIT's income available for distribution (and distribution per Unit);
- total Unitholders' return;
- investor relations management;
- asset enhancement initiatives; and
- other strategic initiatives as determined from time to time

These performance indicators are appropriate and meaningful measures which assess the Management's performance, whilst taking into account the risk policies of Elite REIT. Structuring the level of remuneration such that it aligns the interests of KMP with those of the Unitholders and other stakeholders and fosters the long-term success of Elite REIT. After the end of each financial year, the NRC reviews Elite REIT's achievements against the KPIs set for the KMP and determines the overall performance, taking into account factors such as the assets under management, the Unit price, the quality of earnings, the regulatory landscape and industry needs.

When determining the quantum of the variable component of remuneration for each KMP, the NRC will consider the overall business performance of Elite REIT and the Manager, individual performance as well as affordability of the variable component payout. The remuneration of the CEO and each of the KMP is reviewed by the NRC, which will then make recommendations to the Board for approval. Please refer to Variable Remuneration on page 116 for more details..

## Non-Executive Directors' Remuneration and Fee Structure

The NRC also ensures that the remuneration of Non-Executive Directors is appropriate for their respective levels of contribution, taking into account factors such as effort, time spent, and their responsibilities. The NRC ensures that the IDs are not over-compensated to the extent that their independence may be compromised. None of the Directors has any service contracts with the Manager.

The structure of Directors' fees takes into account the following:

- Directors' responsibilities and contributions; and
- industry practices and norms on remuneration, including the guidelines set out in the Statement of Good Practice issued by the SID.

Directors' fees for Non-Executive Directors comprise an annual base fee of S\$40,000 for serving as a Director and additional fee for serving as Chairman of the Board, ARC or NRC, as the case may be. The additional fee for chairmanship of the Board, ARC and NRC, as the case may be, is as set out below:

Chairmanship	Fee
Board	S\$45,000
Audit and Risk Committee	S\$25,000
Nominating and Remuneration Committee	S\$15,000

As set out below in Disclosure of Remuneration table, the Directors' fees are paid only in the form of cash and Directors' fees are reviewed and endorsed by the NRC.

## Industry Benchmarking and Engagement of Consultant

In determining the remuneration of its Directors and KMP, the Manager may engage an independent remuneration consultant to advise on compensation benchmarks and provide views on market practices and trends. The independent remuneration consultant will not be related to the Manager, its controlling shareholder, its related companies or any of its Directors. The Board has access to independent remuneration consultants for advice on remuneration matters as required.

The Manager applies the principle that remuneration matters are to be sufficiently structured and benchmarked to good market practices in order to attract suitably qualified talent, and to grow and manage Elite REIT. The Manager applies the principle that the remuneration for the Board and KMP should be viewed in totality.

In determining the mix of different forms of remuneration, the Board and NRC have reviewed and ensured that the level and structure of remuneration for the KMP and Non-Executive Directors are in alignment with the long-term interests and risk management policies of Elite REIT. The Board and NRC seek to ensure that the level and mix of fixed and performance-related remuneration are competitive, relevant and appropriate.

No external remuneration consultant was engaged for FY2024.

# CORPORATE GOVERNANCE REPORT

## Disclosure of Remuneration

### Directors' Fees

The fees paid to the Directors for FY2024 are as follows:

Board Members	Membership	Fees Paid for FY2024 <sup>1</sup>
Mr David Lim Teck Leong	Independent Non-Executive Chairman	S\$85,000
Mr Koo Tsai Kee	Independent Non-Executive Director and Chairman of the NRC	S\$55,000
Mr Yezdi Phiroze Chinoy <sup>1</sup>	Independent Non-Executive Director and Chairman of the ARC	S\$49,986
Mr Tan Huay Lim <sup>2</sup>	Independent Non-Executive Director and Chairman of the ARC	S\$39,035
Mr Nicholas David Ashmore <sup>3</sup>	Independent Non-Executive Director	S\$40,000
Mr Tan Chin Hwee	Independent Non-Executive Director	S\$15,978
Datin Paduka Sarena Cheah	Non-Independent Non-Executive Director	S\$40,000
Mr Victor Song Chern Chean	Non-Independent Non-Executive Director	S\$40,000
Mr Tan Dah Ching	Non-Independent Non-Executive Director	S\$40,000
Mr Tan Hai Peng Micheal	Non-Independent Non-Executive Director	S\$40,000

Notes:

1 Mr Chinoy was appointed as the Chairman of the ARC on 7 August 2024.

2 Mr Tan Huay Lim had stepped down as ID and Chairman of the ARC on 6 August 2024.

3 In addition to the Directors' fees paid by the Manager, Mr Ashmore is also paid an aggregate of £7,000 in FY2024 in respect of his directorships on the boards of the various subsidiaries of Elite REIT incorporated in the UK, as mentioned in page 111 of the Annual Report.

### Level and Mix of Remuneration of the CEO and Other Key Management Personnel

The Manager has adopted a performance-based remuneration system and has KPIs in place to measure the performance and value creation in determining the remuneration of the CEO and KMP. The Manager has established a long term incentive programme which will be included as part of the variable component.

The remuneration of the CEO and KMP of the Manager comprises fixed and variable components:

#### Fixed Remuneration

The fixed remuneration in the Manager's remuneration framework comprises base salary, fixed allowances and applicable statutory employer contribution to an employee's Central Provident Fund or other social security system. The fixed remuneration is to remunerate employees for the roles they perform.

#### Variable Remuneration

The variable remuneration is structured to align financial compensation to corporate and individual performance. The variable incentives are based on quantitative and qualitative targets, and overall performance will be determined at the end of the financial year and approved by the NRC.

The variable component is derived from the Variable Pay Plan ("VPP"). It is linked to the evaluation of the achievement of each Management's annual performance targets as set in the scorecard.

Under the scorecard design framework, Elite REIT's strategy and goals are translated to performance outcomes comprising both quantitative and qualitative targets in the areas of Elite REIT's performance, the Manager Performance, People, Sustainability, Risk and Compliance.

The scorecard targets are reviewed and approved by the NRC and Board. After the close of the financial year, the NRC reviews the Group's achievements against the targets set in the scorecard and determines the overall performance taking into consideration qualitative factors such as the quality of earnings, operating environment and industry trends. In determining the potential payout quantum under the VPP, the NRC considers the overall business and individual performance as well as financial conditions of the Manager.

The VPP is delivered only in a combination of cash and deferred Units. Staff in the Executive and Management job grades will have cash and deferred Units components under the VPP, with Executive staff receiving a greater proportion of their VPP payout in deferred Units. These time-based Units are awarded pursuant to the Manager's Unit Incentive Plan. Once the Units are granted to Executive staff, the Units will vest in two tranches. The second tranche is dependent on the Total Unitholder Return of achieving a targeted level.

The following factors are considered when the NRC and Board decide whether to grant Units in Elite REIT as part of the discretionary bonuses to staff of the Group.

- Group performance metrics;
- Achievement by the individual staff of goals set under the scorecard for the financial year; and
- The individual's overall and relative performance.
- Recipients will receive fully paid Units, or their equivalent cash value, at no cost. These Units awards ensure ongoing alignment between remuneration and sustainable business performance.

The Manager will continue to be guided by the objective of delivering long-term sustainable returns to Unitholders while the remuneration of Management will continue to be aligned with the goal of value creation for Unitholders.

All fixed and variable remuneration are entirely paid by the Manager and are not an additional expense imposed on Elite REIT.

1 For the Directors' remunerations, there are no benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives.

# CORPORATE GOVERNANCE REPORT

KMP remuneration bands of S\$250,000, together with a breakdown of their respective remuneration components in percentage terms, are set out in the remuneration table below:

Remuneration Band and KMP Name	Fixed Remuneration	Variable Remuneration <sup>1</sup>	Total
<b>\$250,000 to \$500,000</b>			
Tong Meng Chong, Michael (CFO)	75%	25%	100%
Jonathan Edmunds (CIO)	82%	18%	100%

1 For the CEO's and KMPs' remunerations, there are no benefits in kind, and stock options granted.

## CEO's remuneration

Pursuant to Listing Rule 1207(10D), the CEO's remuneration in FY2024 was S\$557,409.39, comprising 75% remuneration and 25% variable remuneration. The CEO's variable remuneration comprises 60% cash bonus and 40% in granted units in 2024.

The Manager is cognisant of the requirements outlined in Principle 8 of the Code and the **"Notice to All Holders of a Capital Markets Services License for Real Estate Investment Trust Management"** (the **"Notice"**) to disclose: (i) the remuneration of its CEO and each individual Director on a named basis; (ii) the remuneration of at least the top five executive officers (who are neither Directors nor the CEO), on a named basis in bands of S\$250,000; and (iii) in aggregate the total remuneration paid to its top five KMP (who are not Directors or the CEO).

The Manager had two KMP in FY2024. The KMP were remunerated wholly in cash for their fixed remuneration for FY2024. Their variable remuneration comprises a portion in cash and a portion in deferred Units, if applicable. The Board has assessed and elected not to disclose the aggregate remuneration paid to its two KMP (who are not Directors or the CEO) for the following reasons:

- (i) competition for talent in the REIT management industry is very keen;
- (ii) important to minimise potential staff movement which would cause undue disruptions;
- (iii) important to retain competent and committed staff to ensure stability and continuity of business and operations;
- (iv) due to the confidentiality and sensitivity of staff remuneration matters, the Manager is of the view that such disclosures could be prejudicial to the interests of the Unitholders;
- (v) the Manager is of the view that such non-disclosure will not be prejudicial to the interests of the Unitholders as the information provided regarding the Manager's remuneration policies is sufficient to enable Unitholders to understand the link between remuneration and performance; and
- (vi) there is no misalignment between the remuneration of the CEO and KMP and the interests of the Unitholders as their remuneration is paid out from the fees the Manager receives from Elite REIT, rather than borne by Elite REIT.

The Board is accordingly of the view that its practice is consistent with Principle 8 of the Code and the Notice as a whole.

There is no employee of the Manager who is a substantial shareholder of the Manager or a substantial Unitholder of Elite REIT, or an immediate family member of a Director, the CEO of the Manager, a substantial shareholder of the Manager or a substantial Unitholder of Elite REIT, and whose remuneration exceeded S\$100,000 during FY2024. According to the Listing Manual, **"immediate family"** refers to spouse, child, adopted child, step-child, brother, sister and parent.

The NRC has reviewed the Manager's remuneration framework and is satisfied that there is reasonable mitigation of any potential misalignment of interests of the Unitholders, taking into account (a) the NRC's discretion to determine whether the remuneration payable is in line with the remuneration framework, and (b) the substantial emphasis placed on the performance of Elite REIT which has been included as part of the KPIs. There are no termination, retirement or post employment benefits that are granted over and above what have been disclosed.

## (B) ACCOUNTABILITY AND AUDIT

### Risk Management and Internal Controls

#### Principle 9:

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of Elite REIT and its Unitholders.

### Role of the Board and ARC in Ensuring Effective Risk Management and Internal Controls

The Board recognises the importance of a sound system of risk management and internal controls to safeguard the Unitholders' interests and Elite REIT's assets. The Board affirms its responsibility for Elite REIT's system of risk management and internal controls, and for reviewing the adequacy and effectiveness of Elite REIT's risk management and internal control systems, including financial, operational, compliance and IT controls on an annual basis. The Board, with the support of the ARC, determines the nature and extent of the significant risks which Elite REIT is both willing and able to take in order to achieve strategic objectives and value creation. This involves the design, implementation and monitoring of risk policies, risk appetite and risk tolerances for Elite REIT.

The ARC assists the Board in examining the adequacy and effectiveness of internal controls policies and procedures to ensure that a robust risk management framework and internal control system is maintained while the Board reviews the adequacy and effectiveness of the risk management and internal control system.

# CORPORATE GOVERNANCE REPORT

## Formulation of Risk Management Framework and Internal Control System

In setting up the Enterprise Risk Management ("ERM") framework, the extent of risk tolerance and the key risk indicators based on Elite REIT's current operations and risk appetite have been set and approved by the ARC and the Board after taking into consideration Elite REIT's strategic objectives. The key risk indicators guide Management in managing the risks of Elite REIT and these key risk indicators will remain unchanged for as long as there is no change in Elite REIT's operating profile. The ERM framework enables the Manager to manage risks in a systematic, integrated and consistent manner. The ERM framework is reviewed by the ARC annually.

The ARC guides Management in the formulation of risk policies and processes in identifying, evaluating and managing key risks while the ownership of risk management lies with the CEO and he is supported by the respective managers. The nature and extent of risks are assessed regularly by Management and internal auditors, and reports are submitted to the ARC for review. The Management reports to the ARC on material findings and makes recommendations or seeks guidance from the ARC/Board in respect of any material risk issues.

Any findings on material non-compliance or weaknesses in internal controls and risk management by the internal auditors are reported to the ARC. The recommendations to further improve the internal control system and risk management system are reported to the ARC and actions are taken by Management.

## Assessment and Management of Material Risks

### Business Risk

In managing business risk, the Board considers the economic environment, asset-specific risks such as tenant lease break notices, capital management risks such as financing and refinancing requirements, and risks that are relevant to the UK's commercial real estate industry.

### IT Risk

In addressing information technology risk, Management, with the assistance of its IT vendor, has put in place a framework and processes to implement control measures for each IT system.

### Conflicts of Interest Risk

In managing conflicts of interest risk, the Manager has instituted the following:

- (i) The Manager will not manage any other REIT which invests in the same type of properties as Elite REIT.
- (ii) All KMP will be working exclusively for the Manager and will not hold other executive positions in other entities, save in any wholly owned subsidiaries of the Manager.
- (iii) All resolutions in writing of the Directors in relation to matters concerning Elite REIT must be approved by at least a majority of the Directors (excluding any interested Director), including at least one ID.

- (iv) At least one-third of the Board shall comprise Independent Directors, provided that where (1) the Chairman of the Board and the CEO are the same person, (2) the Chairman of the Board and the CEO are immediate family members, (3) the Chairman of the Board is part of the management team, or (4) the Chairman of the Board is not an ID, at least half the Board shall comprise IDs.
- (v) In respect of matters in which a Director or his associates (as defined in the Listing Manual) have an interest, direct or indirect, such Director will abstain from voting. In respect of matters in which the Sponsors and/or their subsidiaries have an interest, direct or indirect, for example, in matters relating to:
  - potential acquisitions of additional properties or property-related investments by Elite REIT in competition with the Sponsors and/or their subsidiaries;
  - competition for tenants between properties owned by Elite REIT and properties owned by the Sponsors and/or their subsidiaries; or
  - any nominees appointed by the Sponsors and/or their subsidiaries to the Board to represent their interests will abstain from deliberating and voting on such matters.
- (vi) Save as to resolutions relating to the removal of the Manager, the Manager and its associates are prohibited from voting or being counted as part of a quorum for any meeting of the Unitholders convened to approve any matter in which the Manager and/or any of its associates has a material interest.
- (vii) It is also provided in the Trust Deed that if the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of Elite REIT with a Related Party (as defined herein) of the Manager, the Manager shall be obliged to consult with a reputable law firm (acceptable to the Trustee) who shall provide legal advice on the matter. If the said law firm is of the opinion that the Trustee, on behalf of Elite REIT, has a *prima facie* case against the party allegedly in breach under such agreement, the Manager shall be obliged to take appropriate action in relation to such agreement. The Directors (including the IDs) will have a duty to ensure that the Manager so complies. Notwithstanding the foregoing, the Manager shall inform the Trustee as soon as it becomes aware of any breach of any agreement entered into by the Trustee for and on behalf of Elite REIT with a Related Party of the Manager, and the Trustee may take such action as it deems necessary to protect the rights of the Unitholders and/or which is in the interests of the Unitholders. Any decision by the Manager not to take action against a Related Party of the Manager shall not constitute a waiver of the Trustee's right to take such action as it deems fit against such Related Party.



# CORPORATE GOVERNANCE REPORT

More information on the ERM framework of the Manager can be found in pages 96 to 100 of this Annual Report.

## Internal Control System for Related Party and Interested Person Transactions

The Manager has established an internal control system to ensure that all Related Party Transactions, Interested Party Transactions (as defined in the Property Fund Appendix) and Interested Person Transactions (as defined in the Listing Manual) (collectively, "IPT"):

- will be undertaken on an arm's length basis and on normal commercial terms; and
- will not be prejudicial to the interests of Elite REIT and its Unitholders.

IPT have been disclosed in the financial statements of this Annual Report. As a general rule, the Manager must demonstrate to the ARC that such transactions satisfy the foregoing criteria, which may entail obtaining (where practicable) quotations from parties unrelated to the Manager, or obtaining valuations from independent professional valuers (in accordance with the Property Funds Appendix).

The Manager maintains a register to record all IPT which are entered into by Elite REIT and the bases, including any quotations from unrelated parties and independent valuations obtained, on which they were entered into.

The ARC will monitor the procedures established to regulate IPT, including reviewing any IPT entered into from time to time, to ascertain that the guidelines and procedures established to monitor IPT have been complied with (including relevant provisions of the Listing Manual and Property Funds Appendix). If a member of the ARC has an interest in a transaction, he is to abstain from participating in the review and approval process in relation to that transaction. The ARC will commission internal audit for IPT with an aggregate value equal to, or more than, 3.0% of Elite REIT's latest audited net tangible assets and which are more than S\$100,000 (other than those approved by the Unitholders and the Exempted Agreements). "Exempted Agreements" means the related party transactions for which fees and charges are payable by Elite REIT as set out in the Trust Deed (including pursuant to the Internal Asset Management Agreement) and the Lease Management Agreement (including the individual lease management agreement(s)).

In addition, the ARC will also have the right to review such audit reports to ascertain that the Property Funds Appendix has been complied with. The review will include the examination of the nature of the transaction and its supporting documents, or such other data deemed necessary to the ARC.

Further, the following will be adhered to:

- Transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year) equal to or exceeding S\$100,000 in value but less than 3.0% of the value of Elite REIT's net tangible assets will be subject to review by the ARC at regular intervals.

- Transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year) equal to or exceeding 3.0% but below 5.0% of the value of Elite REIT's net tangible assets will be subject to the review and prior approval of the ARC. Such approval shall only be given if such transaction is conducted on an arm's length basis, on normal commercial terms and consistent with similar types of transactions made with third parties which are not interested parties.
- Transactions (either individually or as part of a series or if aggregated with other transactions involving the same interested party during the same financial year) equal to or exceeding 5.0% of the value of Elite REIT's net tangible assets will be reviewed and approved prior to such transaction being entered into, on the basis described in the preceding paragraph, by the ARC which may, as it deems fit, request advice on the transaction from independent sources or advisers, including the obtaining of valuations from independent professional valuers. Further, under the Listing Manual and the Property Funds Appendix, such transaction would have to be approved by Elite REIT's Unitholders at a meeting duly convened and held in accordance with the provisions of the Trust Deed.

Where matters concerning Elite REIT relate to transactions entered into or to be entered into by the Trustee for and on behalf of Elite REIT with an interested party (which would include relevant associates thereof), the Trustee is required to ensure that such transactions are conducted on normal commercial terms, are not prejudicial to the interests of Elite REIT and the Unitholders, and are in accordance with all applicable requirements of the Property Funds Appendix and/or the Listing Manual relating to the transaction in question. Further, the Trustee has the ultimate discretion under the Trust Deed to decide whether or not to enter into a transaction involving an interested party. If the Trustee is to sign any contract with an interested party, the Trustee will review the contract to ensure that it complies with the requirements relating to IPT in the Property Funds Appendix (as may be amended from time to time) and the provisions of the Listing Manual relating to IPT (as may be amended from time to time) as well as guidance prescribed by the MAS and SGX-ST.

Save for the IPT described under "**Related Party Transactions in Connection with the Setting Up of Elite REIT and the Offering**" and "**Exempted Agreements**" in the Initial Public Offering ("IPO") Prospectus, Elite REIT will comply with Rule 905 of the Listing Manual by announcing any Interested Person Transaction in accordance with the Listing Manual if such transaction, by itself or when aggregated with other Interested Person Transactions entered into with the same Interested Person (as defined in the Listing Manual) during the same financial year, is 3.0% or more of the value of Elite REIT's net tangible assets.

Elite REIT has not obtained a Unitholders' mandate pursuant to Rule 920 of the Listing Manual for IPT.

# CORPORATE GOVERNANCE REPORT

There were no material contracts entered into by Elite REIT and/or its subsidiaries including the interests of the CEO, any Director or controlling Unitholder, either still subsisting at the end of FY2024 or entered into since the end of FY2023.

The Trustee has the ultimate discretion under the Trust Deed to decide whether or not to enter into a transaction involving a Related Party of the Manager or the Trustee.

If the Trustee is to sign any contract with a Related Party of the Manager or the Trustee, the Trustee will review the contract to ensure that it complies with the relevant requirements relating to Related Party Transactions (as may be amended from time to time) as well as such other guidelines as may from time to time be prescribed by the MAS and the SGX-ST to apply to Elite REIT.

In accordance with Rule 907 of the Listing Manual of the SGX-ST, the IPT for FY2024 are as follows:

Name of the Interested Person	Nature of Relationship	Aggregate value of all IPT during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under Unitholders' Mandate pursuant to Rule 920) £'000	Aggregate value of all IPT, conducted under Unitholders' Mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) £'000
Elite UK REIT Management Pte. Ltd.	The Manager of Elite REIT		
Management fee paid and payable		1,845	–
Lease management fee paid and payable		244	–
Elite Real Estate Services UK Limited	Related corporation of the Manager		
Property management fee		229	–
Perpetual (Asia) Limited	Trustee of Elite REIT		
Trustee fees paid and payable		106	–

## Exempted Agreements

In the case of external managers for REITs, Related Party Transactions mostly relate to management fees and property management fees, leasing fees, development management fees and project management fees. These are paid annually in accordance with the terms disclosed in the IPO Prospectus and reported each year in the financial statements.

