



ELITE COMMERCIAL REIT RECEIVES OVERWHELMING RESPONSE WITH SINGAPORE PUBLIC OFFER 8.3X SUBSCRIBED

***First UK-focused Singapore REIT with over 99.0% of the IPO Portfolio leased to
the UK Government¹***

- **Strong demand with approximately 3.2 times subscription rate for placement tranche**
- **First SGX-ST Main Board listing in 2020 with £130.9 million in gross proceeds raised**
- **Attractive distribution yields of 7.1% for Forecast Year 2020²**
- **Trading expected to commence at 2.00 pm on Thursday, 6 February 2020**

SINGAPORE, 5 February 2020 – Elite Commercial REIT Management Pte. Ltd., the manager (the “**Manager**”) of Elite Commercial REIT announced today that it has successfully completed its Initial Public Offering (“**IPO**”) of 114,686,200 units in Elite Commercial REIT (“**Units**”) (subject to the Over-Allotment Option) at the Offering Price of £0.68 per Unit (S\$1.21 per Unit³ for the Singapore Public Offer) in connection with the proposed offering (the “**Offering**”) and listing of units in Elite Commercial REIT (“**Units**”) on the Main Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”).

¹ Over 99.0% of gross rental income is derived from the current leases with the UK Government via The Secretary of State for Housing, Communities and Local Government.

² The financial year from 1 January 2020 to 31 December 2020.

³ Based on the exchange rate of £1.00 to S\$1.7794.

The international placement of 108,951,900 Units to investors, outside the United States of America (the “**Placement Tranche**”), received indications of interest from institutional investors and high net worth individuals amounting to over £234.3 million, representing a subscription rate of 3.2 times⁴.

At the close of the Offering at 12.00 noon on 4 February 2020, 3,058 valid applications for 47,850,000 Units amounting to approximately £32.5 million were received for the 5,734,300 Units offered to the public in Singapore (the “**Singapore Public Offer**”), representing a subscription rate of 8.3 times⁴.

Overall, the £78.0 million Offering comprising the Placement Tranche and the Singapore Public Offer received total subscription valued at about £266.8 million and was approximately 3.4 times subscribed⁴.

Concurrently with, but separate from the Offering, each of UBS AG, Singapore Branch and UBS AG, Hong Kong Branch (on behalf of certain Wealth Management clients), Bank of Singapore Limited (on behalf of one or more of its private banking clients) and CIMB Bank Berhad, Singapore Branch (on behalf of certain clients of its Private Banking Division) (collectively, the “**Cornerstone Investors**”) has entered into a separate subscription agreement to subscribe for an aggregate of 77,827,900 Units (the “**Cornerstone Units**”) at the Offering Price, subject to conditions.

Based on the Offering Price, gross proceeds of approximately £130.9 million are expected to be raised from the Offering and the Cornerstone Units.

⁴ Excluding applications by connected persons and persons mentioned in Rule 240 of the Listing Manual.

Ms. Shaldine Wang (黄晓亭), Chief Executive Officer of the Manager, said, “We are delighted with the overwhelming response and support from Cornerstone, Institutional and retail investors to our Offering. This is a testament of our strong investment proposition of providing investors with attractive yields and steady cash flow, backed by our stable IPO Portfolio leased to the AA-rated UK Government.”

“Going forward, we will focus on harnessing the REIT’s growth potential from acquisition, enhancement and redevelopment opportunities to generate sustainable long-term distribution growth for our Unitholders. In particular, we have a right of first refusal granted by Elite UK Commercial Fund II, a private trust managed by our Sponsor – Elite Partners Holdings Pte. Ltd., which comprises of 62 commercial properties located across the UK, which are primarily long-term leased to the UK Government,” she added.

Based on the Offering Price of £0.68 per Unit, Elite Commercial REIT offers attractive distribution yields of 7.1% for Forecast Year 2020⁵ and 7.2% for Projection Year 2021⁶. This is backed by the initial portfolio’s attractive risk-adjusted return, with a Net Property Income yield of 7.1%⁷, representing an attractive ~600+⁸ bps yield spread to UK Government 10-year bonds, despite being backed by the same sovereign credit.

Distributions will be declared in GBP, and each Unitholder will receive his distribution in Singapore dollars equivalent of the GBP distribution declared. Unitholders may elect to receive the entire distribution in GBP.

