



Business Updates for 3Q 2021

1 November 2021

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

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Section I

Overview of Elite Commercial REIT



Nutwood House, Canterbury

First & Only UK-Focused S-REIT

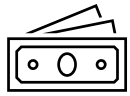
Over 99% Leased to the AA-rated UK Government⁽¹⁾



£515.3m⁽²⁾
Portfolio value



155
Office Assets



AA-rated
UK Government
credit rating



97%
Freehold⁽³⁾



Triple Net
Full Repairing &
Insuring Leases⁽⁴⁾



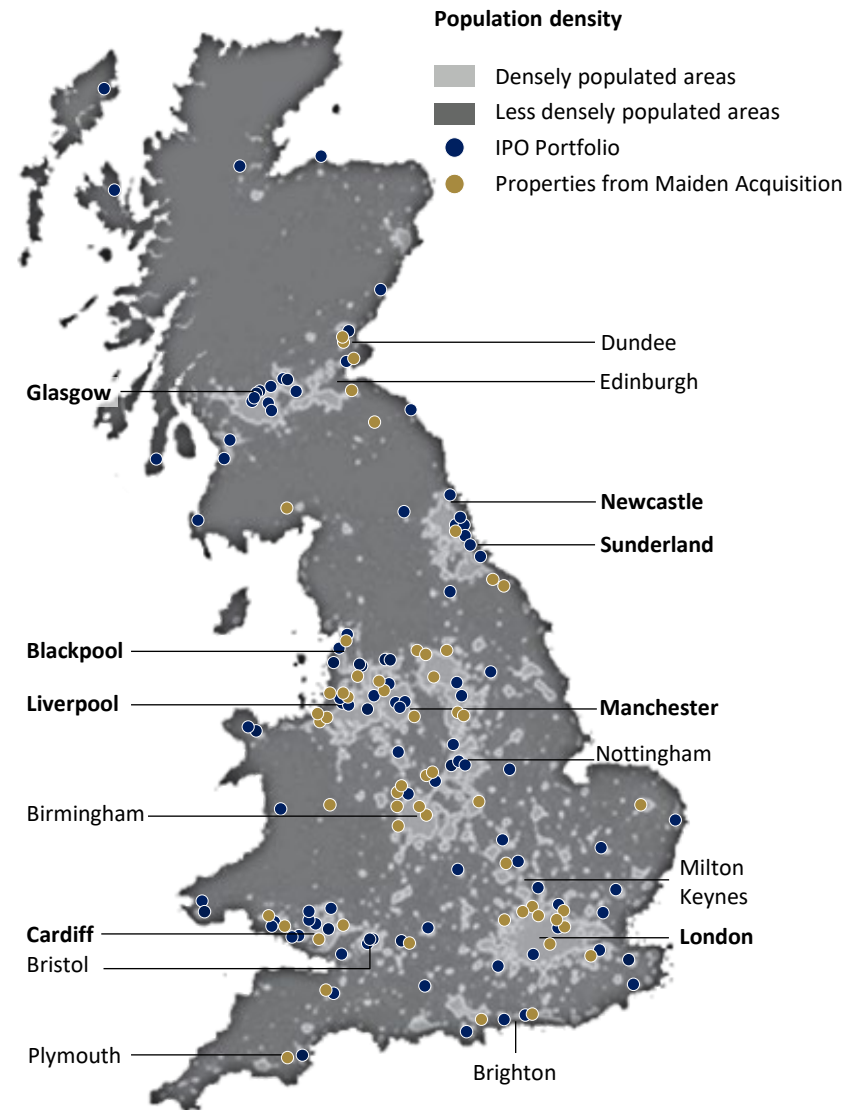
Every 5 years
Built in Inflation-
linked Rent Uplift⁽⁵⁾

Notes:

1. Majority of the leases are signed by the Secretary of State for Housing, Communities and Local Government, which is a Crown Body.
2. As at 31 December 2020.
3. 150 properties are on freehold tenures and 5 properties are on long leasehold tenures.
4. The Tenant (UK Government) is responsible for the full maintenance and repair of external, internal and structural format of the property and landlord (Elite Commercial REIT) has no repairing or insuring liability.
5. A small proportion of the portfolio has rental review based on open market rental value.