The entry into and the fees and charges payable by Elite REIT under the Trust Deed, the License Agreement and the leases set out in the section **"Other Related Party Transactions"** in the IPO Prospectus and/or Circular, to the extent that details of these have been specifically disclosed in the IPO Prospectus and/or Circular are deemed to have been approved by Unitholders upon purchase of the Units and/or in the relevant Extraordinary General Meeting and are therefore not subject to Rules 905 and 906 of the Listing Manual to the extent that there is no subsequent change to the rates and/or bases of the fees charged thereunder which will adversely affect Elite REIT.

All Related Party Transactions are regulated by Chapter 9 of the Listing Manual and the Property Funds Appendix. All Related Party Transactions are undertaken on normal commercial terms and are not prejudicial to the interests of Elite REIT and the Unitholders.

## Board's Comment on Internal Controls and Risk Management

The Board has received half-year and full-year written assurance from the CEO, CFO and CIO of the Manager, which assure that to the best of their knowledge, the accounting records have been properly maintained and the financial statements for FY2024 are drawn up so as to give a true and fair view of Elite REIT's operations and finances and that they are prepared in accordance with accounting standards.

The CEO, CFO and CIO of the Manager, also provided a written of assurance to the Board that Elite REIT's risk management and internal control systems, to the extent that they address the financial, operational, compliance and IT risks faced by Elite REIT in its current business environment, have been adequately designed and are operating effectively in all material aspects.

Based on the risk management and internal control systems established and adhered to by Elite REIT, the assurance received from the CEO, CFO and CIO, work performed by the internal auditor, external auditor and compliance manager, and reviews conducted by Management and various Board Committees, the Board is of the view that Elite REIT's internal controls (including financial, operational, compliance and information technology controls) and risk management system have been adequately designed

# CORPORATE GOVERNANCE REPORT

and are operating effectively in all material aspects as at 31 December 2024. Accordingly, Elite REIT complies with Rule 1207(10) of the Listing Manual.

The Board noted that the internal controls and risk management system established provides reasonable though not absolute assurance against material misstatement of loss and that Elite REIT will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. The Board accepts that the internal control systems contain inherent limitations and notes that no system can provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human errors, fraud and other irregularities.

The ARC concurs with the Board's comments above on the internal controls and risk management system of Elite REIT.

## Role and Duties of Compliance Manager

The Manager has outsourced the compliance function to EPH, which has a centralised compliance function, and reports to the CEO, the ARC and the Board on matters pertaining to Elite REIT and the Manager.

The Manager is of the view that EPH's compliance team possesses the necessary skill and experience required to advise Elite REIT on its compliance matters.

The cost of such outsourcing of the role of compliance officer is borne by the Manager out of its own funds and not borne by Elite REIT.

The duties under the compliance function include:

- assisting the Manager in all matters concerning compliance with the SFA, the CIS Code (including Property Funds Appendix), the Listing Manual and all applicable laws, regulations and guidelines including notices issued by the MAS;
- ensuring all employees of the Manager are regularly apprised of the ongoing compliance requirements under the SFA, the CIS Code (including the Property Funds Appendix), the Listing Manual and relevant Singapore laws, regulations and guidelines;
- ensuring all employees of the Manager have fulfilled their regulatory obligations;
- ensuring the Manager has prepared returns and other documents accurately for submission to the MAS as required under the SFA; and
- highlighting any deficiencies or making recommendations with respect to the Manager's compliance processes; and assisting in the application process for the appointment of new directors to the Board.

## Audit and Risk Committee

### Principle 10:

The Board has an Audit and Risk Committee which discharges its duties objectively

## Audit and Risk Committee

The ARC comprises three Directors, all of whom (including the Chairman of the ARC) are IDs. The members of the ARC are:

### Mr Yezdi Phiroze Chinoy (w.e.f. 7 August 2024)

ARC Chairman and Independent  
Non-Executive Director<sup>1</sup>

### Mr David Lim Teck Leong

ARC Member and Independent  
Non-Executive Director

### Mr Koo Tsai Kee

ARC Member and Independent  
Non-Executive Director

The Board is of the view that the members of the ARC bring with them valuable and relevant managerial and professional expertise in accounting and related financial management domains to discharge their responsibilities. The Chairman of the ARC with effect from 7 August 2024, Mr Yezdi Phiroze Chinoy, is a financial services professional with over three decades of experience in multiple roles and responsibilities spanning the banking and financial services industry across business lines and geographies. He is a member of the International Compliance Association, a Certified Anti-Money Laundering Specialist and a certified professional in the financial industry, among other professional affiliations. The Board considers Mr David Lim Teck Leong and Mr Koo Tsai Kee as having sufficient recent and relevant accounting or related financial management knowledge, expertise or experience to discharge their responsibilities as members of the ARC.

None of the ARC members are former partners or directors of KPMG LLP, (a) within a period of two years commencing on the date of their ceasing to be a partner or director of KPMG LLP; and in any case, (b) for as long as they have any financial interest in KPMG LLP.

## Key Responsibilities and Activities of the ARC

The ARC's responsibilities include:

- reviewing the significant financial reporting and judgements so as to ensure the integrity of the financial statements of the Manager and Elite REIT and any formal announcements relating to Elite REIT's and/or the Manager's financial performance;
- reviewing the assurance from the CEO and the CFO on the financial records and financial statements;

<sup>1</sup> As part of Board renewal and succession planning, Mr Tan Huay Lim stepped down as an Independent Non-Executive Director and Chairman of the Audit and Risk Committee on 6 August 2024.

# CORPORATE GOVERNANCE REPORT

- (iii) monitoring the procedures established to regulate IPT, including ensuring compliance with the provisions of the Listing Manual relating to IPT and the provisions of the Property Funds Appendix relating to IPT and reviewing transactions constituting IPT;
- (iv) deliberating on conflict of interest situations involving Elite REIT, including situations where the Manager is required to decide whether or not to take any action against any person in relation to any breach of any agreement entered into by the Trustee for and on behalf of Elite REIT with an Interested Person of the Manager and where the Directors, controlling shareholder(s) of the Manager, controlling Unitholder(s) and/or Associates are involved in the management of or have shareholding interests in similar or related business as the Manager, and in such situations, the ARC will monitor the investments by these individuals in Elite REIT's competitors, if any, and will make an assessment whether there is any potential conflict of interest;
- (v) assisting the Board to oversee the formulation, updating and maintenance work of adequate and effective internal controls and risk management framework and reviewing the statements included in Elite REIT's annual report on its internal controls and risk management framework;
- (vi) reviewing, on a regular basis, Elite REIT's lease concentration risks and if 20.0% of the leases (by Gross Rental Income) which are expiring within 12 months have not been renewed, to direct that timely announcements on SGX-ST are to be made;
- (vii) monitoring the procedures in place to ensure compliance with the SFA, the CIS Code (including the Property Funds Appendix), the Listing Manual and all applicable legislation, regulations and guidelines including notices issued by the MAS;
- (viii) monitoring the tax regimes applicable to Elite REIT (including the UK's CIR (as defined below) rules and anti hybrid rules);
- (ix) reviewing at least annually the adequacy and effectiveness of Elite REIT's system of internal controls, including financial, operational, compliance and IT controls and risk management processes;
- (x) reviewing the quarterly or, as the case may be, semi-annual and annual financial statements and the auditor's report on the annual financial statements before they are submitted to the Board for approval;
- (xi) reviewing external and internal audit reports to ensure that where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by the Management;
- (xii) advising the Board if changes are needed to improve the quality of future interim financial statements or financial updates;
- (xiii) reviewing internal audit reports at least once a year which will be commissioned for IPT with an aggregate value equal to, or more than 3.0% of Elite REIT's latest audited net tangible assets and which are more than S\$100,000 (other than those approved by the Unitholders or the Exempted Agreements) to ascertain that the guidelines and procedures established to monitor IPT have been complied with;
- (xiv) ensuring that the internal audit, accounting and compliance functions are adequately resourced and has appropriate standing with Elite REIT;
- (xv) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the internal audit function;
- (xvi) reviewing arrangements by which staff and external parties may, in confidence, raise probable improprieties in matters of financial reporting or other matters, with the objective that arrangements are in place for the independent investigation of such matters and for appropriate follow-up action;
- (xvii) the appointment, re-appointment or removal of internal auditors (including the review of their fees and scope of work);
- (xviii) making recommendations to the Board on the proposals to Unitholders to appoint, re-appoint or remove external auditors, and on the remuneration and terms of engagement of the external auditors;
- (xix) reviewing the nature and extent of non-audit services performed by external auditors;
- (xx) reviewing and providing their views on all hedging policies and instruments to be implemented by Elite REIT to the Board;
- (xxi) meeting with external and internal auditors, without the presence of the executive officers, at least on an annual basis;
- (xxii) investigating any matters within the ARC's terms of reference, whenever it deems necessary; and
- (xxiii) reporting to the Board on material matters, findings and recommendations.

The ARC has explicit authority to investigate any matter within its terms of reference. The ARC has full access to and co-operation by Management and the internal and external auditors, and has full discretion to invite executive officers of the Manager and the Sponsors, external consultants or advisers to attend its meetings. The internal and external auditors have unrestricted access to the ARC.

During the year under review, five ARC meetings were held. The ARC has met separately with the internal auditor and external auditor, without the presence of the Management, at least annually, to discuss issues and to confirm that they had full access to and received co-operation and support from Management.

The ARC has conducted a review of all audit and non-audit services provided by KPMG LLP, the external auditor, during the year under review. The audit fees paid and payable to KPMG LLP were £287,000. There were no non-audit services provided for FY2024.

The ARC, having regard to the nature and performance of the work by KPMG LLP, is of the view that the auditor's independence and objectivity are not impaired or threatened.

# CORPORATE GOVERNANCE REPORT

In reviewing the nomination of KPMG LLP for appointment for the financial year ending 31 December 2025 ("FY2025"), the ARC had taken into consideration the Audit Quality Indicators Framework introduced by the Accounting and Corporate Regulatory Authority. The ARC also considered the adequacy and experience of the professional staff and audit engagement partner assigned, KPMG LLP's experience in the REIT sector and the size and complexity of the audit. The ARC is satisfied with the independence and work of the external auditors and has recommended to the Board the re-appointment of KPMG LLP as the external auditors of Elite REIT at the forthcoming annual general meeting. KPMG LLP had also provided confirmation of their independence to the ARC.

The Board confirms that Elite REIT complies with the requirements of Rule 712 and Rule 715 of the Listing Manual in respect of the suitability of the auditing firm for Elite REIT.

## Reviews Conducted by the ARC

The ARC reviewed and approved the audit plan and scope of the external auditors on the audit of the full-year financial statements. The ARC also reviewed the internal audit plan, including the scope of the internal auditor's work, and results of the internal audit procedures. In addition, the ARC reviewed the IPT to ensure compliance with the Listing Manual and the Property Funds Appendix.

During the year under review, the ARC performed independent reviews of the half-year and full-year financial results; and business updates for the first and third quarters of Elite REIT before recommending to the Board for approval the release of the financial statements and SGX announcements relating to Elite REIT's financial statements.

In the process, the ARC reviewed the significant financial reporting issues and judgements, including the appropriateness of the material accounting policies and the quality and completeness of disclosure to ensure the integrity of the financial statements. The ARC also reviewed, among other matters, the following significant financial reporting matters in relation to the financial statements for FY2024.

## ARC's Commentary on Significant Financial Reporting Matters

### Valuation of Investment Properties

The ARC reviewed the independence and competency of the external valuer and the appropriateness of the valuation methodology applied by the valuer in arriving at the fair value of the investment properties based on their existing use.

The ARC also reviewed the valuation reports of Elite REIT's investment properties and held discussions with the Management, the external auditors and the independent professional valuer, focusing on significant changes in fair value measurements and key drivers of changes.

The ARC noted that the valuation report has been prepared in accordance with the Royal Institution of Chartered Surveyors' RICS Valuation – Global Standards (incorporating the International Valuation Standards).

### Applicable Tax Regimes

The ARC also monitors the tax regimes applicable to Elite REIT (including the UK's Corporate Interest Restriction ("CIR") and anti-hybrid rule) annually.

ERHL, a wholly owned subsidiary of Elite REIT has been listed on The International Stock Exchange (the "TISE") since 26 August 2021. With the admission of ERHL on TISE, ERHL and its subsidiaries qualified as a UK REIT group and enjoy UK corporation tax exemption for its UK property rental business income and gains under the UK REIT regime. The listing of ERHL on TISE is a technical listing and 100% of the shares in ERHL are held by Elite REIT.

### Role and Duties of Internal Auditors

The role of the internal auditors is to assist the ARC to ensure that the Manager maintains a sound system of internal controls by regularly monitoring key controls and procedures and ensuring their effectiveness, undertaking investigations as directed by the ARC, and conducting regular in depth audits of business critical areas.

The ARC approves the hiring, removal, evaluation and compensation of the internal auditor, or the accounting/auditing firm or company to which the internal audit function is outsourced. Elite REIT and the Manager have engaged Ernst & Young Advisory Pte. Ltd. ("EY") as the internal auditor. EY adopts the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The internal auditor is independent of management and reports directly to the ARC.

The internal auditor plans the internal audit schedules in consultation with, but independent of the Manager. The audit plan is submitted to the ARC for approval prior to the commencement of the internal audit work.

The internal auditor has unfettered access to all the Manager's documents, records, properties and personnel, including access to the ARC, and has appropriate standing within the Manager. The ARC reviews the internal audit report and monitors the implementation of the improvements required on internal control weaknesses identified.

The findings and recommendations of the internal auditors, Management's responses and implementations have been reviewed and approved by the ARC.



# CORPORATE GOVERNANCE REPORT

For the year under review, the ARC was of the view that the internal audit function was adequately resourced and had appropriate standing within the Manager. The ARC has reviewed and is satisfied with the adequacy, independence and effectiveness of the internal audit function.

The ARC had recommended, and the Board had accepted the re-appointment of EY as the internal auditors of the Manager based on the rationale as follows:

- (i) engaging the same internal auditor will witness the continuous improvement journey of Elite REIT and the Manager; and
- (ii) the benefits of continuity from engaging the same firm in terms of the internal auditors' familiarity with the business of Elite REIT and the Manager.

### Strategic Planning Committee

To support Management in aligning the interests of stakeholders and enable faster decision making, the SPC was set up as a platform for Management and the Directors to discuss and set objectives for Elite REIT. The SPC also tracks the execution of the objectives set.

SPC helps the Board with its oversight responsibilities by:

- conceptualising and evaluating major strategic initiatives, including mergers and acquisitions or divestments, investments and management of property portfolio, asset enhancement initiatives and

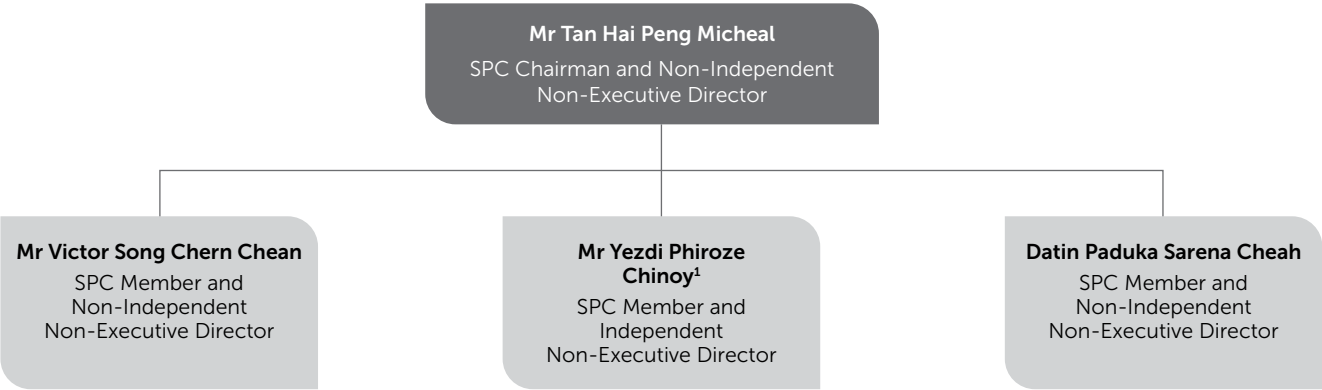
- recommending proposals to the Board which help to achieve the objectives of long-term value creation; and providing direction and guidance to the Management on strategic planning and matters of strategic implementation and monitoring the progress of such initiatives.

The SPC has written terms of reference setting out its duties and responsibilities, including:

- (i) providing guidance for the overall management of Elite REIT and the Manager based on the strategic plan set by the Board in accordance with the financial authority limits delegated to the SPC;
- (ii) reviewing the long-term objectives of Elite REIT and the Manager;
- (iii) reviewing and recommending any proposed mergers or acquisitions, divestments or investments to the Board;
- (iv) reviewing and recommending for adoption of the Board, annual budgets and long-term business plans to achieve the objectives of Elite REIT or the Manager;
- (v) providing guidance and advisory support to the Management at all stages of the strategic planning process upon request; and

such other duties or functions as may be delegated by the Board or required by regulatory authorities.

The SPC comprises:



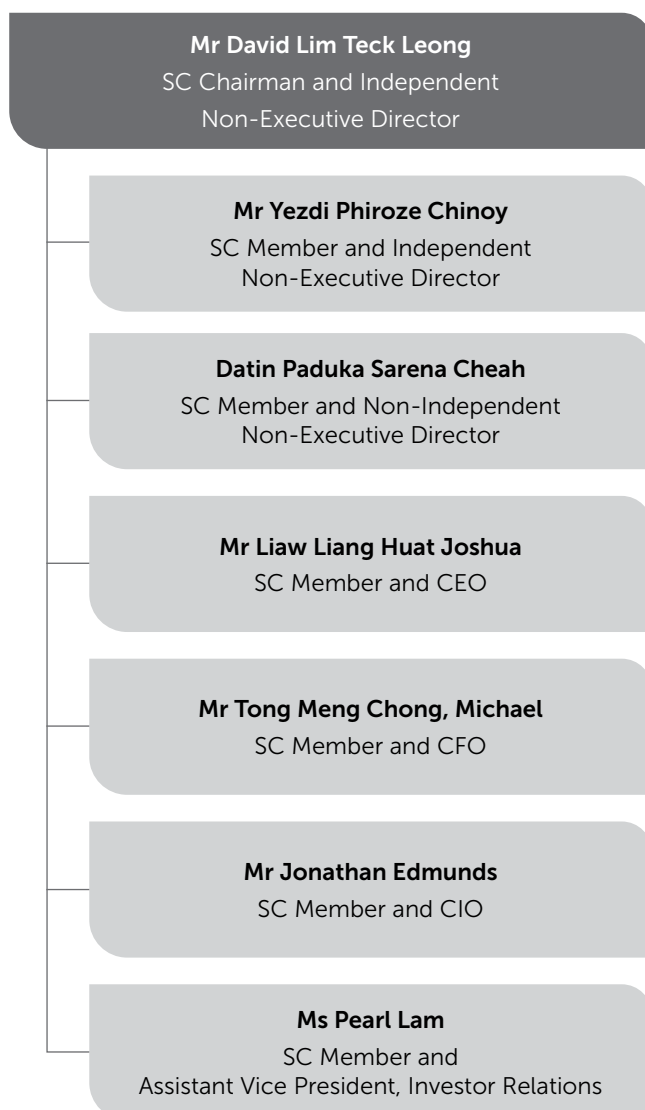
Note:  
1. Appointed as a SPC member in February 2024.

# CORPORATE GOVERNANCE REPORT

## Sustainability Committee

The SC provides strategic oversight and direction for identifying, managing and implementing material ESG factors, including environmental issues concerning climate-related risks and opportunities.

The SC comprises two IDs, one NINED and four Executive Officers. The members of the SC are:



The SC's responsibilities include:

- (i) establishing ESG governance for the effective management of ESG issues;
- (ii) overseeing the management and implementation of strategy, policies and practices relating to material ESG factors;
- (iii) determining Elite REIT's material ESG factors, including climate-related environmental risks;
- (iv) reviewing and approving the environmental risk management framework for associated policies to manage the environmental risks of the assets' portfolio;

- (v) considering ESG factors and environmental risks and opportunities in the formulation of business strategy;
- (vi) considering key stakeholders' ESG expectations and concerns in developing strategy;
- (vii) ensuring Directors have an adequate understanding of environmental risks and the Manager is equipped with the essential expertise for managing environmental risks;
- (viii) reviewing and approving Elite REIT's sustainability reporting and climate-related performance disclosure; and
- (ix) reviewing the effectiveness of the Board in managing the material ESG factors, including the management of climate-related environmental risks.

## Whistleblowing Policy

The Manager has adopted Group-wide Whistleblowing Policy for which relevant employees and Directors of the Manager as well as external parties may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters in good faith, with the confidence that the relevant persons making the reports will be treated fairly and be protected from reprisal. The objective of the Whistleblowing Policy is to ensure that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken. The Whistleblowing Policy deals with defalcation, impropriety, or wrongdoing by employees in situations including but not limited to suspected fraud, corruption, and unlawful or dishonest conduct (collectively, "**Serious Breaches**").

Investigations of actual or suspected Serious Breaches will be carried out in an objective manner by an independent party who may or may not be within the Elite Partners Group. Where a Serious Breach is established following an investigation, appropriate disciplinary actions will be taken, up to and including termination of employment or contract. If the matter is substantiated, it will be referred to the Singapore Police Force, the Corrupt Practices Investigation Bureau, or other law enforcement agencies, as deemed appropriate. The Manager recognises that there will be times when a person makes a report in good faith which later proves to be unsubstantiated. However, the Manager will take action against those who intentionally or maliciously give false or misleading information against someone else.