⁵ *The financial year from 1 January 2020 to 31 December 2020.*

⁶ *The financial year from 1 January 2021 to 31 December 2021.*

⁷ *Based on Forecast Year 2020.*

⁸ *As of 31 December 2019.*

With an appraised value of £319.1 million⁹ and at 100.0% occupancy as at 31 August 2019¹⁰, Elite Commercial REIT's initial portfolio of 97 quality commercial buildings across the UK is primarily occupied by the Department for Work and Pensions ("DWP"). The IPO Portfolio offers a stable cash flow backed by the AA-rated UK Government sovereign credit, with over 99.0% of gross rental income derived from the full repairing and insuring (triple net) leases with inflation-linked uplifts¹¹, and with a long weighted average lease expiry of 8.6 years¹².

Trading of Elite Commercial REIT's Units on the Main Board of the SGX-ST is expected to commence at 2.00 p.m. on Thursday, 6 February 2020. Details on allotments and/or allocations will be published in The Business Times as well as via SGXNET, with the announcement to be posted on the website of SGX-ST: <http://www.sgx.com>, prior to the listing of the Units on the Main Board of the SGX-ST.

Oversea-Chinese Banking Corporation Limited and UBS AG, Singapore Branch, are the Joint Issue Managers for the Offering. Oversea-Chinese Banking Corporation Limited, UBS AG, Singapore Branch, CGS-CIMB Securities (Singapore) Pte. Ltd., and China International Capital Corporation (Singapore) Pte. Limited are Joint Bookrunners and Underwriters for the Offering.

- End -

IMPORTANT NOTICE

Capitalised words and expressions used in this media release and not otherwise defined shall have the meanings given to them in the Prospectus of Elite Commercial REIT dated 28 January 2020.

⁹ As at 31 August 2019.

¹⁰ Based on the valuation report prepared by Colliers International UK LLP.

¹¹ Under a full repairing and insuring (triple net) lease, the responsibility for the repair of the external, internal and structural format of the property is placed with the tenant. Elite Commercial REIT, as the landlord, has no repairing or insuring liability and will not be required to bear the costs of material repairs to the Properties, if any.

¹² As at 31 August 2019, based on the valuation report prepared by Colliers International Valuation UK LLP.

About Elite Commercial REIT

Elite Commercial 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”).

The initial portfolio (“**Portfolio**”) of Elite Commercial REIT has an aggregate indicative appraised value of approximately GBP 319.1 million as at 31 August 2019¹³. It comprises 97 predominantly freehold¹⁴ quality commercial buildings located across the UK, with a total net internal area of approximately 2.6 million square feet and a total site area of approximately 47 hectares.

The Portfolio offers a stable cash flow with over 99.0% of the gross rental income derived from the AA-rated UK Government and a long weighted average lease expiry of 8.6 years¹⁵. The full repairing and insuring (triple net) leases¹⁶ with the UK Government include rental escalations that is 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 for approximately 20 million claimants. DWP is a uniquely counter-cyclical occupier and the Portfolio is crucial public infrastructure for the provision of DWP services.

Elite Commercial 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.

¹³ Based on the valuation report prepared by Colliers International Valuation UK LLP.

¹⁴ Of the 97 properties, 96 properties are freehold properties and one property is on a long leasehold tenure expiring on 19 May 2255.

¹⁵ As at 31 August 2019.

¹⁶ Under a full repairing and insuring (triple net) lease, the responsibility for the repair of the external, internal and structural format of the property is placed with the tenant. Elite Commercial REIT, as the landlord, has no repairing or insuring liability and will not be required to bear the costs of material repairs to the Properties, if any.

Elite Commercial REIT is managed by Elite Commercial REIT Management Pte. Ltd., which is 85.0% owned by Elite Partners Holdings Pte. Ltd. and 15.0% owned by Sunway RE Capital Pte. Ltd..

About the Sponsors

Elite Partners Holdings Pte. Ltd. is the investment holding firm for Elite Partners Group, established to deliver lasting value for investors based on common interests, long-term perspectives and a disciplined approach. Backed by a team with proven expertise in private equity and REITs.

Ho Lee Group Pte. Ltd. has extensive experience across the real estate value chain, from general building construction to industrial and residential development since its inception in 1996. Ho Lee Group Pte. Ltd. was also one of the major sponsors of Viva Industrial Trust during its IPO in November 2013.

Sunway RE Capital Pte. Ltd. is a wholly-owned subsidiary of Sunway Berhad – one of Malaysia’s largest conglomerates with businesses in property development, property investment and REIT, construction, healthcare, hospitality, leisure, quarry, building materials, and trading and manufacturing.