Geographically Diversified

A network of well-located assets across the UK





Section II

3Q 2021 Key Highlights



Nutwood House, Canterbury

3Q 2021 DPU Exceeded Projection

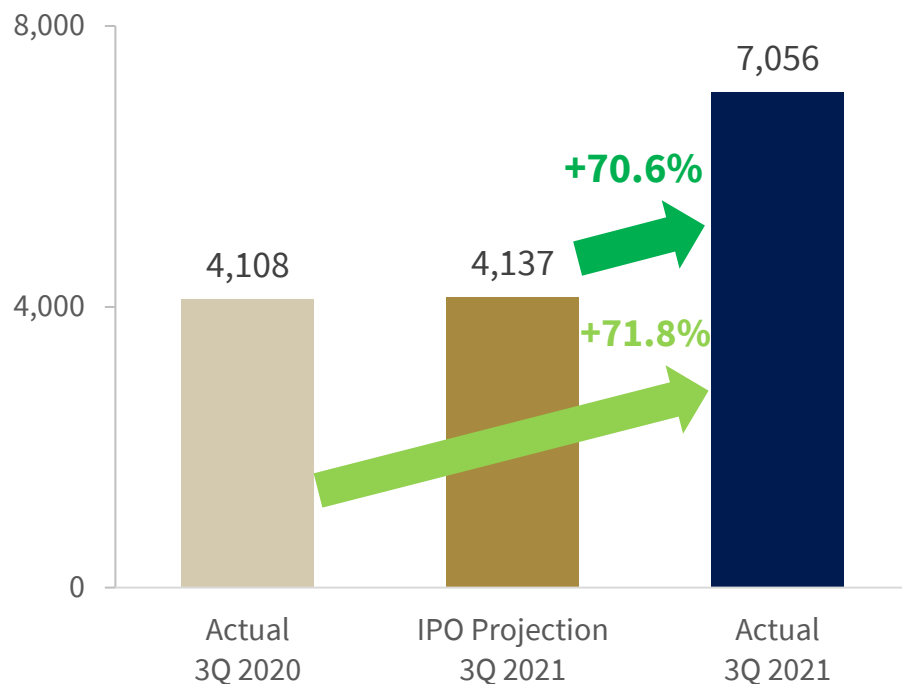
Consistently delivering on IPO promises



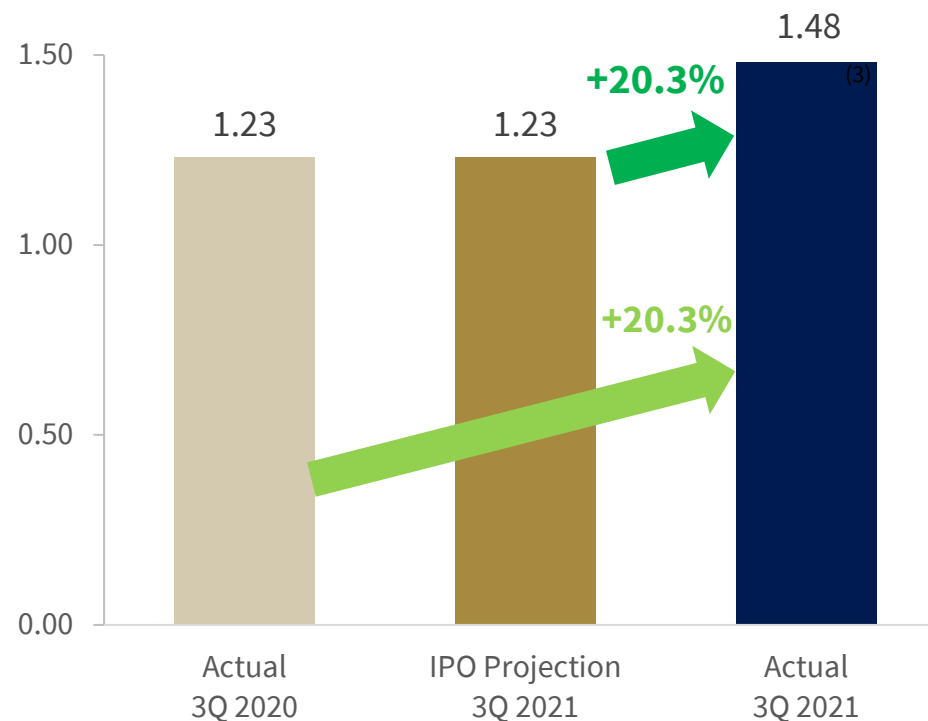
Outperformance over IPO Projection⁽¹⁾ and Actual 3Q 2020