To the extent that is lawful, and the investigative process allows, all reports received, including the identity of the whistleblower, will be handled in strict confidence. Whistleblowers are given the option to remain anonymous and may report via the email address: [whistleblow@eliteukreit.com](mailto:whistleblow@eliteukreit.com), or post to Elite REIT's office, addressing it to the Manager's Chairman of the Board, ARC Chairman or the CEO (collectively known as "**Designated Information Recipients**"). Establishing these processes reflects the Manager's commitment to conduct its business within a framework that fosters the highest ethical standards.

# CORPORATE GOVERNANCE REPORT

The ARC is responsible for oversight and monitoring of whistleblowing. Whistleblowing reports made to the Designated Information Recipients will be reviewed by a Review Committee, the composition of which will be determined by the ARC Chairman. This is to ensure that the whistleblower's concern is being reviewed in a fair, consistent and timely manner. Regardless of the significance of allegations or the outcome, all whistleblowing reports will be tabled and discussed at Review Committee meetings.

All qualifying disclosures shall be protected against any retaliation and victimisation in accordance with the Whistleblowing Policy. Whistleblowers acting in good faith and who have not themselves engaged in such concerns shall be protected from any form of discrimination, harassment, or reprisals. Any acts of retaliation and victimisation shall be reported to the ARC Chairman. The Manager will not tolerate retaliation against or victimisation of anyone who, in good faith, discloses any actual or suspected violations or participates in an investigation.

The Whistleblowing Policy is made available to all new employees when they join the Manager, and they are briefed on this together with the Code of Conduct.

The Whistleblowing Policy is also publicly disclosed on Elite REIT's website.

No whistleblowing incidents or complaints were reported or submitted in FY2024.

## Anti-Money Laundering and Countering the Financing of Terrorism Measures

As a holder of a capital markets services licence issued by the MAS, the Manager abides by the MAS' notices and guidelines on the prevention of money laundering and countering the financing of terrorism. Under these guidelines, the main obligations of the Manager are:

- (a) evaluation of risk;
- (b) customer due diligence;
- (c) suspicious transaction reporting;
- (d) record keeping;
- (e) employee screening and representative screening; and
- (f) training.

The Manager has developed and implemented a policy on the prevention of money laundering and terrorist financing and is alert at all times to suspicious transactions. Where there is a suspicion of money laundering or terrorist financing, the Manager performs due diligence checks on its counterparties in order to ensure that it does not enter into business transactions with terrorist suspects or other high-risk persons or entities. Suspicious transactions will also be reported to the Suspicious Transaction Reporting Office of the Commercial Affairs Department.

Under this policy, the Manager must retain all relevant records or documents relating to business relations with its customers or transactions entered into for a period of at least five years following the termination of such business relations or the completion of such transactions.

All prospective representatives of the Manager are screened against various lists of terrorist suspects issued by the MAS. Periodic training is provided to its Directors, employees and representatives to ensure that they are updated and aware of applicable anti-money laundering and terrorist financing regulations, the prevailing techniques and trends in money laundering and terrorist financing and the measures adopted by the Manager to combat money laundering and terrorist financing.

## (C) UNITHOLDER RIGHTS AND ENGAGEMENT

### Unitholder Rights and Conduct of General Meetings

#### *Principle 11:*

The Manager treats all Unitholders fairly and equitably in order to enable them to exercise Unitholders' rights and have the opportunity to communicate their views on matters affecting the Manager. The Manager gives Unitholders a balanced and understandable assessment of Elite REIT's performance, position and prospects.

### Engagement with Unitholders

#### *Principle 12:*

The Manager communicates regularly with Unitholders and facilitates the participation of Unitholders during general meetings and other dialogues to allow Unitholders to communicate their views on various matters affecting Elite REIT.

### Managing Stakeholder Relationships

#### Engagement with Stakeholders

#### *Principle 13:*

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of Elite REIT are served.

### General Meetings

The fourth Annual General Meeting ("**AGM 2024**") of Elite REIT was held on Monday, 29 April 2024 in a wholly physical format at Suntec Singapore Convention & Exhibition Centre, Nicoll 3 (Level 3), 1 Raffles Boulevard, Singapore 039593. In the conduct of AGM 2024, Management also took into account any guidance, where applicable, on the conduct of general meetings (the "**Guidance**").

# CORPORATE GOVERNANCE REPORT

An electronic copy of the Annual Report for FY2024 was published on the Manager's website at the URL <https://investor.eliteukreit.com/ar.html> and made available on the SGXNET website at the URL <https://www.sgx.com/securities/company-announcements>. Pursuant to the Guidance, the Annual Report, Notice of AGM and Proxy Form were made available to the Unitholders by electronic means via publication on Elite REIT's website and on SGXNET. For ease of reference by the Unitholders, A5 booklets containing a cover letter to the Unitholders with instructions on how to download the full Annual Report, the Notice of AGM, Proxy Form and Letter from Chairman and CEO were mailed out to the Unitholders. Unitholders who wished to have a printed copy of the Annual Report were informed that they could submit a request via email to Elite REIT's Unit Registrar.

The Unitholders are informed of AGMs or any other general meetings through notices and/or proxy forms mailed to Unitholders. The announcements and electronic copies of these materials are also issued via SGXNET and on Elite REIT's corporate website. The Board encourages active Unitholders' participation at the general meetings and the opportunity is given to every Unitholder to interact with the Directors and the Management, to communicate his/her views and ask questions on matters affecting Elite REIT. Prior to voting at an AGM or any other general meeting, the voting procedures will be made known to the Unitholders to facilitate their exercising of their votes. If any Unitholder is unable to attend, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the meetings through proxy forms sent in advance.

Proxy forms must be deposited at the office of Boardroom Corporate & Advisory Services Pte. Ltd., the Unit Registrar of Elite REIT, not less than 72 hours before the time appointed for holding the general meetings.

Each distinct issue is proposed as a separate resolution at the general meetings and the reasons and material implications are explained. Where there are issues which are interdependent, they may be linked so as to form one significant proposal. Where the resolutions are "bundled", the Manager will explain the reasons and material implications in the notice of meeting. This enables Unitholders to exercise their votes on an informed basis. All the resolutions at the general meetings are moved by voting by poll.

Each Unit is entitled to one vote. In support of greater transparency and to allow for a more efficient voting process, Elite REIT conducts electronic poll voting in respect of all resolutions tabled at the AGM. The voting and vote tabulation procedures are declared before the voting commences, and an independent scrutineer is appointed for the voting process. The voting results, showing the number of votes cast for and against each resolution and the respective percentages, are disclosed at the general meetings right after the votes are casted.

All Directors, KMP, and representatives of the Trustee are normally present to address the Unitholders' queries at the AGMs and EGMs, unless they are unable to attend due to exigencies. The external auditor will also be present to answer Unitholders' questions about the conduct of audit and the content of the auditors' report. All Directors attended the AGM 2024 as disclosed in page 105.

At AGMs, a presentation is made to Unitholders to update them on Elite REIT's performance, position and prospects. The presentation materials, together with the voting results, will be made available to the Unitholders on the SGXNET and Elite REIT's website.

The Manager publishes minutes of general meetings of Unitholders on SGXNET and its corporate website, as soon as practicable and within one month from the date of the meeting. The minutes of Unitholders' meetings will capture the attendance of Board members at the meetings, matters approved by the Unitholders, voting results as well as substantial and relevant comments or queries from the Unitholders relating to the agenda of the meetings, together with responses from the Board and Management.

The upcoming AGM to be held on 30 April 2025 ("AGM 2025") will be convened in a wholly physical format. Unitholders may submit questions in advance or raise them at the AGM 2025. A Unitholder who wishes to exercise his/her/its voting rights at the AGM 2025 may vote at the AGM 2025 in person or appoint proxy(ies) to vote on his/her/its behalf at the AGM 2025.

Elite REIT encourages Unitholders' participation and voting at general meetings.

## Absentia Voting

Provision 11.4 of the Code provides that Elite REIT's constitution (or other constitutive documents) allows for absentia voting at general meetings of Unitholders. Principle 11 of the Code provides, inter alia, that the Manager treats all Unitholders fairly and equitably in order to enable them to exercise Unitholders' rights and have the opportunity to communicate their views on matters affecting Elite REIT. Voting in absentia by email, mail or fax is not implemented currently, which constitutes a variation from Provision 11.4 of the Code. Having considered that the Unitholders who are unable to attend in person may vote by proxy or by attorney, or in the case of a corporation, by a representative, the Manager has decided, for the time being, to refrain from implementing absentia voting until security, integrity, and other pertinent issues are satisfactorily resolved.

## Distribution Policy

Elite REIT's distribution policy is to distribute at least 90.0% of its Annual Distributable Income (as defined in Elite REIT's IPO Prospectus dated 28 January 2020) on a semi-annual basis. The actual level of distribution will be determined at the Manager's discretion and may be greater than 90.0% of its Annual Distributable Income for each financial year. The actual proportion of Annual Distributable Income distributed to the Unitholders may be

# CORPORATE GOVERNANCE REPORT

greater than 90.0% to the extent that the Manager believes it to be appropriate, having regard to Elite REIT's funding requirements, other capital management considerations and the overall stability of distributions.

The Manager also has the discretion to distribute any additional amounts (including capital). In determining whether to distribute additional amounts (including capital), the Manager will consider a range of factors including but not limited to Elite REIT's funding requirements, its financial position, its growth strategy, compliance with relevant laws, regulations and covenants, other capital management considerations, the overall suitability of distributions and prevailing industry practice.

Elite REIT had on 28 June 2021 announced the establishment of a distribution reinvestment plan ("**DRP**") pursuant to which Unitholders may elect to receive fully paid new Units ("**New Units**") in respect of the cash amount of any distribution to which the **DRP** applies. The **DRP** may be applied from time to time to any distribution declared by Elite REIT as the Manager may determine in its absolute discretion. Participation in the **DRP** is optional.

Distributions are generally paid within the same calendar quarter of the relevant record date. Distributions will be declared in Pound sterling (£). Unitholders are provided the choice of receiving the distribution in either Pound sterling, Singapore Dollars or in fully paid new Units under the **DRP** at each period. Each Unitholder will receive his distribution in Singapore Dollars equivalent of the Pound sterling distribution declared, unless he elects to receive the relevant distribution in Pound sterling or receive New Units by submitting a "**Distribution Election Notice**" before the relevant cut-off date.

For the portion of the distributions to be paid in Singapore Dollars, the Manager will make the necessary arrangements to convert the distributions in Pound sterling into Singapore Dollars, at such exchange rate as the Manager may determine, taking into consideration any premium or discount that may be relevant to the cost of exchange.

The Central Depository (Pte) Limited, the Manager or Elite REIT shall not be liable for any loss arising from the conversion of distributions payable to the Unitholders from Pound sterling into Singapore Dollars. Save for approved depository agents (acting as nominees of their customers), each Unitholder may elect to receive his entire distribution in Singapore Dollars or Pound sterling and shall not be able to elect to receive distributions in a combination of Singapore Dollars and Pound sterling.

The Board has approved the application of **DRP** for Unitholders to participate in FY2024's distributions. The number of Units to be issued in lieu of receiving cash is based on the Unit price calculated at a 2.0% discount of the 10-day volume weighted average price as adjusted for any confirmed distribution in the cum distribution period.

For every distribution declaration made, the Unitholders will be notified via an announcement made through SGXNET.

## Timely Disclosure of Information

The Manager is committed to keeping all Unitholders, other stakeholders, analysts and the media informed of Elite REIT's performance and any changes in Elite REIT or its business which would likely materially affect the price or value of the Units.

For FY2024, the Manager provided Unitholders with full unaudited half-year and full-year financial statements within the relevant periods prescribed by the Listing Manual. These half-year and full-year financial statements were reviewed and approved by the Board prior to release to Unitholders via announcements on SGXNET. The release of half-year and full-year financial statements were accompanied by news releases issued to the media, which were also made available on SGXNET. In presenting the half-year and full-year financial statements to the Unitholders, the Board sought to provide Unitholders with a balanced, clear and comprehensible assessment of Elite REIT's performance, position and prospects.

In addition to the announcement of half-year and full-year financial statements in FY2024, in keeping with the Managers' commitment to provide its Unitholders with information promptly, the Manager also provided the Unitholders, on a voluntary basis, with business updates in between the announcement of half-yearly financial statements (i.e., first quarter and third quarter). Such business updates contain, among other things, information on Elite REIT's key operating and financial metrics. In addition to the release of financial statements and business updates, the Manager also keeps the Unitholders, stakeholders and analysts informed of the performance and/or changes in Elite REIT or its business which would likely materially affect the price or value of the Units on a timely and consistent basis, to assist the Unitholders in their investment decisions.

Elite REIT has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with Unitholders. For more information on the avenues of communication provided by the Manager between the Board and all Unitholders as well as the strategy and key areas of focus in relation to the management of stakeholder relationships, please refer to the Investor Relations section, set out on pages 28 to 30.

## (D) ADDITIONAL INFORMATION

### Dealing In Units

Each Director and the CEO of the Manager is to give notice to the Manager of any acquisition of Units or of changes in the number of Units which he/she holds or in which he/she has an interest, within two business days after such acquisition or the occurrence of the events



# CORPORATE GOVERNANCE REPORT

giving rise to changes in the number of Units which he/she holds or in which he/she has an interest. All dealings in Units by the Directors and CEO of the Manager will be announced via SGXNET.

The Directors and employees of the Manager and EPH are encouraged, as a matter of internal policy, to hold Units but are prohibited from dealing in the Units:

- in the period commencing one month before the public announcement of Elite REIT's half year and full year financial results and property valuations, in a prescribed embargo period immediately preceding, and up to the time of, each public announcement of Elite REIT's financial results and property valuations during a financial year; or
- at any time while in possession of price-sensitive information.

The Directors and employees of the Manager and EPH are also prohibited from communicating price sensitive information to any person. Under this policy, Directors and employees of the Manager and EPH are also discouraged from trading on short-term or speculative considerations.

The Manager has complied with the Code of Best Practices on Securities Dealings in FY2024.

Pursuant to Section 137ZC of the SFA, the Manager is required to, inter alia, announce to SGX-ST the particulars of any acquisition or disposal of interest in Units by the Manager as soon as practicable, and in any case no later than the end of the business day following the day on which the Manager became aware of the acquisition or disposal.

## (E) ANTI-BRIBERY AND CORRUPTION POLICY

The Manager adopts a zero-tolerance position towards bribery and corruption. There are detailed guidelines and procedures listed in the Code of Conduct with regard to the giving and receiving of gifts (monetary or otherwise), kickbacks, concessionary offers, entertainment, and business dealings that may place the employee under any real or apparent obligation or indebtedness to any party. The Manager's zero tolerance policy towards bribery and corruption extends to its business dealings with third parties, hence the Manager requires that certain agreements incorporate anti-bribery and anti-corruption provisions.

In FY2024, to the best of its knowledge, the Manager (i) has received zero significant monetary fines or non-monetary sanctions incurred for non-compliance with environmental laws and regulations, (ii) has zero non-compliance with laws and regulations in the social and economic area, (iii) has received zero fines for non-compliance concerning product and service information labelling and (iv) has zero incidents of non-compliance concerning health and safety impacts of products and

services, (v) has zero incidents of reported corruption, (vi) has zero legal actions against it for anti-competitive behaviour and anti-trust of monopoly practices.

The Manager has adopted a Group-wide Third-Party Agent & Outsourcing Policy which provides guidance to address outsourcing and corruption risks arising from the engagement of third-party agents. Where there is a greater level of bribery or corruption risk attached to any particular area of business, or when working with a third-party agent, due diligence checks and processes are in place to adequately address and mitigate the risk(s). In FY2024, all of the Manager's employees received mandatory communication and training on anti-bribery and anti-corruption policies and procedures.

## (F) IT AND CYBER SECURITY POLICY

The technology landscape of financial sector is transforming at a rapid pace and the underlying IT infrastructure supporting financial services has grown in scope and complexity over the years. Many financial institutions, including Elite REIT, are riding the wave of digitalisation to increase operational efficiency and to deliver better services to customers. While digital transformation brings significant benefits to the financial ecosystem, it also increases Elite REIT's exposure to technology risks, including cyber risk and security risks (e.g. viruses, hacks and etc.).

The Manager has adopted a Group-wide IT and Cyber Security Policy to ensure sound and robust practices for the management of technology risk to achieve security, reliability and resilience of its information technology operating environment. A sound risk culture and cyber resilience would protect Elite REIT's confidential information.

## (G) BUSINESS CONTINUITY MANAGEMENT POLICY

The Manager has implemented a Business Continuity Management ("BCM") programme that puts in place measures to prevent, detect, mitigate and respond to adverse business interruptions or unforeseen events on Elite REIT's operations. Management has identified the critical business services and functions and put in place a Business Continuity Plan ("BCP") that details the actions Management and employees should take if such an event occurs. As part of the BCP, simulation testing on different scenarios and tabletop testing are carried out to stress-test the effectiveness of the processes, procedures and escalation protocols. This holistic approach serves to ensure organisational and staff preparedness and readiness to deal with adverse business disruptions such as cyber-attacks, data breaches and epidemics. This approach aims to minimise financial loss to Elite REIT, allow the Manager to continue to function as the manager of Elite REIT and mitigate any negative effects that the disruptions could have on the Manager's reputation, operations and ability to remain in compliance with relevant laws and regulations.



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# REPORT OF THE TRUSTEE

Perpetual (Asia) Limited (the “Trustee”) is under a duty to take into custody and hold the assets of Elite UK REIT (the “Trust”) held by it or through its subsidiaries (collectively, the “Group”) in trust for the unitholders. In accordance with the Securities and Futures Act 2001 of Singapore, its subsidiary legislation, the Code on Collective Investment Schemes and the Listing Manual (collectively referred to as the “Regulations”), the Trustee shall monitor the activities of Elite UK REIT Management Pte. Ltd. (formerly known as Elite Commercial REIT Management Pte. Ltd.) (the “Manager”) for compliance with the limitations imposed on the investment and borrowing powers as set out in the trust deed dated 7 June 2018 (as amended) (the “Trust Deed”) between the Manager and the Trustee in each annual accounting period and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Group during the year covered by these financial statements, set out on pages 136 to 174 in accordance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed.

**For and on behalf of the Trustee,  
Perpetual (Asia) Limited**

**Sin Li Choo**  
*Director*

Singapore  
28 March 2025

## STATEMENT BY THE MANAGER

In the opinion of the directors of Elite UK REIT Management Pte. Ltd. (the "Manager"), the manager of Elite UK REIT (the "Trust"), the accompanying consolidated financial statements set out on pages 136 to 174, comprising the consolidated statement of financial position of the Group and statement of financial position of the Trust as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of movements in unitholders' funds and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements are drawn up so as to present fairly, in all material respects, the consolidated financial position of the Group and the financial position of the Trust as at 31 December 2024, and the consolidated financial performance, consolidated movements in unitholders' funds and consolidated cash flows of the Group for the financial year ended on that date in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the provisions of the Trust Deed.

At the date of this statement, there are reasonable grounds to believe that the Group will be able to meet its financial obligations as and when they materialise.

**For and on behalf of the Manager,  
Elite UK REIT Management Pte. Ltd.**

**Tan Hai Peng Micheal**  
*Director*

Singapore  
28 March 2025

# INDEPENDENT AUDITORS' REPORT

Unitholders of Elite UK REIT (formerly known as Elite Commercial REIT)  
(Constituted under a Trust Deed dated 7 June 2018 (as amended))

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### *Opinion*

We have audited the financial statements of Elite UK REIT (formerly known as Elite Commercial REIT) (the "Trust") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and statement of financial position of the Trust as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of movements in unitholders' funds and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information as set out on pages 136 to 174.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Trust present fairly, in all material respects, the consolidated financial position of the Group and the financial position of the Trust as at 31 December 2024 and the consolidated financial performance, consolidated movements in unitholders' funds and consolidated cash flows of the Group for the year ended on that date in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

### *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the 'Auditors' responsibilities for the audit of the financial statements' section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants *International Code of Ethics for Professional Accountants (including International Independence Standards)* ('IESBA Code') and Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements, the IESBA Code and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Valuation of investment properties

(refer to Note 4 of the financial statements)

### **Risk**

At 31 December 2024, the Group owns a portfolio of investment properties in United Kingdom and measures them at their fair values. The property valuation was conducted by an independent valuation expert using the income capitalisation method as the primary approach.

The yield rate assumed by the valuation expert is key determinant of property valuation. Any inappropriate rate used that does not reflect the prevailing property market conditions could render the valuation inaccurate.

### **Our response**

We evaluated the competence and objectivity of the valuation expert. We considered the valuation technique used against those applied by other valuers for similar property types. We evaluated the appropriateness of the equivalent yield rates used in the valuations by comparing them to available industry and market data.

### **Our findings**

The valuation expert is a member of a recognised professional association of valuers in United Kingdom, who had considered his independence and freedom from conflicts prior to performing the property valuation work. The income capitalisation method applied is in line with generally accepted market practices and the equivalent yield rates used were generally comparable to observable market data and recent transactions.

### *Other information*

The Manager is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.



# INDEPENDENT AUDITORS' REPORT

Unitholders of Elite UK REIT (formerly known as Elite Commercial REIT)  
(Constituted under a Trust Deed dated 7 June 2018 (as amended))

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## *Responsibilities of the Manager for the financial statements*

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with IFRS Accounting Standards, and for such internal controls as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Group or to cease operations of the Group, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Group's financial reporting process.

## *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Manager and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

# INDEPENDENT AUDITORS' REPORT

Unitholders of Elite UK REIT (formerly known as Elite Commercial REIT)  
(Constituted under a Trust Deed dated 7 June 2018 (as amended))

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Lim Pang Yew, Victor.