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IMPORTANT NOTICE

NOT FOR DISTRIBUTION OR PUBLICATION, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OR IN ANY OTHER JURISDICTION OUTSIDE SINGAPORE

The prospectus of Elite Commercial REIT dated 28 January 2020 (the “**Prospectus**”) has been registered by the Monetary Authority of Singapore (“**MAS**”) on 28 January 2020. Capitalised terms used in this news release shall unless otherwise defined, bear the same meanings assigned to them in the Prospectus.

*This news release is for information only and does not constitute an offer of, or invitation to subscribe or purchase or solicitation of subscriptions or purchases of units in Elite Commercial REIT (“**Units**”) in any jurisdiction nor should it or any part of it form the basis of, or be relied upon in any connection with, any contract or commitment or any investment decision whatsoever. The information in this news release in respect of Elite Commercial REIT is qualified in its entirety by, and should be viewed in conjunction with, the full text of the Prospectus in relation to the initial public offering (the “**Offering**”) of the Units. The Offering is made by Elite Commercial REIT Management Pte. Ltd., as manager of Elite Commercial REIT (the “**Manager**”). The information presented in this news release is subject to change. Anyone wishing to subscribe for or purchase Units should read the Prospectus, and in particular, the section on “Risk Factors” for a discussion of certain factors to be considered and make his own assessment before deciding whether to purchase Units, and will need to make an application in the manner set out in the Prospectus. Any decision to purchase Units should be made solely on the basis of information contained in the Prospectus and no reliance should be placed on any information other than that contained in the Prospectus.*

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, the Manager, Perpetual (Asia) Limited (as trustee of Elite Commercial REIT), Elite Partners Holdings Pte. Ltd., Ho Lee Group Pte. Ltd. and Sunway RE Capital Pte. Ltd. (as sponsors of Elite Commercial REIT), Oversea-Chinese Banking Corporation Limited, UBS AG, Singapore Branch, CGS-CIMB Securities (Singapore) Pte. Ltd. and China International Capital Corporation (Singapore) Pte. Limited (as the joint bookrunners and underwriters) or any of their respective affiliates, advisers or representatives. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request that the Manager redeem or purchase their Units while the Units are listed. It is intended that holders of the Units 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.

This news release may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. The forecast and projected yields and yield growth are calculated based on the Offering Price and the accompanying assumptions in the Prospectus. Such yields and yield growth will vary accordingly for investors who purchase the Units in the secondary market at a market price different from the Offering Price.

Predictions, projections or forecasts of the economy or economic trends of the markets are not necessarily indicative of the future or likely performance of Elite Commercial REIT. The forecast financial performance of Elite Commercial REIT is not guaranteed. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the Manager's current view of future events. A potential investor should read the Prospectus and, in particular, the section entitled "Forward-Looking Statements" and make his own assessment before making any decision to purchase the Units.

*Neither this news release nor any copy or portion of it may be sent or taken, transmitted or distributed, directly or indirectly, in or into the United States ("U.S.") (including its territories and possessions, any state of the US and the District of Columbia) or any other jurisdiction outside of Singapore. The Units have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state of the U.S. and the Units may not be offered or sold within the U.S., except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. This news release does not constitute nor form a part of an offer for sale of, or solicitation to purchase or subscribe for, Units in the U.S. The Manager does not intend to conduct a public offering of the Units in the U.S.*

This news release may be restricted by law in certain jurisdictions. Persons who may come into possession of this news release are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This news release may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised. Neither this news release nor any of its content may be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. Information contained in this news release does not constitute a part of the Prospectus. Failure to comply with these restrictions may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

*For the purposes of the European Alternative Investment Fund Managers Directive (Directive 2011/61/EU) ("**AIFMD**"), Elite Commercial REIT will constitute a non-EU alternative investment fund ("**AIF**") whose alternative investment fund manager ("**AIFM**") is the Manager, itself a non-EU AIFM. Each member state of the European Economic Area (the "**EEA**") has adopted legislation implementing AIFMD into national law. Under AIFMD, marketing to any investor domiciled or with a registered office in the EEA will be restricted by such laws and no such marketing shall take place except as permitted by such laws. The Units may only be offered and issued in accordance with applicable laws in relevant member states, and potential investors should ensure they are able to subscribe for Units in accordance with those laws. The Units may only be made available for purchase in the EEA by professional investors, being investors that are considered to be a professional client or may, on request, be treated as a professional client, within the meaning of Annex II to Directive 2014/65/EU.*

This advertisement has not been reviewed by the Monetary Authority of Singapore.