

ELITE COMMERCIAL REIT SECURES FIRST GREEN LOAN FACILITY

- ***Maiden green revolving credit facility of £15 million raised under the REIT's newly established Sustainable and Sustainability-Linked Finance Framework***
- ***To fund sustainability enhancement works on various properties, including those occupied by the United Kingdom ("UK") Government's Department for Work and Pensions ("DWP") and Ministry of Defence ("MOD")***

SINGAPORE, 30 November 2022 – Elite Commercial REIT Management Pte. Ltd., the manager (the "**Manager**") of Elite Commercial REIT (the "**REIT**"), is pleased to announce that the REIT has secured its inaugural green revolving credit facility of £15 million ("**Facility**"). The Facility was raised under the REIT's newly established Sustainable and Sustainability-Linked Finance Framework (the "**Framework**"). Proceeds of the Facility will be used by the Manager to fund agreed upon sustainability-related asset enhancement initiatives and eligible green projects for assets occupied by the DWP and MOD, including existing and new projects in the future. As of 30 November 2022, no loans have been drawn down from the Facility.

The establishment of the Framework opens the door for the REIT and its subsidiaries to issue sustainable financing instruments ("**SFIs**") such as green loans and bonds, social loans and bonds to finance or refinance new and existing projects under the eligible green and/or social categories, and sustainability-linked loans and bonds following the guidelines laid out in the Framework.

Ms Shaldine Wang, Chief Executive Officer of the Manager, said: "We are delighted to secure our inaugural green loan facility to support the asset enhancement works towards the "greening" of the REIT's portfolio in conjunction with the launch of our sustainable and sustainability-linked finance framework. The Manager views sustainability as a core element of the REIT's business strategy to support long-term unitholders' returns and value creation. This maiden green loan facility is also a testament to the excellent working relationships the Manager has with funding partners."

The Manager has aligned its sustainability strategy with the UK Government's national climate goals of achieving net zero carbon emissions by 2050. The REIT's mid-term target is to achieve an Energy Performance Certificate ("**EPC**") rating of B or higher for its properties.

CIMB Bank Berhad, Singapore Branch (“**CIMB Singapore**”) is the lead financial sustainability advisor for the REIT and the lender for the Facility. The Framework has been reviewed by DNV Business Assurance Singapore Pte. Ltd. (“**DNV**”), a global leader in pioneering green, social and sustainable (“**GSS**”) frameworks, to be aligned with the relevant international principles and guidelines¹.

Mr Victor Lee, Chief Executive Officer of CIMB Singapore, said: “I am proud that we have been appointed as the lead financial sustainability advisor for Elite Commercial REIT. This landmark deal is a huge win for the team and we are pleased to work on this project as CIMB strives to be a sustainability leader in the ASEAN region. The trust and support from our partners are important aspects of our ‘green’ journey and we will continue to work on aligning the financing of the REIT’s sustainability commitment.”

Recent Capital Management Activities

On 31 October 2022, the Manager completed the extension exercise for the £94 million in borrowings ahead of the January 2023 loan maturity with the existing financial institutions - Lloyds Bank Plc and CIMB Bank Berhad. The extended loan facility will now mature on 25 January 2025, with a built-in extension option of one year from new loan maturity date, subject to certain financial covenants. As a result, the REIT no longer have any material debt coming due in FY 2023.

The Manager has also recently established a S\$300 million multicurrency debt issuance programme, under which Perpetual (Asia) Limited (in its capacity as trustee of Elite Commercial REIT), may issue notes and/or perpetual securities. CIMB Bank Berhad, Singapore Branch has been appointed as the sole arranger and dealer under the Programme.

- End -

¹ Green Bond Principles (“**GBP**”) 2021; Social Bond Principles (“**SBP**”) 2021; Sustainability Bond Guidelines (“**SBG**”) 2021; Sustainability-Linked Bond Principles (“**SLBP**”) 2020; ASEAN Green Bonds Standards 2018; ASEAN Social Bond Standards 2018; ASEAN Sustainability Bond Standards 2018; Green Loan Principles (“**GLP**”) 2021; Social Loan Principles (“**SLP**”) 2021; Sustainability-Linked Loan Principles (“**SLLP**”) 2022 by the International Capital Markets Association (“**ICMA**”), ASEAN Capital Market Forum (“**ACMF**”), Asia Pacific Loan Market Association (“**APLMA**”), Loan Market Association (“**LMA**”) and Loan Syndications and Trading Association (“**LSTA**”).



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About Elite Commercial REIT

Elite Commercial REIT (the “REIT”) is a Singapore real estate investment trust established with the investment strategy of principally investing, directly or indirectly, in commercial assets and real estate-related assets in the United Kingdom (“UK”). Listed on Singapore Exchange Securities Trading Limited (“SGX-ST”) on 6 February 2020, Elite Commercial REIT is the first and only UK-focused REIT listed in Singapore.

The REIT’s portfolio (“Portfolio”) comprises 155 predominantly freehold² quality commercial buildings located across the UK with an aggregate value of £517.7 million^{3,4}. The Portfolio has a total net internal area of approximately 3.9 million square feet and a total site area of approximately 72 hectares. Of the total portfolio, 58 of the properties were acquired on 9 March 2021 during the REIT’s maiden acquisition.

The Portfolio offers a stable cash flow with over 99.0% of the gross rental income derived from the AA-rated UK sovereign credit rating and a long weighted average lease expiry of 5.0 years⁵. All the leases are on full repairing and insuring⁶ (“FRI”) basis and a majority of them include rental escalations that are linked to the UK Consumer Price Index. The Portfolio is primarily occupied by the Department for Work and Pensions (“DWP”), the UK’s largest public service department that is responsible for welfare, pensions and child maintenance. DWP is a uniquely resilient occupier and the Portfolio is part of the crucial public infrastructure through which DWP provides services to the community.

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



For more information, please visit
<https://elitecreit.com/>



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² Of the 155 properties, 150 properties are freehold properties and 5 properties are on long leasehold tenures.

³ As at 30 June 2022.

⁴ Portfolio value is the fair value of investment properties (based on valuation report).

⁵ As at 30 September 2022.

⁶ Under a full repairing and insuring lease, commonly known as triple net lease, the responsibility for the repair of the external and internal parts as well as the structure of the property is placed with the tenant. Elite Commercial REIT, as the landlord, has no repairing or insuring liability.



IMPORTANT NOTICE

This announcement is for information only and does not constitute or form part of an offer, invitation or solicitation of any offer to purchase or subscribe for units in Elite Commercial REIT (“Units”) in Singapore or any other jurisdiction nor should it or any part of it form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

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