## KPMG LLP

*Public Accountants and  
Chartered Accountants*

## Singapore

28 March 2025

# STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

	Note	Group		Trust	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
<b>Non-current assets</b>					
Investment properties	4	412,791	413,719	–	–
Investments in subsidiaries	5	–	–	14,746	–
Financial derivatives	6	1,629	483	1,110	–
Notes receivable	7	–	–	–	192,029
		414,420	414,202	15,856	192,029
<b>Current assets</b>					
Notes receivable	7	–	–	201,133	–
Prepayment for capital expenditure	4	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	4	4,650	–	–	–
		25,878	29,841	221,451	27,702
<b>Total assets</b>		440,298	444,043	237,307	219,731
<b>Non-current liabilities</b>					
Loans and borrowings	10	183,334	94,024	–	11,165
Lease liabilities	11	1,213	1,221	–	–
		184,547	95,245	–	11,165
<b>Current liabilities</b>					
Loans and borrowings	10	–	126,288	–	–
Lease liabilities	11	8	8	–	–
Trade and other payables	13	3,143	4,758	710	650
Deferred income	14	8,874	8,860	–	–
Current tax liabilities		2,555	1,642	–	–
		14,580	141,556	710	650
<b>Total liabilities</b>		199,127	236,801	710	11,815
<b>Net assets</b>		241,171	207,242	236,597	207,916
Represented by:					
<b>Unitholders' funds</b>					
Units in issue	15	338,215	308,337	338,215	308,337
Unit issue costs	16	(6,330)	(5,903)	(6,330)	(5,903)
Accumulated losses		(90,714)	(95,192)	(95,288)	(94,518)
		241,171	207,242	236,597	207,916
<b>Number of Units in issue ('000)</b>	15	594,194	482,966	594,194	482,966
<b>Net asset value per Unit attributable to unitholders (£)</b>	17	0.41	0.43	0.40	0.43

The accompanying notes form an integral part of these financial statements.

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Revenue	18	36,472	37,637
Other property income	19	2,604	7,569
Property operating expenses	20	(2,734)	(3,842)
<b>Net property income</b>		36,342	41,364
Manager's management fees	21	(1,845)	(1,804)
Trustee's fee		(106)	(109)
Other trust expenses	22	(2,313)	(1,205)
Finance income	23	1,338	431
Finance costs	23	(13,127)	(12,356)
Net finance costs		(11,789)	(11,925)
Gain on divestment of investment properties		321	124
Net change in fair value of investment properties	4	2,442	(47,827)
<b>Profit/(Loss) before tax</b>		23,052	(21,382)
Tax expense	24	(2,557)	(788)
<b>Profit/(Loss) for the year</b>		20,495	(22,170)
<b>Earnings/(Loss) per Unit (pence)</b>			
Basic	26	3.51	(4.60)
Diluted	26	3.51	(4.60)

The accompanying notes form an integral part of these financial statements.

# STATEMENT OF MOVEMENTS IN UNITHOLDERS' FUNDS

Year ended 31 December 2024

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

The accompanying notes form an integral part of these financial statements.



# CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2024

	Note	2024 £'000	2023 £'000
<b>Cash flows from operating activities</b>			
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
<b>Operating income before working capital changes</b>		33,109	38,564
<b>Changes in:</b>			
Trade and other receivables		(5,120)	8,949
Trade and other payables		(176)	(106)
Deferred income		14	86
<b>Cash generated from operating activities</b>		27,827	47,493
Tax paid		(1,644)	(2,941)
Interest received		192	–
<b>Net cash generated from operating activities</b>		26,375	44,552
<b>Cash flows from investing activities</b>			
Prepayment for capital expenditure on investment properties		(3,668)	(3,668)
Proceeds from divestment of investment properties, net		1,221	3,189
Interest received		–	16
<b>Net cash used in investing activities</b>		(2,447)	(463)
<b>Cash flows from financing activities</b>			
Net proceeds from units issued under preferential offering		27,479	–
Interest paid		(11,489)	(11,182)
Proceeds from bank loans, net of transaction costs		198,600	11,200
Repayment of bank loans		(236,440)	(12,085)
Distribution to unitholders		(14,045)	(18,489)
Payment of transaction costs related to loans and borrowings		(2,215)	(154)
Payment of lease liabilities		(8)	(7)
Decrease/(increase) in restricted cash		5,206	(3,206)
<b>Net cash used in financing activities</b>		(32,912)	(33,923)
<b>Net (decrease)/increase in cash and cash equivalents</b>		(8,984)	10,166
Cash and cash equivalents at 1 January		15,610	5,444
<b>Cash and cash equivalents at 31 December</b>	9	6,626	15,610

## Significant non-cash transactions

For the year ended 31 December 2024, approximately 7,873,000 Units (2023: 1,838,000 Units), amounting to approximately £1,972,000 (2023: £726,000) were issued as payment for distributions under the distribution reinvestment plan.

The accompanying notes form an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Manager on 28 March 2025.

## 1. GENERAL

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 26 August 2021, a wholly-owned subsidiary of the Trust, Elite REIT Holdings Limited ("ERHL"), was admitted to The International Stock Exchange ("TISE"), enabling ERHL and its subsidiaries to qualify as a UK REIT Group.

On 16 May 2024 and 24 June 2024, the name of the Trust was changed from "Elite Commercial REIT" to "Elite UK REIT" and the name of a wholly-owned subsidiary was 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 consolidated financial statements relate to the Trust and its subsidiaries. A list of the subsidiaries is set out in Note 5.

The Group has entered into several service agreements in relation to the management of the Trust and its property operations. The fee structures for these services are as follows:

### (i) Manager's management fees

Pursuant to the Trust Deed, the Manager is entitled to the following:

- Management fees comprising a base fee of 10.0% per annum (or such lower percentage as may be determined by the Manager in its absolute discretion) of the Annual Distributable Income (as defined in the Trust Deed) of the Group in the relevant financial year (calculated before accounting for the base fee and performance fee) and a performance fee of 25.0% per annum of the increase in the Distribution Per Unit ("DPU") (as defined in the Trust Deed) in a financial year over the DPU in the preceding year (calculated before accounting for the performance fee but after accounting for the base fee in the financial year) multiplied by the weighted average number of Units in issue for such financial year.

The management fee is payable in the form of cash and/or Units as the Manager may elect. The portion of the management fee payable in the form of Units is payable quarterly in arrears and the portion of the management fee payable in cash is payable monthly in arrears.

- An acquisition fee of 1.0% (or such lower percentage as may be determined by the Manager in its absolute discretion) of the acquisition price on all future acquisitions of properties or investments.

The acquisition fee is payable in the form of cash and/or Units as the Manager may elect.

- A divestment fee of 0.5% (or such lower percentage as may be determined by the Manager in its absolute discretion) of the sale price on all future disposals of properties or investments.

The divestment fee is payable in the form of cash and/or Units as the Manager may elect.

- A development management fee of 3.0% of the Total Project Costs (as defined in the Trust Deed) incurred in a Development Project (as defined in the Trust Deed) undertaken by the Manager on behalf of the Trust.

The development management fee is payable in equal monthly instalments over the construction period of each Development Project based on the Manager's best estimate of the Total Project Costs and construction period and, if necessary, a final payment of the balance amount when the Total Project Costs is finalised.

# NOTES TO THE FINANCIAL STATEMENTS

## 1. GENERAL (CONT'D)

### (ii) Property management fees

Under the property management agreement in respect of each property within the Trust's initial portfolio of 95 properties (2023: 95 properties) ("Initial Portfolio"), the property manager ("Property Manager") will provide, amongst others, tenant liaison, rental and insurance collections, accounts monitoring and reporting services.

The property management fee payable to the Property Manager for the management of the portfolio shall reduce the management fee payable to the Manager. The Property Manager shall be entitled to receive out of the Deposited Assets (as defined in the Trust Deed) a fee for its services to be paid either directly (by the Trustee) or indirectly (by the entity which is held by the Trust).

The Property Manager is entitled to a fixed annual fee to be paid in the form of cash quarterly in advance.

Under the property management agreement in respect of each property within the Trust's new portfolio of 54 properties (2023: 55 properties) ("New Portfolio"), the property manager ("New Property Manager"), a related corporation of the Manager, will provide, amongst others, tenancy management, tenant liaison, building management, administrative and financial management services.

The New Property Manager is entitled to a property management fee of 2.0% per annum of the Gross Revenue (as defined the property management agreement) of each property. Where the New Property Manager has sub-contracted any of the property management services to another property manager ("Other Property Manager"), the fees paid to the New Property Manager will be reduced by an amount equal to the fees paid to the Other Property Manager in respect of the property.

The property management fee is payable in the form of cash and/or Units as agreed between the Manager and the New Property Manager. The fees are payable quarterly in arrears.

### (iii) Lease management fees

Under the lease management agreement in respect of each property within the Trust's Initial Portfolio, the Manager is entitled to a lease management fee of 1.0% per annum of Revenue (as defined in the lease management agreement) of each property.

For securing a new lease or renewal of an existing tenancy, the Manager is entitled to the following lease commissions:

- 0.5 month's gross rent, for securing a tenancy of fewer than three years; or
  - one month's gross rent, for securing a tenancy of three years or more; or
  - 0.25 month's gross rent, for securing a tenancy of any number of years, if there is a third party agent involved.
- For the avoidance of doubt, any fees payable to third party agent(s) will be paid on a cost recovery basis.

The lease management fee and commissions are payable in the form of cash or Units or a combination of cash and Units as the Manager may elect.

Under the property management agreement in respect of each property within the Trust's New Portfolio, the New Property Manager will also provide lease management services, including space management and leasing supervision and rental collections.

The New Property Manager is entitled to a lease management fee of 1.0% per annum of the Gross Revenue (as defined the property management agreement) of each property.

For securing a new lease or renewal of an existing tenancy, the New Property Manager is entitled to the following lease commissions:

- one month's gross effective rent for securing a new tenancy of three years or less, or 1.2 month's gross effective rent if there is a third party agent involved;
- 2.0 month's gross effective rent for securing a new tenancy exceeding three years, or 2.4 month's gross effective rent if there is a third party agent involved;
- 0.5 month's gross effective rent for the renewal of an existing tenancy for three years or less; and
- 1.0 month's gross effective rent for the renewal of an existing tenancy for more than three years.

The lease management fee and commissions are payable in the form of cash and/or Units as agreed between the Manager and the New Property Manager. The fees are payable quarterly in arrears.

# NOTES TO THE FINANCIAL STATEMENTS

## 1. GENERAL (CONT'D)

### (iv) Trustee's fee

Pursuant to the Trust Deed, the Trustee's fee shall not exceed 0.015% per annum of the value of the Deposited Property (as defined in the Trust Deed) subject to a minimum amount of S\$15,000 per month, excluding out-of-pocket expenses and GST. The Trustee's fee is payable monthly in arrears.

## 2. BASIS OF ACCOUNTING

### 2.1 Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards and the provisions of the Trust Deed.

### 2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

### 2.3 Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the "functional currency"). The financial statements of the Group are presented in Pound Sterling (£), which is the functional currency of the Trust. All financial information presented in Pound Sterling has been rounded to the nearest thousand, unless otherwise stated.

### 2.4 Use of estimates and judgements

The preparation of financial statements in conformity with IFRS Accounting Standards requires the Manager to make judgements, estimates and assumptions about the future, including climate-related risks and opportunities, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management and climate-related commitments where appropriate. Revisions to accounting estimates are recognised in the period in which the estimates are revised and any future periods affected.

Information about critical judgements in applying accounting policies and assumptions and estimation uncertainties that have the most significant effect on the amounts recognised in the financial statements are described in Note 4 – Valuation of investment properties.

#### 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.

The Group has an established control framework with respect to the measurement of fair values.

The Manager regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, the Manager assesses and documents the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS Accounting Standards. Significant valuation issues are reported to the Manager's Audit and Risk Committee.

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).

# NOTES TO THE FINANCIAL STATEMENTS

## 2. BASIS OF ACCOUNTING (CONT'D)

### 2.4 Use of estimates and judgements (cont'd)

#### Measurement of fair values (cont'd)

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.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 4 – Valuation of investment properties
- Note 30 – Valuation of financial instruments

### 2.5 Change in material accounting policies

#### New accounting standards and amendments

The Group has applied various IFRS Accounting Standards, amendments to and interpretations of IFRS Accounting Standards for the first time for the annual period beginning on 1 January 2024. The application of these amendments to accounting standards and interpretations does not have a material effect on the financial statements.

## 3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and have been applied consistently by Group entities.

### 3.1 Basis of consolidation

#### (i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been aligned with the policies adopted by the Group.

#### (ii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

#### (iii) Accounting for subsidiaries by the Trust

Investment in subsidiaries are stated in the Trust's statement of financial position at cost less accumulated impairment losses.

### 3.2 Financial instruments

#### (i) Recognition and initial measurement

##### *Non-derivative financial assets and financial liabilities*

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.



# NOTES TO THE FINANCIAL STATEMENTS

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.2 Financial instruments (cont'd)

#### (ii) Classification and subsequent measurement

##### **Non-derivative financial assets**

On initial recognition, a financial asset is classified as measured at: amortised cost or fair value through profit or loss ("FVTPL").

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

##### *Financial assets at amortised cost*

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortised cost under the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of comprehensive income. Any gain or loss on derecognition is recognised in the statement of comprehensive income.

##### *Financial assets at FVTPL*

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

##### **Financial assets: Business model assessment**

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

##### **Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest**

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

# NOTES TO THE FINANCIAL STATEMENTS

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.2 Financial instruments (cont'd)

#### (ii) Classification and subsequent measurement (cont'd)

***Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (cont'd)***

A prepayment feature is consistent with the sole payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

***Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses***

Financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

#### (iii) Derecognition

***Financial assets***

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

***Financial liabilities***

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

#### (iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

#### (v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances at banks. For the purpose of the statement of cash flows, restricted cash is excluded.

# NOTES TO THE FINANCIAL STATEMENTS

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.2 Financial instruments (cont'd)

#### (vi) Derivative financial instruments

The Group holds derivative financial instruments to hedge its interest rate risk exposure. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value and any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

#### (vii) Intra-group financial guarantees in the separate financial statements

Financial guarantees are financial instruments issued by the Trust that require the Trust to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with IFRS 9 *Financial Instruments* and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15 *Revenue from Contracts with Customers*.

Expected credit losses ("ECLs") are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Trust expects to recover.

Liabilities arising from financial guarantees are included within 'loans and borrowings'.

### 3.3 Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured at cost on initial recognition and subsequently at fair value with any change therein recognised in the statement of comprehensive income.

The cost of a purchased property comprises its purchase price and any directly attributable expenditure including transaction costs.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in the statement of comprehensive income.

The properties are subject to continued maintenance and regularly revalued on the basis set out above. For taxation purposes, the Group may claim capital allowances on assets that qualify as plant and machinery under UK tax laws.

### 3.4 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### *As a lessor*

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

# NOTES TO THE FINANCIAL STATEMENTS

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.4 Leases (cont'd)

#### *As a lessor (cont'd)*

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

### 3.5 Impairment

#### (i) Non-derivative financial assets

The Group recognises loss allowances for ECLs on financial assets measured at amortised cost.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

#### *Simplified approach*

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

#### *General approach*

The Group applies the general approach to provide for ECLs on all other financial instruments and intra-group financial guarantee contracts. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The Trust considers an intra-group financial guarantee contract to be in default when the debtor of the loan is unlikely to pay its credit obligations to the creditor and the Trust in full, without recourse by the Trust to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

#### *Measurement of ECLs*

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

# NOTES TO THE FINANCIAL STATEMENTS

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.5 Impairment (cont'd)

#### (i) Non-derivative financial assets (cont'd)

##### *Credit-impaired financial assets*

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

##### *Presentation of allowance for ECLs in the statement of financial position*

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Loss allowances for intra-group financial guarantee contracts are recognised as a financial liability to the extent that they exceed the initial carrying amount of the financial guarantee contract less the cumulative income recognised.

##### *Write-off*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

#### (ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in the statement of comprehensive income. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### 3.6 Units in issue

Units issued by the Trust are classified as equity.

Issue costs relate to expenses incurred in connection with issuance of Units. The expenses are deducted directly against unitholders' funds.



# NOTES TO THE FINANCIAL STATEMENTS

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.7 Revenue recognition

#### *Rental income*

Rental income receivable under operating leases is recognised in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental to be received.

### 3.8 Finance income and finance costs

Finance income comprises interest income and gain on financial derivatives.

Finance costs comprises interest expense on loans and borrowings and lease liabilities, amortisation of debt-related transaction costs and loss on financial derivatives.

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset, or the amortised cost of the financial liability.

### 3.9 Taxation

Tax expenses comprises current and deferred tax. Current tax and deferred tax are recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in unitholders' fund.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable or receivable on the taxable income for the year, measured using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are effect only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and, at the time of the transaction, that affects neither accounting nor taxable profit; and
- temporary differences relating to investments in subsidiaries to the extent that the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For an investment property that is measured at fair value, the carrying amount of the investment property is presumed to be recovered through sale, and the Group has not rebutted this presumption. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

# NOTES TO THE FINANCIAL STATEMENTS

## 3. MATERIAL ACCOUNTING POLICIES (CONT'D)

### 3.9 Taxation (cont'd)

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

### 3.10 New standards and interpretations not adopted

A number of new accounting standards and amendments to standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted. However, the Group has not early adopted the new or amended accounting standards in preparing these financial statements.

#### (i) IFRS 18 *Presentation and Disclosure in Financial Statements*

IFRS 18 will replace IAS 1 *Presentation of Financial Statements* and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as other.

#### (ii) Other accounting standards

The following amendments to IFRS Accounting Standards are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position.

- Amendments to IAS 21: *Lack of Exchangeability*
- *Classification and Measurement of Financial Instruments* (Amendments to IFRS 9 and IFRS 7)
- *Annual Improvements to IFRSs—Volume 11*
- IFRS 19: *Subsidiaries without Public Accountability: Disclosures*

## 4. INVESTMENT PROPERTIES

	Group	
	2024 £'000	2023 £'000
At 1 January	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 statement of comprehensive income	2,442	(47,827)
At 31 December	412,791	413,719

# NOTES TO THE FINANCIAL STATEMENTS

## 4. INVESTMENT PROPERTIES (CONT'D)

As at 31 December 2024, the Group owned 100% (2023:100%) interests in its investment properties, which comprise 144 (2023: 145) freehold and 5 (2023: 5) leasehold commercial properties situated throughout England, Scotland and Wales. The investment properties are mainly leased to the UK Government via various government agencies, which include 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), under operating leases with a weighted remaining periods towards lease expiry of 3.3 (2023: 4.2) years at the reporting date.

### Security

As at 31 December 2024, 149 (2023: 55) properties including those classified as assets held for sale with a total carrying value of £417,441,000 (2023: £157,504,000) were pledged as security for credit facilities granted to the Group (Note 10).

### Measurement of fair value

The carrying values of the investment properties as at 31 December 2024 and 31 December 2023 were based on an independent professional valuation undertaken by CBRE Limited ("CBRE") as at 31 December 2024 and 1 December 2023, respectively. The independent valuers have appropriate recognised professional qualifications and recent experience to value properties that are of similar category and situate in comparable locations

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 forecast rents and yield rates. 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.

### (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 technique used (see Note 2.4).

	Group	
	2024	2023
	£'000	£'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

The following table shows the significant unobservable inputs used in the valuation model:

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).

\* The equivalent yield rate (nominal equivalent yield) reflects the weighted average of the initial yield and reversionary yield (being the anticipated yield, which the initial yield will rise to once the rent reaches the estimated rental value and when the property is fully let) and represents the return a property will produce based upon the timing of the income received, assuming that rents are received annually in arrears.

# NOTES TO THE FINANCIAL STATEMENTS

## 4. INVESTMENT PROPERTIES (CONT'D)

### *Assets held for sale*

On 26 November 2024 and 19 December 2024, the Group entered into contracts for conditional sale of two vacant properties, targeted for completion 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 them at their fair values.

### *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.

## 5. INVESTMENTS IN SUBSIDIARIES

	Trust	
	2024	2023
	£'000	£'000
Equity investment, at cost		
At 1 January	88,900	88,900
Capitalisation of loan advances to subsidiaries	26,906	–
At 31 December	115,806	88,900
Less: Accumulated impairment losses		
At 1 January	(88,900)	(52,103)
Impairment losses recognised	(12,160)	(36,797)
At 31 December	(101,060)	(88,900)
	14,746	–

# NOTES TO THE FINANCIAL STATEMENTS

## 5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows:

Name of subsidiaries	Place of constitution/ business	Equity interests held by the Group	
		2024 %	2023 %
<b><u>Direct subsidiaries</u></b>			
Elite REIT Holdings Limited (formerly known as Elite UK Commercial Holdings Limited) ("ERHL") <sup>2</sup>	United Kingdom	100	100
<b><u>Indirect subsidiaries</u></b>			
Elite Kist Limited <sup>1</sup>	United Kingdom	100	100
Elite UK Commercial Investments Limited <sup>3</sup>	United Kingdom	–	–
Elite UK Commercial Limited <sup>1</sup>	United Kingdom	100	100
Elite Dram Limited <sup>1,4</sup>	United Kingdom	100	–
Elite Gemstones Properties Limited <sup>2</sup>	United Kingdom	100	100
Elite Amphora Limited <sup>2</sup>	United Kingdom	100	100
Elite Cask Limited <sup>2</sup>	United Kingdom	100	100

<sup>1</sup> Not required to be audited under the laws of the country of incorporation

<sup>2</sup> Audited by other member firm of KPMG International

<sup>3</sup> Liquidated during 2023

<sup>4</sup> Incorporated on 12 December 2024

As at the reporting date, the shares of Elite Gemstones Properties Limited, Elite Amphora Limited and Elite Cask Limited, have been pledged as security for credit facilities granted to the Group (Note 10).

On 19 December 2024, the Trust converted loan advances extended to subsidiary into additional £26,905,766 of ordinary shares in Elite REIT Holdings Limited ("ERHL") at a consideration of £1 per ordinary share. ERHL remains a wholly-owned subsidiary of the Trust.

During the year, the Trust undertook an assessment of impairment indicators for its investments in subsidiaries. Arising from a decline in fair values of the underlying properties held by the subsidiaries of ERHL, the Trust re-assessed the recoverable amount of ERHL. 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. On this basis, the Trust recognised an additional impairment loss of £12.2 million (2023: £36.8 million) in profit or loss.

## 6. FINANCIAL DERIVATIVES

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
<b>Derivative assets</b>				
Interest rate swap at FVTPL	1,629	483	1,110	–
Notional amount of interest rate swap	163,775	77,000	50,000	–
Percentage of derivative investment of total fund size	39.3%	18.7%	–	–
Derivative financial instruments as a percentage of net assets attributable to unitholders	0.7%	0.2%	0.5%	–



# NOTES TO THE FINANCIAL STATEMENTS

## 7. NOTES RECEIVABLE

	Trust	
	2024 £'000	2023 £'000
Notes receivable	201,133	201,133
Accumulated impairment loss		
At 1 January	(9,104)	–
Impairment loss reversed/(recognised)	9,104	(9,104)
At 31 December	–	(9,104)
	201,133	192,029
Current	201,133	–
Non-current	–	192,029
	201,133	192,029

Notes receivable relate to loan notes issued by a subsidiary, ERHL, subscribed by the Trust.

On 16 November 2023, the Series 1 loan note was fully redeemed through the issuance of an 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 5.0% 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. 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 reversed/(recognised) on the notes receivable. In measuring the impairment loss on notes receivable, the Trust considered the historical credit loss rate and adjusted it to reflect current and forward-looking factors affecting the subsidiary's ability to settle the notes receivable. Based on this assessment, credit risk decreased this year due to the improvement in the subsidiary's financial position.

## 8. TRADE AND OTHER RECEIVABLES

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	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.

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 in relation to the vacant properties as of year end. This type of property expense was previously borne by the tenant when the properties were leased out.

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.

# NOTES TO THE FINANCIAL STATEMENTS

## 9. CASH AND CASH EQUIVALENTS

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

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

## 10. LOANS AND BORROWINGS

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Secured bank loans	190,463	210,115	–	–
Unsecured bank loan	–	11,200	–	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
	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, were pledged and a corporate guarantee from the Trust was provided to secure the facilities (Notes 4 and 5).

### £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, were pledged and a corporate guarantee from the Trust was provided to secure the facilities (Notes 4 and 5).

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.

# NOTES TO THE FINANCIAL STATEMENTS

## 10. LOANS AND BORROWINGS (CONT'D)

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. At the 31 December 2023, £125.0 million was drawn down and was due for repayment in November 2024; and
- 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 the drawn down date, and five years after the first drawn down date (where the amount is drawn down in multiple tranches). As at 31 December 2023, £3.2 million was drawn down and was repayable in March 2024.

As at 31 December 2024, the term loan and bridge loan facilities had 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 (Note 5).

### £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; and
- 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 had been fully repaid.

The shares of two subsidiaries, Elite Amphora Limited and Elite Cask Limited together with the 55 properties held by these entities with carrying values amounting to £157.5 million as at 31 December 2023, were pledged and a corporate guarantee from the Trust was provided to secure the facilities (Notes 4 and 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 had been fully repaid.

### S\$300.0 million multicurrency debt issuance programme

- The Trust has in place a S\$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.

# NOTES TO THE FINANCIAL STATEMENTS

## 10. LOANS AND BORROWINGS (CONT'D)

### Terms and debt repayment schedule

Terms and conditions of the outstanding loans and borrowings at the reporting date are as follows:

	Nominal interest rate per annum %	Year of maturity	Face value £'000	Carrying amount £'000
<b>Group</b>				
<b>2024</b>				
Secured term loans	SONIA^ + margin	2027	163,775	157,631
Secured revolving facilities	SONIA^ + margin	2027	26,688	25,703
			<u>190,463</u>	<u>183,334</u>
<b>2023</b>				
Secured bank loans	SONIA^ + credit adjustment spread + margin	2024	62,500	62,344
Secured bank loans	2.28%	2024	62,500	62,344
Secured bridge loan	SONIA^ + credit adjustment spread + margin	2024	1,600	1,600
Secured bank loans	SONIA^ + credit adjustment spread + margin	2025	83,515	82,859
Unsecured green revolving credit facility	SONIA^ + margin	2026	11,200	11,165
			<u>221,315</u>	<u>220,312</u>
<b>Trust</b>				
<b>2023</b>				
Unsecured green revolving credit facility	SONIA^ + margin	2026	11,200	11,165

^ Sterling Overnight Index Average

# NOTES TO THE FINANCIAL STATEMENTS

## 10. LOANS AND BORROWINGS (CONT'D)

### Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities			
	Loans and borrowings £'000	Lease liabilities (Note 11) £'000	Interest payable (Note 13) £'000	Total £'000
<b>Balance at 1 January 2023</b>	220,270	1,236	1,276	222,782
<b>Changes from financing cash flows</b>				
Proceeds from bank loan	11,200	–	–	11,200
Repayment of bank loans	(12,085)	–	–	(12,085)
Payment of transaction costs related to loans and borrowings	(154)	–	–	(154)
Payment of lease liabilities	–	(7)	–	(7)
Interest paid	–	(38)	(11,144)	(11,182)
<b>Total changes from financing cash flows</b>	(1,039)	(45)	(11,144)	(12,228)
<b>Other non-cash changes</b>				
Amortisation of transaction costs related to loans and borrowings	999	–	–	999
Interest expense	–	38	11,298	11,336
Others	82	–	–	82
<b>Total other non-cash changes</b>	1,081	38	11,298	12,417
<b>Balance at 31 December 2023</b>	220,312	1,229	1,430	222,971
<b>Balance at 1 January 2024</b>	220,312	1,229	1,430	222,971
<b>Changes from financing cash flows</b>				
Gross proceeds from bank loans	205,588	–	–	205,588
Upfront fee deducted directly by bank	(6,988)	–	–	(6,988)
Proceeds from bank loans, net	198,600	–	–	198,600
Repayment of bank loans	(236,440)	–	–	(236,440)
Payment of transaction costs related to loans and borrowings	(2,215)	–	–	(2,215)
Payment of lease liabilities	–	(8)	–	(8)
Interest paid	–	(38)	(11,451)	(11,489)
<b>Total changes from financing cash flows</b>	(40,055)	(46)	(11,451)	(51,552)
<b>Other non-cash changes</b>				
Amortisation of transaction costs related to loans and borrowings	3,077	–	–	3,077
Interest expense	–	38	10,036	10,074
<b>Total other non-cash changes</b>	3,077	38	10,036	13,151
<b>Balance at 31 December 2024</b>	183,334	1,221	15	184,570



# NOTES TO THE FINANCIAL STATEMENTS

## 11. LEASE LIABILITIES

	Group	
	2024 £'000	2023 £'000
Lease liabilities	1,221	1,229
Current	8	8
Non-current	1,213	1,221
	1,221	1,229

The incremental borrowing rates of the Group's lease liabilities ranged from 3.06% to 3.11% (2023: 3.06% to 3.11%) per annum.

## 12. DEFERRED TAX LIABILITIES

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

Group	At 1 January 2023 £'000	Recognised in profit or loss (Note 24) £'000	At 31 December 2023 £'000	Recognised in profit or loss (Note 24) £'000	At 31 December 2024 £'000
Investment properties	(1,984)	1,984	–	–	–
Lease liabilities	(185)	185	–	–	–
	(2,169)	2,169	–	–	–

On 26 August 2021, Elite REIT Holdings Limited ("ERHL") a wholly-owned subsidiary of the Trust, was listed on The International Stock Exchange (the "TISE"), as a UK REIT group. Upon entry into the UK REIT regime, latent capital gains (and its corresponding deferred tax liabilities) to that date, of the existing properties held by the Group were eliminated.

For future acquisition of property investment companies holding UK properties by ERHL and its subsidiaries (the "UK REIT Group"), any unrealised gains on the properties (and the corresponding deferred tax liabilities) at the date of acquisition will also be eliminated on acquisition.

Additionally, any gains or losses arising from direct or indirect disposal of the properties that form part of the qualifying property rental business within the UK REIT Group are exempt from UK corporation tax. Instead, a withholding tax of 15.0%, net is applicable upon the distribution of such gains.

## 13. TRADE AND OTHER PAYABLES

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade payables	264	275	–	254
Interest payable	15	1,430	–	10
Accrued operating expenses	1,500	1,738	710	386
Other payables	1,364	1,315	–	–
	3,143	4,758	710	650

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

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

# NOTES TO THE FINANCIAL STATEMENTS

## 14. DEFERRED INCOME

Deferred income relates to advance rental received from tenants.

## 15. UNITS IN ISSUE

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

During the year, there were the following movements in the Units in issue:

### Year ended 31 December 2024

- Approximately 7,873,000 Units were issued at Unit prices ranging from £0.25 to £0.26 per Unit, valued at £1,972,000, under the distribution reinvestment plan.
- The Trust launched a preferential offering of new units ("Preferential Offering Units") and raised gross proceeds of approximately £27.9 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.

### Year ended 31 December 2023

- Approximately 1,838,000 Units were issued at Unit prices ranging from £0.28 to £0.49 per Unit, valued at £726,000, under the distribution reinvestment plan.

Each Unit in the Trust represents an undivided interest in the Trust. The rights and interests of unitholders are contained in the Trust Deed and include the right to:

- one vote per Unit;
- receive income and other distributions attributable to the Units held;
- participate in the termination of the Trust by receiving a share of all net cash proceeds derived from the realisation of the assets of the Trust less any liabilities, in accordance with their proportionate interests in the Trust. However, a unitholder has no equitable or proprietary interest in the underlying assets of the Trust and is not entitled to the transfer of any assets (or part thereof) or any estate or interest in any asset (or part thereof) of the Trust; and
- attend all unitholders' meetings. The Trustee or the Manager may (and the Manager shall at the request in writing of one or more unitholders) at any time convene a meeting of unitholders in accordance with the provisions of the Trust Deed.

# NOTES TO THE FINANCIAL STATEMENTS

## 15. UNITS IN ISSUE (CONT'D)

The restrictions of a unitholder include the following:

- a unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Trust Deed; and
- a unitholder has no right to request the Manager to redeem his Units.

A unitholder's liability is limited to the amount paid or payable for any Unit in the Trust. The provisions of the Trust Deed provide that no unitholder will be personally liable to indemnify the Trustee or any creditor of the Trustee in the event that the liabilities of the Trust exceed its assets.

## 16. UNIT ISSUE COSTS

	Group	
	2024 £'000	2023 £'000
Unit issue costs capitalised in unitholders' funds	6,330	5,903

## 17. NET ASSET VALUE PER UNIT

	Group		Trust	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Net asset value per Unit is based on:				
Net assets attributable to unitholders	241,171	207,242	236,597	207,916
Total issued Units as at 31 December ('000) (Note 15)	594,194	482,966	594,194	482,966
Net asset value per Unit (£)	0.41	0.43	0.40	0.43

## 18. 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).

## 19. OTHER PROPERTY INCOME

	Group	
	2024 £'000	2023 £'000
Dilapidation income	2,495	6,947
Other property income	109	622
	2,604	7,569

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

# NOTES TO THE FINANCIAL STATEMENTS

## 20. PROPERTY OPERATING EXPENSES

	Group	
	2024	2023
	£'000	£'000
Property management fee paid/payable to a non-related corporation of the Manager	457	451
Property management fee paid/payable to a related corporation of the Manager	229	257
Property insurance	246	247
Lease management fee paid/payable to the Manager	244	244
Other property expenses	1,558	2,643
	<b>2,734</b>	<b>3,842</b>
Property operating expenses	2,734	3,842
Manager's management fees	1,845	1,804
Trustee's fees	106	109
Total operating expenses	<b>4,685</b>	<b>5,755</b>
Total operating expenses as a percentage of net assets attributable to unitholders	<b>1.9%</b>	<b>2.8%</b>

Other property expenses were mainly incurred by the Group for vacant properties. When the properties were leased out, those property expenses were borne by tenants.

## 21. MANAGER'S MANAGEMENT FEES

	Group	
	2024	2023
	£'000	£'000
Base fee	1,845	1,804

## 22. OTHER TRUST EXPENSES

	Group	
	2024	2023
	£'000	£'000
Audit fees paid/payable to auditors of the Trust and other firms affiliated with KPMG International Limited	287	296
Valuation fees	276	170

# NOTES TO THE FINANCIAL STATEMENTS

## 23. FINANCE INCOME AND FINANCE COSTS

	Group	
	2024 £'000	2023 £'000
<b>Finance income</b>		
Interest income	192	15
Fair value gain on financial derivatives	1,146	416
	<u>1,338</u>	<u>431</u>
<b>Finance costs</b>		
Amortisation of transaction costs relating to loans and borrowings	(3,077)	(999)
Reversal of accrued commitment fee no longer required/(Commitment fee)	24	(21)
Interest expense on:		
– loans and borrowings	(10,036)	(11,298)
– lease liabilities	(38)	(38)
	<u>(13,127)</u>	<u>(12,356)</u>
<b>Net finance costs recognised in statement of comprehensive income</b>	<u>(11,789)</u>	<u>(11,925)</u>

## 24. TAX EXPENSE

	Group	
	2024 £'000	2023 £'000
<b>Current tax expense</b>		
Withholding tax	2,557	2,957
	<u>2,557</u>	<u>2,957</u>
<b>Deferred tax credit</b>		
Reversal of temporary differences	–	(2,169)
	<u>–</u>	<u>(2,169)</u>
<b>Income tax expense</b>	<u>2,557</u>	<u>788</u>
<b>Reconciliation of effective tax rate</b>		
Profit/(Loss) before tax	23,052	(21,382)
Tax calculated using Singapore tax rate of 17% (2023: 17%)	3,919	(3,635)
Effect of different tax rates in foreign jurisdictions	1,125	(1,913)
Income not subject to tax	(5,140)	(8,818)
Expenses not deductible for tax purposes	96	12,197
Withholding tax	2,557	2,957
	<u>2,557</u>	<u>788</u>

The Group is not expected to be within scope of the jurisdictional adoption of the Pillar Two Model Rules published by the Organisation for Economic Co-operation and Development (OECD), as the Group's consolidated revenue is less than EUR750 million per year. As a result, no recognition and disclosure in relation to Pillar Two Model had been made.



# NOTES TO THE FINANCIAL STATEMENTS

## 25. AMOUNT AVAILABLE FOR DISTRIBUTION

	Group	
	2024 £'000	2023 £'000
<b>Amount available for distribution to unitholders at beginning of the year</b>	7,881	10,857
Profit/(Loss) for the year	20,495	(22,170)
Distribution adjustments (Note A)	(2,041)	40,213
	18,454	18,043
Less: Amount retained for general corporate and working capital ("Retention")	(1,382)	(1,804)
<b>Amount available for distribution to unitholders</b>	<b>24,953</b>	<b>27,096</b>
Distribution 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)
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)	–
	(16,017)	(19,215)
<b>Amount available for distribution to unitholders at end of the year</b>	<b>8,936</b>	<b>7,881</b>
<b>Distribution per Unit before Retention (pence)</b>	<b>3.11</b>	<b>3.42</b>
<b>Distribution per Unit after Retention (pence)</b>	<b>2.87</b>	<b>3.07</b>
<b>Note A</b>		
Distribution adjustments (as defined in the Trust Deed) relate to the following items:		
Amortisation of debt-related upfront fee and transaction costs	3,077	999
Dilapidation settlements, net	(2,338)	(6,323)
Fair value gain on financial derivative	(1,146)	(416)
Gain on divestment of investment properties	(321)	(124)
Net change in fair value of investment properties	(2,442)	47,827
Effect of recognising rental income on straight-line basis over the lease term	1,031	317
Trustee's fee	106	109
Deferred tax credit	–	(2,169)
Others	(8)	(7)
<b>Distribution adjustments</b>	<b>(2,041)</b>	<b>40,213</b>

The Manager has included 103,355,000 Preferential Offering Units issued on 18 January 2024 (Note 15) in computing distribution per Unit for the year ended 31 December 2023 on the basis that the Trust will make the distribution for the period from 1 July 2023 to 31 December 2023 to the holders of the Preferential Offering Units.

# NOTES TO THE FINANCIAL STATEMENTS

## 26. 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.

	Group	
	2024 £'000	2023 £'000
Profit/(Loss) for the year attributable to unitholders	20,495	(22,170)
Weighted average number of Units:		
– Units issued at the beginning of the year	482,966	481,128
– Effect of Units issued under preferential offering	98,554	–
– Effect of Units issued under distribution reinvestment plan	2,525	998
Weighted average number of Units	584,045	482,126

### 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 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 were no outstanding anti-dilutive Units at the end of the reporting periods.

## 27. SEGMENT INFORMATION

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

## 28. 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.

	Group	
	2024 £'000	2023 £'000
Leasing commission paid/payable to the Manager	–	23
Leasing commission paid/payable to a related corporation of the Manager	33	67
Divestment fee paid/payable to the Manager	4	17

## 29. COMMITMENTS

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

	Group	
	2024 £'000	2023 £'000
Capital expenditure on investment properties	–	3,669

# NOTES TO THE FINANCIAL STATEMENTS

## 30. FINANCIAL RISK MANAGEMENT

### Capital management

The Manager proactively reviews the Group's capital and debt management and financing policy regularly so as to optimise the Group's funding structure. Capital consists of net assets attributable to unitholders. The Manager also monitors the Group's exposure to various risk elements and externally imposed requirements by closely adhering to clearly established management policies and procedures.

The Manager's objectives are to provide unitholders of the Group with regular and stable distributions and to achieve long-term growth in distribution per Unit and net asset value per Unit, while maintaining an appropriate capital structure.

The Manager will endeavour to employ an appropriate mix of debt and equity in financing acquisitions and asset enhancement and will seek to optimise its cost of debt financing, in order to minimise exposure to market volatility and maximise risk-adjusted returns to unitholders.

The Group is in compliance with all externally imposed capital requirements for the financial years ended 31 December 2023 and 31 December 2024. There were no substantial changes in the Group's approach to capital management during the year.

As at 31 December 2024, the Group's aggregate leverage was 43.4% (2023: 50.0%) with an interest coverage ratio of 2.5 times (2023: 3.1 times).

The aggregate leverage is calculated as gross borrowings divided by total assets. Lease liabilities and right-of-use assets are excluded when deriving gross borrowings and total assets, respectively. The interest coverage ratio is computed based on financial information for the financial years, by dividing 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 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.

The Group has complied with the guidelines prescribed under the Property Fund Guidelines of the Code of Collective Investment Scheme issued by Monetary Authority of Singapore ("CIS Code") during both financial periods.

### Financial risk management

#### Overview

The Group's returns are primarily from net operating income and capital appreciation of its assets. However, these returns are exposed to financial risks including credit, liquidity and interest rate risks.

Financial risk management is integral to the whole business of the Group. The Group adopts an integrated approach to manage the financial risks arising in the normal course of the Group's business to ensure that an appropriate balance between risk and control is achieved. Risk management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

#### Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and notes receivable from a subsidiary.

The carrying amounts of financial assets represent the maximum exposure of the Group and the Trust to credit risk, before taking into account any collateral held. The Group and the Trust do not require any collateral in respect of their financial assets.

# NOTES TO THE FINANCIAL STATEMENTS

## 30. FINANCIAL RISK MANAGEMENT (CONT'D)

### **Trade receivables**

#### *Exposure to credit risk*

While it is necessary to assume a certain level of tenant credit risk to remain competitive in the UK, the Group has established credit limits for tenants and monitors their balances on an ongoing basis. Appropriate risk mitigating actions are in place to manage trade receivables.

Over 99% (2023: 99%) of the Group's revenue is derived from leases to 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).

#### *Expected credit loss assessment*

At 31 December 2024 and 31 December 2023, the Group's trade receivables were not past due.

The Group establishes allowances for impairment that represent its estimates of the ECL and specific loss component in respect of its trade receivables. ECL is estimated taking into consideration past due status of the trade receivables, adjusted as appropriate to reflect current condition and estimates of future economic conditions. Based on the assessment, the impairment allowance on trade receivables is negligible.

### **Other receivables and notes receivable**

The Group assesses on a forward-looking basis the expected credit loss associated with financial assets at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group considers the amount of the allowance on other receivables to be negligible.

During the financial year ended 31 December 2024, the Trust recorded a reversal of impairment loss of £9.1 million (2023: an impairment loss of £9.1 million) on notes receivable from a subsidiary as a result of the decrease in the subsidiary's credit risk due to the improvement in the subsidiary's financial position.

### **Derivatives**

The derivatives were entered into with banks with sound credit ratings.

### **Cash and cash equivalents**

Cash is placed with financial institutions which are regulated.

At the reporting date, the Group held cash and cash equivalents of £6.6 million (2023: £20.8 million). The cash and cash equivalents are held with banks and financial institution counterparties with sound credit ratings.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

### **Intra-group financial guarantees**

As at the reporting date, the Trust has issued a guarantee to certain banks in respect of credit facilities granted to subsidiaries (Note 10). These guarantees are subject to impairment assessment under IFRS 9. The Trust has assessed that the subsidiaries have sufficient financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses from the guarantees. The Trust's assessment is based on qualitative and quantitative factors that are indicative of the risk of default, including an assessment of financial and liquidity positions of the subsidiaries together with their expected economic performance and expected cash flows.

# NOTES TO THE FINANCIAL STATEMENTS

## 30. FINANCIAL RISK MANAGEMENT (CONT'D)

### Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligations.

The Group is cognisant that its loan agreements require compliance with financial covenants for which the key risks that may affect compliance are those relating to interest coverage ratio and loan-to-valuation ratio.

As at 31 December 2023, the Group had contractual commitments to incur capital expenditure on its investment properties (see Note 29).

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount £'000	Contractual cash flows £'000	Within 1 year £'000	After 1 year but within 5 years £'000	More than 5 years £'000
<b>Group</b>					
<b>31 December 2024</b>					
<b>Non-derivative financial liabilities</b>					
Loans and borrowings	(183,334)	(221,911)	(11,105)	(210,806)	–
Lease liabilities	(1,221)	(2,592)	(46)	(183)	(2,363)
Trade and other payables <sup>^</sup>	(1,808)	(1,808)	(1,808)	–	–
	(186,363)	(226,311)	(12,959)	(210,989)	(2,363)
<b>Derivative financial instruments</b>					
Financial derivatives	1,629	4,804	1,748	3,056	–
	(184,734)	(221,507)	(11,211)	(207,933)	(2,363)
<b>31 December 2023</b>					
<b>Non-derivative financial liabilities</b>					
Loans and borrowings	(220,312)	(234,584)	(138,395)	(96,189)	–
Lease liabilities	(1,229)	(2,637)	(46)	(183)	(2,408)
Trade and other payables <sup>^</sup>	(3,472)	(3,472)	(3,472)	–	–
	(225,013)	(240,693)	(141,913)	(96,372)	(2,408)
<b>Derivative financial instruments</b>					
Financial derivatives	483	823	770	53	–
	(224,530)	(239,870)	(141,143)	(96,319)	(2,408)

<sup>^</sup> Excluding VAT payables



# NOTES TO THE FINANCIAL STATEMENTS

## 30. FINANCIAL RISK MANAGEMENT (CONT'D)

### Liquidity risk (cont'd)

	Carrying amount £'000	Contractual cash flows £'000	Within 1 year £'000	After 1 year but within 5 years £'000	More than 5 years £'000
<b>Trust</b>					
<b>31 December 2024</b>					
<b>Non-derivative financial liabilities</b>					
Trade and other payables	(710)	(710)	(710)	–	–
Financial guarantees*	–	(190,463)	(190,463)	–	–
	(710)	(191,173)	(191,173)	–	–
<b>Derivative financial instruments</b>					
Financial derivatives	1,110	1,486	541	945	–
	400	(189,687)	(190,632)	945	–
<b>31 December 2023</b>					
<b>Non-derivative financial liabilities</b>					
Loans and borrowings	(11,165)	(13,042)	(766)	(12,276)	–
Trade and other payables	(650)	(650)	(650)	–	–
Financial guarantees*	–	(83,515)	(83,515)	–	–
	(11,815)	(97,207)	(84,931)	(12,276)	–

\* As at 31 December 2024 and 31 December 2023, the maximum exposure of the Trust in respect of the intragroup financial guarantee (Note 10) based on facilities drawn down by the subsidiaries is £190.5 million (2023: £83.5 million). The Trust does not consider it probable that a claim will be made against the Trust under the intra-group financial guarantee as the assets of the subsidiary are pledged as security for the credit facilities.

### Interest rate risk

The Manager adopts a proactive interest rate management policy to manage the risk associated with changes in interest rates on the Group's loan facilities while also seeking to ensure that the ongoing cost of debt remains competitive.

At the reporting date, the bank loans are subject to floating rates (2023: a mixture of fixed and floating rates). The floating rate loans are contractually repriced at intervals of one to three months (2023: one to six months), or when notified by banks. As at 31 December 2023, the fixed rate borrowings covered a tenor of 5 years and matured in 2024.

As at 31 December 2024, the Group entered into interest rate swaps with a total notional amount of £163.8 million (2023: £77.0 million) whereby the Group agreed with the counterparties to exchange, at specified intervals, the difference between floating rate and fixed rate interest amounts calculated by reference to the agreed notional principal amounts of secured term loans. Under the interest rate swap contracts, the Group receives floating interest on the principal amount and pays fixed interest.

# NOTES TO THE FINANCIAL STATEMENTS

## 30. FINANCIAL RISK MANAGEMENT (CONT'D)

### Exposure to interest rate risk

At the reporting date, the interest rate profile of interest-bearing financial instruments, as reported to the management, was as follows:

	Group		Trust	
	Nominal amount		Nominal amount	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
<b>Fixed rate instruments</b>				
Financial assets	–	–	201,133	201,133
Financial liabilities	–	(62,500)	–	–
Effect of interest rate swaps	(163,775)	(77,000)	(50,000)	–
	(163,775)	(139,500)	151,133	201,133
<b>Variable rate instruments</b>				
Financial liabilities	(190,463)	(158,815)	–	(11,200)
Effect of interest rate swaps	163,775	77,000	50,000	–
	(26,688)	(81,815)	50,000	(11,200)

### Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at FVTPL. The derivatives (interest rate swaps) were, however, dealt with at FVTPL, but not as hedging instruments under any accounting hedges. Therefore, in respect of the fixed rate instruments, a change in interest rates at the reporting date would not affect profit or loss. Only changes in fair value of interest rate swaps affects the profit or loss.

### Cash flow sensitivity analysis for variable rate instruments

A 100 basis point ("bp")\* movement in interest rate at the reporting date would increase/(decrease) profit or loss (before any tax effect) by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

\* 100 basis point is equivalent to 1 percentage point

	2024		2023	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
	£'000	£'000	£'000	£'000
<b>Group</b>				
Variable rate instruments	(1,905)	1,905	(1,588)	1,588
Interest rate swaps	1,638	(1,638)	770	(770)
Cash flow sensitivity (net)	(267)	267	(818)	818
<b>Trust</b>				
Variable rate instruments	–	–	(112)	112
Interest rate swaps	500	(500)	–	–
Cash flow sensitivity (net)	500	(500)	(112)	112

# NOTES TO THE FINANCIAL STATEMENTS

## 30. FINANCIAL RISK MANAGEMENT (CONT'D)

### Accounting classifications and fair values

The carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy set out below. 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 FVTPL £'000	Other financial liabilities £'000	Total carrying amount £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Group</b>								
<b>31 December 2024</b>								
<b>Financial asset measured at fair value</b>								
Financial derivatives	–	1,629	–	1,629	–	1,629	–	1,629
<b>Financial assets not measured at fair value</b>								
Trade and other receivables*	6,909	–	–	6,909				
Cash and cash equivalents	6,626	–	–	6,626				
	<u>13,535</u>	<u>–</u>	<u>–</u>	<u>13,535</u>				
<b>Financial liabilities not measured at fair value</b>								
Trade and other payables^	–	–	(1,808)	(1,808)				
Loans and borrowings	–	–	(183,334)	(183,334)	–	(190,463)	–	(190,463)
	<u>–</u>	<u>–</u>	<u>(185,142)</u>	<u>(185,142)</u>				
<b>31 December 2023</b>								
<b>Financial asset measured at fair value</b>								
Financial derivatives	–	483	–	483	–	483	–	483
<b>Financial assets not measured at fair value</b>								
Trade and other receivables*	2,368	–	–	2,368				
Cash and cash equivalents	20,816	–	–	20,816				
	<u>23,184</u>	<u>–</u>	<u>–</u>	<u>23,184</u>				
<b>Financial liabilities not measured at fair value</b>								
Trade and other payables^	–	–	(3,472)	(3,472)				
Loans and borrowings	–	–	(220,312)	(220,312)	–	(207,993)	–	(207,993)
	<u>–</u>	<u>–</u>	<u>(223,784)</u>	<u>(223,784)</u>				

\* Excluding VAT & GST receivables, prepayments and tax receivables

^ Excluding VAT payables

# NOTES TO THE FINANCIAL STATEMENTS

## 30. FINANCIAL RISK MANAGEMENT (CONT'D)

### Accounting classifications and fair values (cont'd)

	Carrying amount				Fair value			
	Financial assets at amortised cost £'000	At FVTPL £'000	Other financial liabilities £'000	Total carrying amount £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>Trust</b>								
<b>31 December 2024</b>								
<b>Financial asset measured at fair value</b>								
Financial derivatives	–	1,110	–	1,110	–	1,110	–	1,110
<b>Financial assets not measured at fair value</b>								
Notes receivable	201,133	–	–	201,133				
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>				
<b>Financial liabilities not measured at fair value</b>								
Trade and other payables	–	–	(710)	(710)				
	<u>–</u>	<u>–</u>	<u>(710)</u>	<u>(710)</u>				
<b>31 December 2023</b>								
<b>Financial assets not measured at fair value</b>								
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>				
<b>Financial liabilities not measured at fair value</b>								
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 prepayments, tax receivables and VAT & GST receivables

# NOTES TO THE FINANCIAL STATEMENTS

## 30. FINANCIAL RISK MANAGEMENT (CONT'D)

### *Measurement of fair values*

#### *(i) Valuation techniques*

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

Type	Valuation technique and significant unobservable inputs
Loans and borrowings, and Notes receivable	Discounted cash flows: The fair value is based on 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.

## 31. LEASES

### *Leases as lessee*

Some of the investment properties of the Group are under operating leases. The leases run for periods with expiry dates between 2077 and 2086. Lease payments are re-negotiated every five years, and there is an option to renew the leases after the expiry date, for a further term of 26 years.

Information about leases for which the Group are lessees is presented as below:

### *Right-of-use ("ROU") assets*

ROU assets relate to the Group's investment properties and are presented as investment properties.

### *Amounts recognised in statement of comprehensive income*

Interest on lease liabilities of £38,000 (2023: £38,000) was recognised in the statement of comprehensive income during the year.

### *Amounts recognised in statement of cash flows*

	Group	
	2024 £'000	2023 £'000
Payment of lease liabilities	(8)	(7)
Interest expense	(38)	(38)
Total cash outflow for leases	(46)	(45)



# NOTES TO THE FINANCIAL STATEMENTS

## 31. LEASES (CONT'D)

### *Leases as lessor*

The Group leases out its investment properties. The Group has classified these leases as operating leases because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

Rental income from investment properties recognised by the Group during 2024 was £36.5 million (2023: £37.6 million).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date:

	Group	
	2024	2023
	£'000	£'000
Less than one year	37,397	37,352
One to two years	37,348	37,130
Two to three years	37,348	37,130
Three to four years	9,955	37,130
Four to five years	569	9,839
More than five years	1,099	504
	<b>123,716</b>	<b>159,085</b>

## 32. FINANCIAL RATIOS

	2024	2023
Expenses to weighted average net assets <sup>(1)</sup>	1.80%	1.32%
Portfolio turnover ratio <sup>(2)</sup>	–	–

<sup>(1)</sup> The annualised ratios are computed in accordance with the guidelines of the Investment Management Association of Singapore. The expenses used in the computation relate to the expenses of the Group, excluding property expenses, interest expense, foreign exchange gains and losses, Unit issue costs and income tax expense of the Group. There is no performance component in the Manager's management fee during the period.

<sup>(2)</sup> The annualised ratios are computed in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio is based on the lower of the total value of purchases or sales of underlying investment properties of the Group expressed as a percentage of average daily net asset value.

# STATISTICS OF UNITHOLDINGS

AS AT 3 MARCH 2025

## ISSUED AND FULLY PAID UNITS

Issued and Fully Paid-Up Units: 594,193,907 units (voting rights: one vote per unit)

There is only one class of Units in Elite UK REIT.

## DISTRIBUTION OF UNITHOLDINGS

Size of Unitholdings	Number of Unitholders	%	Number of Units	%
1 – 99	38	1.08	1,712	0.00
100 – 1,000	901	25.60	870,263	0.15
1,001 – 10,000	1,796	51.02	6,348,178	1.07
10,001 – 1,000,000	762	21.65	43,436,109	7.31
1,000,001 and above	23	0.65	543,537,645	91.47
<b>Total</b>	<b>3,520</b>	<b>100.00</b>	<b>594,193,907</b>	<b>100.00</b>

## TWENTY LARGEST UNITHOLDERS

No.	Name of Unitholders	Number of Units	%
1.	CITIBANK NOMINEES SINGAPORE PTE LTD	137,056,233	23.07
2.	DBSN SERVICES PTE. LTD.	135,836,683	22.86
3.	DBS NOMINEES (PRIVATE) LIMITED	83,437,038	14.04
4.	DB NOMINEES (SINGAPORE) PTE LTD	47,284,238	7.96
5.	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	35,914,731	6.04
6.	SUNWAY RE CAPITAL PTE LTD	34,285,892	5.77
7.	OCBC SECURITIES PRIVATE LIMITED	9,741,869	1.64
8.	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	6,835,299	1.15
9.	HSBC (SINGAPORE) NOMINEES PTE LTD	6,693,279	1.13
10.	PHILLIP SECURITIES PTE LTD	5,960,549	1.00
11.	ABN AMRO CLEARING BANK N.V.	5,776,097	0.97
12.	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	5,349,352	0.90
13.	UOB KAY HIAN PRIVATE LIMITED	5,190,711	0.87
14.	RAFFLES NOMINEES (PTE.) LIMITED	5,077,282	0.85
15.	NG POH CHENG	2,978,458	0.50
16.	MAYBANK SECURITIES PTE. LTD.	2,781,840	0.47
17.	BPSS NOMINEES SINGAPORE (PTE.) LTD.	2,695,644	0.45
18.	CHIN PHAK LIN	2,597,063	0.44
19.	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	2,500,086	0.42
20.	IFAST FINANCIAL PTE. LTD.	2,243,602	0.38
<b>Total</b>		<b>540,235,946</b>	<b>90.91</b>

# STATISTICS OF UNITHOLDINGS

AS AT 3 MARCH 2025

## SUBSTANTIAL UNITHOLDERS' UNITHOLDINGS AS AT 3 MARCH 2025

(As recorded in the Register of Substantial Unitholders' Unitholdings)

Name of Substantial Unitholders	No. of Units Direct Interest	No. of Units Deemed Interest
Ho Lee Group Trust	44,729,446	-
Tan Hai Peng Micheal	183,361	55,353,843 <sup>(1)</sup>
Tan Hai Seng Benjamin	-	55,078,750 <sup>(2)</sup>
Tan Yong Hiang Priscilla	-	44,729,446 <sup>(3)</sup>
Seow Whye Pheng	-	44,729,446 <sup>(3)</sup>
Seow Hywe Min	-	44,729,446 <sup>(3)</sup>
Seow Whye Teck	-	44,729,446 <sup>(3)</sup>
Seow Hwey Tiong	-	44,729,446 <sup>(3)</sup>
Sunway RE Capital Pte. Ltd.	69,168,696	-
Sunway City Sdn. Bhd.	-	69,168,696 <sup>(4)</sup>
Sunway Berhad	-	69,168,696 <sup>(4)</sup>
Sungei Way Corporation Sdn. Bhd.	-	69,168,696 <sup>(4)</sup>
Active Equity Sdn. Bhd.	-	69,168,696 <sup>(4)</sup>
Tan Sri Sir Dr Jeffrey Cheah Fook Ling	-	69,168,696 <sup>(4)</sup>
Partner Reinsurance Asia Pte. Ltd.	34,813,235	-
Partner Reinsurance Company Ltd.	46,614,861	-
Partner Reinsurance Europe SE	50,988,000	-
PartnerRe Holdings SA	-	50,988,000 <sup>(5)</sup>
PartnerRe Holdings Europe Limited	-	50,988,000 <sup>(5)</sup>
PartnerRe Ltd.	-	132,416,096 <sup>(5)</sup>
Cov�a Cooperations S.A.	-	132,416,096 <sup>(6)</sup>
Cov�a	-	132,416,096 <sup>(6)</sup>
MMA IARD Assurances Mutuelles	-	132,416,096 <sup>(6)</sup>
MMA Vie Assurances Mutuelles	-	132,416,096 <sup>(6)</sup>
AM-GMF	-	132,416,096 <sup>(6)</sup>
MAAF Assurances	-	132,416,096 <sup>(6)</sup>
MAAF Sant�	-	132,416,096 <sup>(6)</sup>

### Notes:

- (1) Tan Hai Peng Micheal ("Micheal") holds 46.62% of the share capital of Teck Lee Holdings Pte. Ltd. ("TLH"). TLH holds 82.48% of the share capital of Ho Lee Group Pte. Ltd. ("HLG"). HLG holds 50% of the share capital of Elite Partners Holdings Pte. Ltd. ("EPH"), which holds 6,518,495 Units in Elite UK REIT. EPH holds 68% of the share capital of Elite UK REIT Management Pte. Ltd. (the "Manager"), which holds 3,830,809 Units in Elite UK REIT. Therefore, Micheal is deemed to be interested in 10,349,304 Units held by EPH and the Manager.

Ho Lee Group Trust ("HLGT") holds 44,729,446 Units. Micheal is a beneficiary of HLGT, and therefore is deemed to be interested in the 44,729,446 Units held by HLGT.

Micheal is also deemed interested in the 275,093 Units held by his wife, Kan Phui Lin.

- (2) Mr Tan Hai Seng Benjamin holds 46.62% of the share capital of TLH. TLH holds 82.48% of the share capital of HLG. HLG holds 50% of the share capital of EPH, which holds 6,518,495 Units in Elite UK REIT. EPH holds 68% of the share capital of the Manager, which holds 3,830,809 Units in Elite UK REIT. Therefore, Tan Hai Seng Benjamin is deemed to be interested in 10,349,304 Units held by EPH and the Manager.

HLGT holds 44,729,446 Units. Tan Hai Seng Benjamin is deemed to be interested in the 44,729,446 Units held by HLGT.

- (3) Tan Yong Hiang Priscilla, Seow Whye Pheng, Seow Hwey Min, Seow Whye Teck and Seow Hwey Tiong are beneficiaries of HLGT. Accordingly, each of Tan Yong Hiang Priscilla, Seow Whye Pheng, Seow Hwey Min, Seow Whye Teck and Seow Hwey Tiong are deemed to be interested in the Units held by HLGT.

- (4) Sunway RE Capital Pte. Ltd. ("Sunway RE") is 100% owned by Sunway City Sdn. Bhd. ("SCSB"). SCSB is 100% owned by Sunway Berhad. Sungei Way Corporation Sdn. Bhd. ("SWCSB") holds 45.52% interest in Sunway Berhad. SWCSB is 100% owned by Active Equity Sdn. Bhd. ("AESB"). Tan Sri Sir Dr Jeffrey Cheah Fook Ling holds 60% interest in AESB.

SCSB, Sunway Berhad, SWCSB, AESB and Tan Sri Sir Dr Jeffrey Cheah Fook Ling are therefore deemed interested in the Units held by Sunway RE by virtue of Section 4 of the Securities and Futures Act 2001 of Singapore.

- (5) Partner Reinsurance Company Ltd. ("PRCL") and Partner Reinsurance Asia Pte. Ltd. ("PRA") hold 46,614,861 and 34,813,235 units in the REIT respectively. PRCL and PRA are wholly-owned subsidiaries of PartnerRe Ltd. ("PR").

Partner Reinsurance Europe SE is wholly owned by PartnerRe Holdings SA ("PRH"). PRH is wholly owned by PartnerRe Holdings Europe Limited ("PRHE"). PRHE is wholly owned by PR.

# STATISTICS OF UNITHOLDINGS

AS AT 3 MARCH 2025

(6) Covéa Cooperations S.A. ("Covéa Cooperations") owns 100% PR. Covéa is the ultimate holding company of Covéa Cooperations through the following entities:

- (a) MMA IARD Assurances Mutuelles holds 21.528% of the voting rights of Covéa Coopérations and, together with MMA Vie Assurances Mutuelles (with which it acts in concert), holds 33.3% of the voting rights of Covéa Coopérations.
- (b) MMA Vie Assurances Mutuelles holds 11.805% of the voting rights of Covéa Coopérations and, together with MMA IARD Assurances Mutuelles (with which it acts in concert), holds 33.3% of the voting rights of Covéa Coopérations.
- (c) AM-GMF holds 33.3% of the voting rights of Covéa Coopérations.
- (d) MAAF Santé holds 0.173% of the voting rights of Covéa Coopérations and, together with MAAF Assurances (with which it acts in concert), holds 33.3% of the voting rights of Covéa Coopérations.
- (e) MAAF Assurances holds 33.161% of the voting rights of Covéa Coopérations and, together with MAAF Santé (with which it acts in concert), holds 33.3% of the voting rights of Covéa Coopérations.

## UNITHOLDINGS OF DIRECTORS OF THE MANAGER AS AT 21 JANUARY 2025

(As recorded in the Register of Directors' Unitholdings)

Name of Directors	No. of Units Direct Interest	No. of Units Deemed Interest
David Lim Teck Leong	770,566	-
Tan Hai Peng Micheal	183,361	55,353,843 <sup>(1)</sup>
Victor Song Chern Chean	-	10,349,304 <sup>(2)</sup>
Tan Dah Ching	43,181	1,112,371 <sup>(3)</sup>
Yezdi Phiroze Chinoy	32,043	-
Tan Chin Hwee	954,009	150,000 <sup>(4)</sup>
Nicholas David Ashmore	-	-
Koo Tsai Kee	-	-
Datin Paduka Sarena Cheah	-	-

### Notes:

(1) Tan Hai Peng Micheal ("Micheal") holds 46.62% of the share capital of Teck Lee Holdings Pte. Ltd. ("TLH"). TLH holds 82.48% of the share capital of Ho Lee Group Pte. Ltd. ("HLG"). HLG holds 50% of the share capital of Elite Partners Holdings Pte. Ltd. ("EPH"), which holds 6,518,495 Units in Elite UK REIT. EPH holds 68% of the share capital of Elite UK REIT Management Pte. Ltd. (the "Manager"), which holds 3,830,809 Units in Elite UK REIT. Therefore, Micheal is deemed to be interested in 10,349,304 Units held by EPH and the Manager.

Ho Lee Group Trust ("HLGT") holds 44,729,446 Units. Micheal is a beneficiary of HLGT, and therefore is deemed to be interested in the 44,729,446 Units held by HLGT.

Micheal is also deemed interested in the 275,093 Units held by his wife, Kan Phui Lin.

(2) Victor Song Chern Chean holds 22.5% of the share capital of EPH, which holds 6,518,495 Units in Elite UK REIT. EPH holds 68% of the share capital of the Manager, which holds 3,830,809 Units in Elite UK REIT. Therefore, Victor Song Chern Chean is deemed to be interested in 10,349,304 Units held by EPH and the Manager.

(3) Tan Dah Ching holds 50% of the share capital of Jin Leng Investments Pte. Ltd. ("JLI"), which holds 1,112,371 Units in Elite UK REIT. Therefore, Tan Dah Ching is deemed to be interested in 1,112,371 Units held by JLI.

(4) Mr Tan Chin Hwee is deemed to be interested in 150,000 units held via a nominee.

## FREE FLOAT

*Disclosure pursuant to Rule 1207(9)(e) of the SGX-ST Listing Manual*

Based on information available to the Manager as at 3 March 2025, approximately 56.2% of the Units in Elite UK REIT are held in public hands. Accordingly, Rule 723 of the SGX-ST Listing Manual has been complied with.

# NOTICE OF ANNUAL GENERAL MEETING

## ELITE UK REIT

(a real estate investment trust constituted on 7 June 2018 under the laws of the Republic of Singapore)  
(Managed by Elite UK REIT Management Pte. Ltd.)

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting ("**AGM**" or "**Meeting**") of the holders of units of Elite UK REIT (the "**Unitholders**") will be convened and held in a **wholly physical format** at Mochtar Riady Auditorium, Level 5, SMU Administration Building, 81 Victoria Street, Singapore 188065 on **Wednesday, 30 April 2025 at 10.00 a.m. (Singapore time)** to transact the following business:

### (A) AS ORDINARY BUSINESS

- |    |  |                                |
|----|--|--------------------------------|
| 1. | To receive and adopt the Report of Perpetual (Asia) Limited, as trustee of Elite UK REIT (the " <b>Trustee</b> "), the Statement by Elite UK REIT Management Pte. Ltd., as manager of Elite UK REIT (the " <b>Manager</b> ") and the Audited Financial Statements of Elite UK REIT for the financial year ended 31 December 2024 together with the Auditors' Report thereon. | <b>(Ordinary Resolution 1)</b> |
| 2. | To re-appoint KPMG LLP as External Auditor of Elite UK REIT and to hold office until the conclusion of the next AGM of Elite UK REIT and to authorise the Manager to fix their remuneration.   | <b>(Ordinary Resolution 2)</b> |

### (B) AS SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without any modifications, the following resolutions as Ordinary Resolutions:

- |    |   |                                |
|----|---|--------------------------------|
| 3. | <b>General Mandate for the Issue of New Units and/or Convertible Securities</b> | <b>(Ordinary Resolution 3)</b> |
|----|---|--------------------------------|

That authority be given to the Manager to:

- |     |  |
|-----|--|
| (a) | <p>(i) issue units in Elite UK REIT ("<b>Units</b>") whether by way of rights, bonus or otherwise; and/or</p> <p>(ii) make or grant offers, agreements or options (collectively, "<b>Instruments</b>") that might or would require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) securities, options, warrants, debentures or other instruments convertible into Units,</p> <p>at any time and upon such terms and conditions and for such purposes and to such persons as the Manager may in its absolute discretion deem fit; and</p> |
| (b) | issue Units in pursuance of any Instrument made or granted by the Manager while this Resolution was in force (notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time such Units are issued),   |

provided that:

- |     |  |     |   |     |  |
|-----|--|-----|---|-----|--|
| (1) | the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) shall not exceed fifty per cent (50.0%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Units to be issued other than on a <i>pro rata</i> basis to existing Unitholders (including Units to be issued in pursuance of Instruments to be made or granted pursuant to this Resolution) shall not exceed twenty per cent (20.0%) of the total number of issued Units (excluding treasury Units, if any) (as calculated in accordance with sub-paragraph (2) below);  |     |   |     |  |
| (2) | subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (the " <b>SGX-ST</b> "), for the purpose of determining the aggregate number of Units and Instruments that may be issued under sub-paragraph (1) above, the total number of issued Units and Instruments shall be based on the total number of issued Units (excluding treasury Units, if any) at the time of the passing of this Resolution, after adjusting for: <table border="0" style="margin-left: 20px;"> <tr> <td style="vertical-align: top;">(a)</td> <td>any new Units arising from the conversion or exercise of the Instruments; and</td> </tr> <tr> <td style="vertical-align: top;">(b)</td> <td>any subsequent bonus issue, consolidation or subdivision of Units;</td> </tr> </table> | (a) | any new Units arising from the conversion or exercise of the Instruments; and | (b) | any subsequent bonus issue, consolidation or subdivision of Units; |
| (a) | any new Units arising from the conversion or exercise of the Instruments; and  |     |   |     |  |
| (b) | any subsequent bonus issue, consolidation or subdivision of Units;   |     |   |     |  |



# NOTICE OF ANNUAL GENERAL MEETING

- (3) in exercising the authority conferred by this Resolution, the Manager shall comply with the provisions of the Listing Manual of the SGX-ST (the "**Listing Manual**") for the time being in force (unless such compliance has been waived by the SGX-ST) and the Trust Deed constituting Elite UK REIT (as amended) ("**Trust Deed**") for the time being in force (unless otherwise exempted or waived by the Monetary Authority of Singapore);
- (4) unless revoked or varied by Unitholders in a general meeting of Elite UK REIT, the authority conferred by this Resolution shall continue in force (i) until (a) the conclusion of the next AGM of Elite UK REIT or (b) the date by which the next AGM of Elite UK REIT is required by the applicable laws and regulations or the Trust Deed to be held, whichever is earlier or (ii) in the case of Units to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such Units in accordance with the terms of the Instruments;
- (5) where the terms of the issue of the Instruments provide for adjustment to the number of Instruments or Units into which the Instruments may be converted in the event of rights, bonus or other capitalisation issues or any other events, the Manager is authorised to issue additional Instruments or Units pursuant to such adjustment notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time the Instruments or Units are issued; and
- (6) the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager or, as the case may be, the Trustee may consider expedient or necessary or in the interest of Elite UK REIT to give effect to the authority conferred by this Resolution.

(Please see Explanatory Notes)

## 4. Unit Buy-Back Mandate

**(Ordinary Resolution 4)**

That:

- (a) the exercise of all the powers of the Manager to repurchase issued Units for and on behalf of Elite UK REIT not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Manager from time to time up to the Maximum Price (as hereafter defined), whether by way of:
  - (i) market repurchase(s) on the SGX-ST and/or, as the case may be, such other stock exchange for the time being on which the Units may be listed and quoted; and/or
  - (ii) off-market repurchase(s) (which are not market repurchase(s)) in accordance with any equal access scheme(s) as may be determined or formulated by the Manager as it considers fit in accordance with the Trust Deed,

and otherwise in accordance with all the applicable laws and regulations, including but not limited to the Trust Deed and the Listing Manual as may for the time be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Unit Buy-Back Mandate**");

- (b) (unless revoked or varied by the Unitholders in a general meeting) the authority conferred on the Manager pursuant to the Unit Buy-Back Mandate may be exercised by the Manager at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
  - (i) the date on which the next annual general meeting of Elite UK REIT is held;
  - (ii) the date by which the next annual general meeting of Elite UK REIT is required by applicable laws and regulations or the provisions of the Trust Deed to be held; or
  - (iii) the date on which repurchases of Units by the Manager pursuant to the Unit Buy-Back Mandate are carried out to the full extent mandated;

# NOTICE OF ANNUAL GENERAL MEETING

(c) in this Resolution:

**“Average Closing Price”** means the average of the closing market prices of the Units over the last five Market Days, on which transactions in the Units were recorded, immediately preceding the date of the market repurchase or, as the case may be, the date of the making of the offer pursuant to the off-market repurchase, and deemed to be adjusted for any corporate action that occurs during the relevant five Market Days and on the date of the market repurchase;

**“date of the making of the offer”** means the date on which the Manager makes an offer for an off-market repurchase, stating therein the repurchase price (which shall not be more than the Maximum Price for an off-market repurchase) for each Unit and the relevant terms of the equal access scheme for effecting the off-market repurchase;

**“Market Day”** means a day on which the SGX-ST and/or, as the case may be, such other stock exchange for the time being on which the Units may be listed and quoted, is open for trading in securities;

**“Maximum Limit”** means the number of Units representing 10.0% of the total number of issued Units as at the date of the passing of this Resolution; and

**“Maximum Price”** in relation to a Unit to be repurchased, means the repurchase price (excluding brokerage, stamp duty, commission, applicable goods and services tax and other related expenses) which shall not exceed 105.0% of the Average Closing Price of the Units for both a market repurchase and an off-market repurchase;

(d) the Manager and the Trustee be and are hereby severally authorised to complete and do all such acts and things (including executing all such documents as may be required) as the Manager, such Director or, as the case may be, the Trustee may consider expedient or necessary or in the interests of Elite UK REIT to give effect to the transactions contemplated and/or authorised by this Resolution.

(Please see Explanatory Notes)

BY ORDER OF THE BOARD OF DIRECTORS

**ELITE UK REIT MANAGEMENT PTE. LTD.**

(as manager of Elite UK REIT)

(Company Registration No. 201925309R)

Josephine Toh

Company Secretary

1 April 2025

# NOTICE OF ANNUAL GENERAL MEETING

## Explanatory Notes:

### Ordinary Resolution 3

The Ordinary Resolution 3 above, if passed, will empower the Manager from the date of this AGM until (i) the conclusion of the next AGM of the Unitholders of Elite UK REIT, or (ii) the date by which the next AGM of the Unitholders of Elite UK REIT is required by the applicable laws and regulations or the Trust Deed to be held, or (iii) such authority is varied or revoked by the Unitholders in a general meeting, whichever is the earliest, to issue Units, make or grant Instruments and to issue Units pursuant to such Instruments, up to a number not exceeding, in total, fifty per cent (50.0%) of the total number of issued Units (excluding treasury Units, if any), with a sub-limit of twenty per cent (20.0%) for issues other than on a *pro rata* basis to Unitholders.

For the purpose of determining the aggregate number of Units that may be issued, the total number of issued Units will be calculated based on the total number of issued Units (excluding treasury Units, if any) at the time this Ordinary Resolution 3 is passed, after adjusting for new Units arising from the conversion and any subsequent bonus issue, consolidation or subdivision of Units.

### Ordinary Resolution 4

Ordinary Resolution 4, if passed, will empower the Manager from the date of the AGM of Elite UK REIT until (i) the date on which the next annual general meeting of Elite UK REIT is held, (ii) the date by which the next annual general meeting of Elite UK REIT is required by applicable laws and regulations or the provisions of the Trust Deed to be held, or (iii) the date on which the repurchases of Units pursuant to the Unit Buy-Back Mandate are carried out to the full extent mandated, whichever is the earliest, to exercise all the powers to repurchase issued Units for and on behalf of Elite UK REIT not exceeding in aggregate 10.0% of the total number of Units as at the date of the passing of Ordinary Resolution 4, whether by way of market repurchase(s) or off-market repurchase(s), on the terms of the Unit Buy-Back Mandate set out in the Letter to Unitholders dated 1 April 2025 (in relation to the proposed Unit Buy-Back Mandate), unless such authority is revoked or varied by the Unitholders in a general meeting.

## Important Notice:

1. A Unitholder who is not a relevant intermediary (as defined in paragraph 2 below) and entitled to attend and vote at the AGM is entitled to appoint one or two proxies to attend and vote in his/her/its stead. A proxy need not be a Unitholder. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she/it specifies the proportion of his/her/its unitholding (expressed as a percentage of the whole) to be represented by each proxy.

Completion and return of the instrument appointing a proxy(ies) (the “**Proxy Form**”) by a Unitholder will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the Unitholder attends the AGM in person and, in such event, the Manager reserves the right to refuse to admit any person or persons appointed under the relevant Proxy Form to the AGM.

2. A Unitholder who is a relevant intermediary and entitled to attend and vote at the AGM is entitled to appoint more than two proxies to attend and vote instead of the Unitholder, but each proxy must be appointed to exercise the rights attached to a different Unit or Units held by such Unitholder. Where such Unitholder appoints more than one proxy, the appointments shall be invalid unless the Unitholder specifies the number of Units in relation to which each proxy has been appointed in the Proxy Form.

“**Relevant intermediary**” means:

- (i) a banking corporation licensed under the Banking Act 1970 or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity; or
  - (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds Units in that capacity.
3. The AGM will be held in a wholly physical format at Mochtar Riady Auditorium, Level 5, SMU Administration Building, 81 Victoria Street, Singapore 188065 on **Wednesday, 30 April 2025 at 10.00 a.m. (Singapore time)**. **There will be no option to participate virtually.**

Printed copies of this Notice of AGM dated 1 April 2025 (the “**Notice of AGM**”) and the Proxy Form will be sent

# NOTICE OF ANNUAL GENERAL MEETING

to Unitholders. This Notice of AGM and Proxy Form will also be made available on Elite UK REIT's website at the URL [https://investor.eliteukreit.com/agm\\_egm.html](https://investor.eliteukreit.com/agm_egm.html) and on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.

## 4. Arrangements for conduct of the AGM

Arrangements relating to the conduct of the AGM, including:

- (a) attending the AGM in person;
- (b) submitting questions related to the resolutions to be tabled for approval at the AGM, in advance of, or at, the AGM itself; and/or
- (c) voting at the AGM by the Unitholder (a) in person or (b) by his/her/its duly appointed proxy(ies),

are set out in this Notice of AGM. Any reference to a time of day is made by reference to Singapore time.

Unitholders, including Supplementary Retirement Scheme ("SRS") investors, or, where applicable, their appointed proxy(ies) who will be attending the AGM in person should bring along their NRIC/passport so as to enable the verification of their identity on the day of the AGM. Registration will commence at **9.30 a.m. (Singapore time) on Wednesday, 30 April 2025**.

## 5. Question and answer and AGM minutes

Unitholders, including SRS investors, or, where applicable, their appointed proxy(ies) can submit questions related to the resolutions to be tabled for approval at the AGM to the Chairman of the AGM, at the AGM.

Unitholders, including SRS investors, may also submit questions related to the resolutions to be tabled for approval at the AGM, in advance of the AGM. To do so, all questions must be submitted in the following manner by **15 April 2025**:

- (a) if submitted by post, be deposited at the office of the Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
- (b) if submitted electronically, via email to the Manager at [EliteREIT@boardroomlimited.com](mailto:EliteREIT@boardroomlimited.com)

Unitholders, including SRS investors, who submit questions by post to the Unit Registrar or via email to the Manager must provide the following information:

- (1) the Unitholder's full name;
- (2) the Unitholder's address; and
- (3) the manner in which the Unitholder holds Units (e.g., via CDP or SRS).

Unitholders are strongly encouraged to submit their questions via email.

The Manager will endeavour to address all substantial and relevant questions received by it in the manner set out above by publishing the responses to such questions on Elite UK REIT's website at the URL [https://investor.eliteukreit.com/agm\\_egm.html](https://investor.eliteukreit.com/agm_egm.html) and on SGXNET at the URL <https://www.sgx.com/securities/company-announcements> prior to the AGM by **25 April 2025**.

Any subsequent clarifications sought, or substantial and relevant follow-up questions (which are related to the resolutions to be tabled for approval at the AGM) received after the 15 April 2025 submission deadline which have not already been addressed prior to the AGM, as well as those substantial and relevant questions received at the AGM itself, will be addressed during the AGM. Where substantially similar questions are received, the Manager will consolidate such questions and consequently, not all questions may be individually addressed.

The Manager will publish the minutes of the AGM on Elite UK REIT's website and on SGXNET within one month from the date of the AGM, and the minutes will include the responses to the substantial and relevant questions received from Unitholders which are addressed during the AGM.

# NOTICE OF ANNUAL GENERAL MEETING

## 6. Voting, or appointing proxy(ies) to vote, at the AGM

A Unitholder who wishes to exercise his/her/its voting rights at the AGM may: (a) vote at the AGM in person or (b) appoint proxy(ies) to vote on his/her/its behalf at the AGM. Upon their registration at the AGM venue, Unitholders will be provided with a handheld device for electronic voting at the AGM.

A Unitholder who wishes to submit a Proxy Form must complete the accompanying Proxy Form, before submitting it in the manner set out below. Printed copies of the Proxy Form will be sent to Unitholders. The Proxy Form may also be accessed at Elite UK REIT's website at the URL [https://investor.eliteukreit.com/agm\\_egm.html](https://investor.eliteukreit.com/agm_egm.html), and will also be made available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.

Where a Unitholder appoints proxy(ies), he/she/it may give specific instructions as to voting, or abstentions from voting, in respect of the resolutions in the Proxy Form, failing which the proxy(ies) will vote or abstain from voting at his/her/their discretion, as he/she/they may on any other matter arising at the AGM.

## 7. The Proxy Form must be submitted to the Manager c/o Elite UK REIT's Unit Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., in the following manner:

- (a) if submitted by post, by completing and signing the Proxy Form, and lodging the same at the Unit Registrar's office at Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
- (b) if submitted electronically, by completing and signing the Proxy Form, and attaching and sending a clear PDF copy of the same via email to the Unit Registrar at [EliteREIT@boardroomlimited.com](mailto:EliteREIT@boardroomlimited.com),

in either case, by **10.00 a.m. (Singapore time) on Sunday, 27 April 2025**, being 72 hours before the time fixed for holding the AGM.

## 8. Relevant intermediaries

Persons who hold Units through relevant intermediaries, other than SRS investors, and who wish to participate in the AGM should contact the relevant intermediary through which they hold such Units as soon as possible. Persons who hold Units through relevant intermediaries, other than SRS investors, may (i) vote at the AGM if they are appointed as proxies by their respective relevant intermediaries; or (ii) specify their voting instructions to their respective relevant intermediaries / arrange for their votes to be submitted with their respective relevant intermediaries, and should contact their respective relevant intermediaries as soon as possible in order for the necessary arrangements to be made.

In addition, SRS investors may (a) vote at the AGM if they are appointed as proxies by their respective SRS Operators, and should contact their respective SRS Operators if they have any queries regarding their appointment as proxies; or (b) specify their voting instructions to their respective SRS Operators / arrange for their votes to be submitted with their respective SRS Operators, and should approach their respective SRS Operators by **10.00 a.m. (Singapore time) on Thursday, 17 April 2025**, being at least seven working days before the date of the AGM, to ensure their votes are submitted.

## 9. The Annual Report and the Letter to Unitholders dated 1 April 2025 (in relation to the proposed Unit Buy-Back Mandate) (the "UBB Letter") have been uploaded on SGXNET on 1 April 2025 at the URL <https://www.sgx.com/securities/company-announcements> and may be accessed at Elite UK REIT's website at the URL [https://investor.eliteukreit.com/agm\\_egm.html](https://investor.eliteukreit.com/agm_egm.html). Printed copies of the Annual Report and the UBB Letter will not be sent to Unitholders unless requested for by a Unitholder through (i) submitting a request form that has been sent by post to Unitholders, or (ii) via email to Elite UK REIT's Unit Registrar at [EliteREIT@boardroomlimited.com](mailto:EliteREIT@boardroomlimited.com) by **15 April 2025**.

A printed copy of the Annual Report and/or UBB Letter will then be sent to the address specified by the Unitholder at his/her/its own risk.

## 10. Important reminder:

Unitholders should check Elite UK REIT's website at the URL [https://investor.eliteukreit.com/agm\\_egm.html](https://investor.eliteukreit.com/agm_egm.html) and SGXNET at the URL <https://www.sgx.com/securities/companyannouncements> for the latest updates on the status of the AGM.



# NOTICE OF ANNUAL GENERAL MEETING

## Personal Data Privacy:

By either (a) attending the AGM or (b) submitting a Proxy Form to attend, speak and vote at the AGM and/or any adjournment thereof; and/or (c) submitting any question in advance of, or at, the AGM, a Unitholder:

- (i) consents to the collection, use and disclosure of the Unitholder's personal data by Elite UK REIT, the Manager and the Trustee (or their respective agents or service providers) for the following purposes:
  - (1) the processing, administration and analysis by Elite UK REIT, the Manager and the Trustee (or their respective agents or service providers) of instruments appointing proxy(ies) for the AGM (including any adjournment thereof);
  - (2) the addressing of questions received from Unitholders in advance of or at the AGM and, if necessary, the following up with the relevant Unitholders in relation to such questions;
  - (3) the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof); and
  - (4) in order for Elite UK REIT, the Manager and the Trustee (or their respective agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines,
 (collectively, the "**Purposes**");
- (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies) and/or representative(s) to Elite UK REIT, the Manager and the Trustee (or their respective agents or service providers), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by Elite UK REIT, the Manager and the Trustee (or their respective agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes;
- (iii) agrees to provide the Manager and the Trustee with written evidence of such prior consent upon reasonable request;
- (iv) agrees that the Unitholder will indemnify Elite UK REIT, the Manager and the Trustee in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty; and
- (v) agrees and consents to such photographic, sound and/or video recordings of the AGM as may be made by Elite UK REIT, the Manager and the Trustee (or their respective agents or service providers) for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of the Unitholder (such as his/her name, his/her presence at the AGM and any questions he/she may raise or motions he/she may propose/second) may be recorded by Elite UK REIT, the Manager and the Trustee (or their respective agents or service providers) for such purpose.

# PROXY FORM

## ANNUAL GENERAL MEETING

(Please see notes overleaf before completing this Form)

### ELITE UK REIT

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

#### Note

This instrument appointing proxy(ies) ("**Proxy Form**") has been made available on SGXNET at the URL <https://www.sgx.com/securities/company-announcements> and may be accessed at Elite UK REIT's website at the URL [https://investor.eliteukreit.com/aggm\\_egm.html](https://investor.eliteukreit.com/aggm_egm.html). Printed copies of this Proxy Form will be sent to unitholders of Elite UK REIT ("**Unitholders**").

#### Personal data privacy

By submitting a Proxy Form, Unitholders accept and agree to the personal data privacy terms set out in the Notice of Annual General Meeting dated 1 April 2025 ("**Notice of AGM**").

#### IMPORTANT

- The Annual General Meeting ("**AGM**") will be held in a wholly physical format at Mochtar Riady Auditorium, Level 5, SMU Administration Building, 81 Victoria Street, Singapore 188065. **There will be no option for Unitholders to participate virtually.** The Notice of AGM and the Proxy Form will be available through electronic means via publication on Elite UK REIT's website at the URL [https://investor.eliteukreit.com/aggm\\_egm.html](https://investor.eliteukreit.com/aggm_egm.html) and on the SGX-ST's website at the URL <https://www.sgx.com/securities/company-announcements>. Printed copies of the Notice of AGM and the Proxy Form will be sent to Unitholders. However, printed copies of the Annual Report 2024 will **not** be sent to Unitholders. Any Unitholder who wishes to receive printed copies of the Annual Report 2024 should submit his/her/its request via the request form or via email to the Unit Registrar by 15 April 2025. **Please refer to the Notice of AGM for details of the arrangements relating to the conduct of the AGM.**
- This Proxy Form is for use by Unitholders wishing to appoint a proxy(ies) for the AGM. Please read the notes overleaf which contain instructions on, inter alia, the appointment of a proxy(ies).
- This Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by investors holding Units through a relevant intermediary and SRS investors who hold Units through SRS Operators. Unitholders holding Units through relevant intermediaries who wish to participate / vote in the AGM should contact their respective relevant intermediary as soon as possible in order for the necessary arrangements to be made for their participation in the AGM. SRS investors (a) may vote at the AGM if they are appointed as proxies by their respective SRS Operators, and should contact their respective SRS Operators as soon as practicable if they have any queries regarding their appointment as proxies; or (b) may specify their voting instructions to their respective SRS Operators / arrange for their votes to be submitted with their respective SRS Operators, and should approach their respective SRS Operators by **10.00 a.m. (Singapore time) on Thursday, 17 April 2025**, being seven (7) working days before the date of the AGM, to ensure their votes are submitted.
- Capitalised terms not otherwise defined herein shall have the meanings ascribed to them in the Notice of AGM.

I/We \_\_\_\_\_ (Name)

\_\_\_\_\_ (NRIC/Passport No./Company's Registration No.)

of \_\_\_\_\_ (Address)

being a Unitholder/Unitholders of Elite UK REIT, hereby appoint the following person(s):

Name	NRIC/Passport No.	Email Address	Proportion of Unitholdings	
			No. of Units	%
Address				

\* and/or

Name	NRIC/Passport No.	Email Address	Proportion of Unitholdings	
			No. of Units	%
Address				

or, both of whom failing, the **Chairman of the AGM**, as \*my/our \*proxy/proxies to attend, speak and vote for \*me/us on \*my/our behalf at the AGM of Elite UK REIT to be held in a wholly physical format at Mochtar Riady Auditorium, Level 5, SMU Administration Building, 81 Victoria Street, Singapore 188065, on **Wednesday, 30 April 2025 at 10.00 a.m. (Singapore time)** and at any adjournment thereof.

\*I/We direct \*my/our \*proxy/proxies to vote for or against, or abstain from voting on, the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, or in the event of any other matter arising at the AGM and at any adjournment thereof, \*my/our \*proxy/proxies will vote or abstain from voting at \*his/her/their discretion.

No.	Ordinary Resolutions	For**	Against**	Abstain**
<b>ORDINARY BUSINESS</b>				
1.	To receive and adopt the Report of the Trustee, the Statement by the Manager, and the Audited Financial Statements of Elite UK REIT for the financial year ended 31 December 2024 together with the Auditors' Report thereon.			
2.	To re-appoint KPMG LLP as External Auditor of Elite UK REIT and to hold office until the conclusion of the next AGM of Elite UK REIT and to authorise the Manager to fix their remuneration.			
<b>SPECIAL BUSINESS</b>				
3.	To authorise the Manager to issue new Units and to make or grant convertible instruments.			
4.	To approve the Unit Buy-Back Mandate.			

\* Delete where inapplicable

\*\* Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" the resolutions, please tick (✓) within the "For" or "Against" box provided. Alternatively, if you wish to exercise your votes both "For" and "Against" the resolutions, please indicate the number of votes "For" or "Against" in the relevant boxes provided. If you wish your proxy(ies) to abstain from voting on the resolutions, please tick (✓) within the "Abstain" box provided. Alternatively, please indicate the number of Units that your proxy(ies) is directed to vote "For" or "Against", or "Abstain" in the relevant boxes provided.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

Signature(s) of Unitholder(s)/Common Seal of Corporate Unitholder

**IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM ON REVERSE PAGE**

**TOTAL NUMBER OF UNITS HELD**

--

Glue all sides firmly. Stapling and spot sealing are disallowed.

Glue all sides firmly. Stapling and spot sealing are disallowed.

**BUSINESS REPLY SERVICE  
PERMIT No. 09568**



**ELITE UK REIT MANAGEMENT PTE. LTD.**

(as manager of Elite UK REIT)

c/o Boardroom Corporate & Advisory Services Pte. Ltd.  
1 Harbourfront Avenue,  
#14-07 Keppel Bay Tower,  
Singapore 098632

Postage will  
be paid by  
addressee.  
For posting in  
Singapore only.

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**IMPORTANT: PLEASE READ THE NOTES TO PROXY FORM BELOW**

Notes to the Proxy Form:

1. A Unitholder who is not a relevant intermediary (as defined herein) is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such Unitholder's Proxy Form appoints more than one proxy, the proportion of the unitholding concerned to be represented by each proxy shall be specified in the Proxy Form.
2. A Unitholder who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different unit in Elite UK REIT ("Unit") or Units held by such Unitholder. Where such Unitholder's Proxy Form appoints more than two proxies, the number of Units held in relation to which each proxy has been appointed shall be specified in the Proxy Form.  
**"Relevant intermediary" means:**
  - (i) a banking corporation licensed under the Banking Act 1970, or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Units in that capacity; or
  - (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001, and who holds Units in that capacity.
3. This Proxy Form may be accessed at Elite UK REIT's website at the URL [https://investor.eliteukreit.com/agm\\_egm.html](https://investor.eliteukreit.com/agm_egm.html), and will also be made available on the SGX-ST's website at the URL <https://www.sgx.com/securities/company-announcements>. Where a Unitholder appoints proxy(ies), he/she/it may give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the proxy(ies) will vote or abstain from voting at his/her/ their discretion, as he/she/they may on any other matter arising at the AGM and at any adjournment thereof.
4. A proxy need not be a Unitholder.
5. A Unitholder who wishes to submit an instrument of proxy must do so in the following manner:
  - (a) if submitted by post, by completing and signing the Proxy Form, before lodging it at the office of Elite UK REIT's Unit Registrar's office at Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632; or
  - (b) if submitted electronically via email, by completing and signing the Proxy Form, before attaching and sending a clear PDF copy of the same via email to Elite UK REIT's Unit Registrar at [EliteREIT@boardroomlimited.com](mailto:EliteREIT@boardroomlimited.com).in either case, by **10.00 a.m. (Singapore time) on Sunday, 27 April 2025**, being 72 hours before the time fixed for holding the AGM.

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6. A Unitholder should insert the total number of Units held in the Proxy Form. If the Unitholder has Units entered against his/her/its name in the Depository Register maintained by The Central Depository (Pte) Limited, he/she/it should insert that number of Units. If the Unitholder has Units registered in his/her/its name in the Register of Unitholders of Elite UK REIT, he/she/it should insert that number of Units. If the Unitholder has Units entered against his/her/its name in the said Depository Register and registered in his/her/its name in the Register of Unitholders, he/she/it should insert the aggregate number of Units. If no number is inserted, the Proxy Form will be deemed to relate to all the Units held by the Unitholder.
7. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
8. Completion and return of the Proxy Form by a Unitholder will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the Unitholder attends the AGM in person and, in such event, the Manager reserves the right to refuse to admit any person or persons appointed under the relevant Proxy Form to the AGM.
9. Where the Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney or other authority under which it is signed (if applicable) or a duly certified copy thereof must (failing previous registration with the Manager), if the Proxy Form is submitted by post, be lodged with the Proxy Form, or, if the Proxy Form is submitted via email, be emailed with the Proxy Form, failing which the Proxy Form may be treated as invalid.
10. Any reference to a time of day is made by reference to Singapore time.
11. All Unitholders will be bound by the outcome of the AGM regardless of whether they have attended or voted at the AGM.
12. On a poll, every Unitholder who is present in person or by proxy shall have one vote for every Unit of which he/she is the Unitholder. There shall be no division of votes between a Unitholder who is present in person and voting at the AGM and his/her proxy(ies). A person entitled to more than one vote need not use all his/her votes or cast them the same way.

**GENERAL**

The Manager shall be entitled to reject this Proxy Form if it is incomplete, improperly completed or illegible or where the true intention of the appointor is not ascertainable from the instruction of the appointor specified in the Proxy Form. In the case of Unitholders whose Units are entered against their names in the Depository Register, the Manager may reject any Proxy Form lodged if such Unitholders are not shown to have the corresponding number of Units in Elite UK REIT entered against his/her/ its name in the Depository Register not less than 72 hours before the time appointed for holding the AGM, as certified by CDP to the Manager.

# CORPORATE INFORMATION

## THE TRUSTEE

Perpetual (Asia) Limited  
8 Marina Boulevard  
#05-02 Marina Bay Financial Centre  
Singapore 01898  
Telephone No.: (65) 6908 8203

## MANAGER

Elite UK REIT Management Pte. Ltd.  
3 Church Street  
#09-03 Samsung Hub  
Singapore 049483<sup>1</sup>  
Telephone No.: (65) 6955 9999  
Email<sup>2</sup>: enquiry@eliteukreit.com

## BOARD OF DIRECTORS

*Chairman and Independent  
Non-Executive Director*  
Mr David Lim Teck Leong

### *Independent Non-Executive Directors*

Mr Yezdi Phiroze Chinoy  
Mr Koo Tsai Kee  
Mr Nicholas David Ashmore  
Mr Tan Chin Hwee

### *Non-Independent*

*Non-Executive Directors*  
Mr Tan Hai Peng Micheal  
Mr Victor Song Chern Chean  
Mr Tan Dah Ching  
Datin Paduka Sarena Cheah

## AUDIT AND RISK COMMITTEE

*Chairman*  
Mr Yezdi Phiroze Chinoy

*Members*  
Mr David Lim Teck Leong  
Mr Koo Tsai Kee

## NOMINATING AND REMUNERATION COMMITTEE

*Chairman*  
Mr Koo Tsai Kee

*Members*  
Mr David Lim Teck Leong  
Mr Tan Hai Peng Micheal

## SUSTAINABILITY COMMITTEE

*Chairman*  
Mr David Lim Teck Leong

*Members*  
Datin Paduka Sarena Cheah  
Mr Yezdi Phiroze Chinoy  
Mr Joshua Liaw  
Mr Michael Tong  
Mr Jonathan Edmunds  
Ms Pearl Lam

## STRATEGIC PLANNING COMMITTEE

*Chairman*  
Mr Tan Hai Peng Micheal

*Members*  
Mr Victor Song Chern Chean  
Datin Paduka Sarena Cheah  
Mr Yezdi Phiroze Chinoy

## MANAGEMENT

*Chief Executive Officer*  
Mr Joshua Liaw

*Chief Financial Officer*  
Mr Michael Tong

*Chief Investment Officer*  
Mr Jonathan Edmunds

*Assistant Vice President,  
Investor Relations*  
Ms Pearl Lam

## COMPANY SECRETARY

Ms Josephine Toh

## AUDITOR

KPMG LLP  
12 Marina View  
#15-01 Asia Square Tower 2  
Singapore 018961  
Telephone No.: (65) 6213 3388

*Partner-in-charge:*  
Mr Lim Pang Yew, Victor  
(Appointed during the financial  
period ended 31 December 2024)

## UNIT REGISTRAR

Boardroom Corporate &  
Advisory Services Pte. Ltd.  
1 Harbourfront Avenue  
#14-07 Keppel Bay Tower  
Singapore 098632  
Telephone No.: (65) 6536 5355

<sup>1</sup> With effect from 15 April 2025

<sup>2</sup> Unitholders may contact the Manager through telephone or email; the Manager is not contactable via a facsimile number.

# GLOSSARY

## #

°C  
Degrees Celsius

## A

### Aggregate Leverage Limit

The leverage limit stipulated by the Code on Collective Investment Schemes governed by the MAS. From 28 November 2024, the aggregate leverage limit should not exceed 50% of the fund's deposited property and a minimum interest coverage ratio of 1.5 times.

### ABI

Association of British Insurers

### AHUs

Air handling units

### AGM

Annual General Meetings

### AML

Anti-Money Laundering

### AR6

Sixth Assessment Report

### ARC

Audit and Risk Committee

## B

### Bank

Bank of England

### BCP

Business Continuity Plan

### BCM

Business Continuity Management

### Board

Board of Directors of the REIT Manager

### Board Committees

ARC, NRC, SPC and SC

### BMS

Building Management System

### BTR

Built-to-rent

### British Pound / Pound sterling (£) / GBP

The official currency of the United Kingdom

## C

### CEO

Chief Executive Officer

### CG Report

Corporate Governance Report

### CIS Code

The Code on Collective Investment Schemes

### CFO

Chief Financial Officer

### CFT

Countering the Financing of Terrorism

### CIO

Chief Investment Officer

### CMS Licence

Capital markets services licence issued by the Monetary Authority of Singapore

### Code

The Code of Corporate Governance 2018

### Code of Conduct

Group-wide Code of Conduct and Ethics Policy

### Companies Act

Companies Act 1967 of Singapore

### Company Secretary

Company secretary of the REIT Manager

### COSO

Committee of Sponsoring Organizations of the Treadway Commission

### CPD

Continuing Professional Development

### CPI

Consumer Price Index

### CRREM

Carbon Risk Real Estate Monitor

### CSR

Corporate social responsibility

## D

### Directors

The directors of the Manager

### DWP

Department for Work and Pensions

### DPU

Distribution per Unit

### DRP

Distribution Reinvestment Plan

## E

### EBITDA

Earnings before interest, taxes, depreciation and amortisation

### EGM

Extraordinary General Meetings

### Elite REIT

Elite UK REIT

### EnvRM

Guidelines on Environmental Risk Management

### EPC

Energy Performance Certificate

### EPH

Elite Partners Holdings Pte. Ltd.

### ERM

Enterprise Risk Management

### ERHL

Elite REIT Holdings Limited

### ESG

Environmental, Social and Governance

### EV

Electric vehicle

### Exempted Agreements

The related party transactions for which fees and charges are payable by Elite Commercial REIT as set out in the Trust Deed (including pursuant to the Internal Asset Management Agreement) and the Lease Management Agreement (including the individual lease management agreement(s))

## F

### Framework

Sustainable and Sustainability-Linked Finance Framework

### Freehold

A property with a freehold title can be held by its owner indefinitely

### FRI

Full repairing and insuring

### FSTREI Index

FTSE ST REIT Index, a free-float, market capitalisation-weighted index that measures the performance of stocks operating within the REIT Sector

### FY2023

Financial period from 1 January 2023 to 31 December 2023



**FY2024**

Financial year ended 31 December 2024

**FY2025**

Financial year ended 31 December 2025

**G****GDP**

Gross Domestic Product

**GHG**

Greenhouse Gas

**GRI**

Global Reporting Initiative

**Group**

Refers to Elite UK REIT Group

**Group-wide**

Refers to Elite Partners Group-wide

**H****HLGT**

Ho Lee Group Trust

**HR**

Human Resources

**HVAC**

Heading, Ventilation, and Air-Conditioning

**I****IBF**

The Institute of Banking and Finance Singapore

**ICR**

Interest Coverage Ratio. The interest coverage ratio is calculated 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.

**IDs**

Independent Non-Executive directors

**IFRS**

International Financial Reporting Standards

**ISO**

International Organisation for Standardization

**IPCC**

Intergovernmental Panel on Climate Change

**IPO**

Initial Public Offering

**IPTs**

Interested Person Transactions

**ISSB**

International Sustainability Board

**ISO**

International Organisation for Standardisation

**IT**

Information technology

**J****JobCentre Plus**

A UK Government-funded employment agency and social security office

**JLL**

Jones Lang Lasalle

**K****Kg**

Kilogram

**kg CO<sub>2</sub>e**

Kilograms of carbon dioxide equivalent

**KMP**

Key Management Personnel, which shall mean the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the Manager

**kWh**

Kilowatt hour

**KPIs**

Key Performance Indicators

**KYC**

Know Your Customer

**L****Listing Manual**

The Listing Manual issued by SGX

**M****m<sup>2</sup>**

Square metre

**m<sup>3</sup>**

Cubic metre

**Market Day**

A day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore and the SGX-ST is open for trading in securities

**Manager**

Elite UK REIT Management Pte. Ltd.

**Management**

CEO as well as other management personnel of the Manager

**MAS**

Monetary Authority of Singapore

**MIDA**

Malaysian Investment Development Authority

**MOD**

Ministry of Defence

**MSCI**

Morgan Stanley Capital International

**N****NAV**

Net Asset Value

**NIA**

Net internal area

**NINED**

Non-Independent Non-Executive director

**NRC**

Nominating and Remuneration Committee

**O****OIS**

Overnight Index Swap

**P****PartnerRE Entities**

Partner Reinsurance Asia Pte. Ltd., Partner Reinsurance Company Ltd. and Partner Reinsurance Europe SE

**PBSA**

Purpose-built student accommodation

**PDPA**

Personal Data Protection Act 2012 of Singapore

**PMI**

Purchasing Managers' Index

GLOSSARY

**Property Funds Appendix**  
Appendix 6 of the CIS Code

**Portfolio**  
The REIT’s portfolio comprising 149 properties as at 31 December 2024 (As at 31 December 2023: 150 properties)

**Preferential Offering**  
The fully underwritten, non-renounceable preferential offering of 103,354,690 new units in Elite Commercial REIT at an issue price of £0.27 at a ratio of 214 Preferential offering units for every 1,000 existing units held on Preferential offering Record Date to Eligible Unitholders

**Preferential Offering Issue Price**  
£0.27 per Preferential Offering Unit

**Preferential Offering**  
The new Units issued under the Preferential Offering

**PV**  
Photovoltaic

R

**RCPs**  
Representative Concentration Pathways

**REHDA**  
National Committee of Real Estate and Housing Developers Association Malaysia

**RICS**  
Royal Institution of Chartered Surveyors

S

**S\$**  
Singapore Dollars

**SASB**  
Sustainability Accounting Standards Board

**SC**  
Sustainability Committee

**Serious Breaches**  
Whistleblowing channels are put in place for our business partners, customers, suppliers, other stakeholders, and any third party to report actual or suspected corruption, dishonesty, fraud, negligence, any other forms of illegal, inappropriate, unethical or unprofessional behaviour or conduct

**SFA**  
Securities and Futures Act 2001 of Singapore

**SFIs**  
Sustainable Finance Instruments

**SGTI**  
Singapore Governance and Transparency Index

**SID**  
Singapore Institute of Directors

**SGX-ST**  
Singapore Exchange

**SPC**  
Strategic Planning Committee

**SONIA**  
Sterling Overnight Index Average

**SPTs**  
Sustainability Performance Targets

**Sponsors**  
Elite Partners Holdings Pte. Ltd.; Ho Lee Group Pte. Ltd.; and Sunway RE Capital Pte. Ltd.

**Sq ft**  
Square feet

**Substantial Unitholder**  
Any Unitholder with an interest in such number of Units constituting not less than 5.0% of all Units in issue

**SWT**  
Sustainability Working Team

T

**tCO<sub>2</sub>e**  
Tonnes of carbon dioxide equivalent

**TCFD**  
Taskforce on Climate-Related Financial Disclosures

**TISE**  
The International Stock Exchange

**Trafigura**  
Trafigura Group Pte. Ltd

**Trustee**  
Perpetual (Asia) Limited in its capacity as the trustee of Elite REIT

**Trust Deed**  
The trust deed dated 7 June 2018 constituting Elite UK REIT (as amended)

U

**UK**  
United Kingdom

**UKCP18**  
UK Climate Projections 2018

**UN SDGs**  
United Nations Sustainable Development Goals

**UOB**  
United Overseas Bank Limited

**UOBM**  
United Overseas Bank (Malaysia) Berhad

**Unit(s)**  
An undivided interest in Elite UK REIT as provided for in the Trust Deed

**Unitholder(s)**  
A depositor whose Securities Account with CDP is credited with Unit(s) or the registered holder for the time being of Units

**Unit Registrar**  
Boardroom Corporate & Advisory Services Pte. Ltd.

V

**VRS**  
Variable refrigerant system

**VIT**  
Viva Industrial Trust

**VPP**  
Variable Pay Plan

W

**WALE**  
Weighted Average Lease Expiry. The weighted average lease expiry by headline rent based on the final termination date of the agreement

Y

**YRMS**  
Trustee of Yayasan Raja Muda Selangor

Others

**英利英国房地产信托**  
Elite UK REIT

**英利房托**  
Elite REIT

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ELITE UK REIT

**Elite UK REIT Management Pte. Ltd.**

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#09-03 Samsung Hub  
Singapore 049483  
[www.eliteukreit.com](http://www.eliteukreit.com)