Boosted by **contribution** from newly acquired portfolio⁽²⁾

Income available for distribution to unitholders



Distribution per unit (pence)



Notes:

1. IPO Projection for 3Q 2021 refers to the profit projection for the period from 1 July 2021 to 30 September 2021. The projection figures were derived by pro-rating the financials of IPO Projection Year 2021 as disclosed in the Prospectus.
2. The portfolio of 58 properties acquired on 9 March 2021 contributes approximately £3.6million to the topline revenue for 3Q 2021.

Stable cashflow with income visibility

3Q 2021 Key Highlights



Sound Financials

1

Proactive capital deployment

Proceeds from maiden Dividend Reinvestment Plan (DRP) used to partially retire some loans

2

Stable financial position

Gearing ratio remains stable at 42.1% as at 30 Sep 2021; Interest coverage ratio (ICR) remains robust at 6.2x

3

Completion of TISE listing

UK entities joined UK REIT regime, leading to tax savings and elimination of previously recognised deferred tax liabilities

4

Rise in Net Asset Value

Net asset value per unit increased to £0.63 as at 30 Sep 2021 from £0.62 as at 30 Jun 2021



Resilient portfolio

1

Full rental collection for 4Q 2021

Consistently achieved ~100% rental collection in advance since listing

2

Rental uplift

Rent review for Dallas Court Units 1-2, Salford saw ~7% in rental uplift; based on open market rental value

3

Options under evaluation

Two options are currently under evaluation for East Street, Epsom – a potential sale above valuation and a proposal to retain DWP as a tenant

4

Proactive asset management

Lease break option for John Street, Sunderland, has been exercised; Currently evaluating various re-marketing and development options available for the asset



Section III

3Q 2021 Financial Updates



Nutwood House, Canterbury

Financial Highlights – Actual vs IPO Projections

	3Q 2021			9M 2021		
	Actual £'000	Projection ⁽¹⁾ £'000	Variance %	Actual £'000	Projection ⁽¹⁾ £'000	Variance %
Revenue	9,411 ⁽²⁾	5,867	▲ 60.4	25,307 ⁽²⁾	17,408	▲ 45.4
Income available for distribution to Unitholders	7,056	4,137	▲ 70.6	18,217	12,278	▲ 48.4
Distribution per unit ("DPU") - pence	1.48	1.23	▲ 20.3	4.11	3.64	▲ 12.9

Notes:

1. IPO Projection for 3Q 2021 and 9M 2021 refers to the profit projection for the period from 1 July 2021 to 30 September 2021 and 1 January 2021 to 30 September 2021 respectively. The projection figures were derived by pro-rating the financials of IPO Projection Year 2021 as disclosed in the Prospectus.
2. The portfolio of 58 properties acquired on 9 March 2021 contributes approximately £3.6million and £7.9million to the topline revenue for 3Q 2021 and 9M 2021 respectively.

Financial Highlights – Actual vs Financial Year 2020

	3Q 2021	3Q 2020		9M 2021	9M 2020 ⁽¹⁾	
	Actual £'000	Actual £'000	Variance %	Actual £'000	Actual £'000	Variance %
Revenue	9,411 ⁽²⁾	5,820	▲ 61.7	25,307 ⁽²⁾	15,136	▲ 67.2
Income available for distribution to Unitholders	7,056	4,108	▲ 71.8	18,217	10,625	▲ 71.5
Distribution per unit ("DPU") - pence	1.48	1.23	▲ 20.3	4.11	3.18	▲ 29.2

Notes:

1. Actual 9M 2020 refers to the financial period from 6 February 2020 ("Listing Date") to 30 September 2020. Actual financial results from Listing Date to 30 September 2020 is the first reporting period incorporating the results of the initial portfolio held directly by Elite Commercial REIT. Although Elite Commercial REIT was constituted on 7 June 2018, the initial public offering was completed on 6 February 2020 which was the official listing date of Elite Commercial REIT.
2. The portfolio of 58 properties acquired on 9 March 2021 contributes approximately £3.6million and £7.9million to the topline revenue for 3Q 2021 and 9M 2021 respectively.

Healthy Balance Sheet

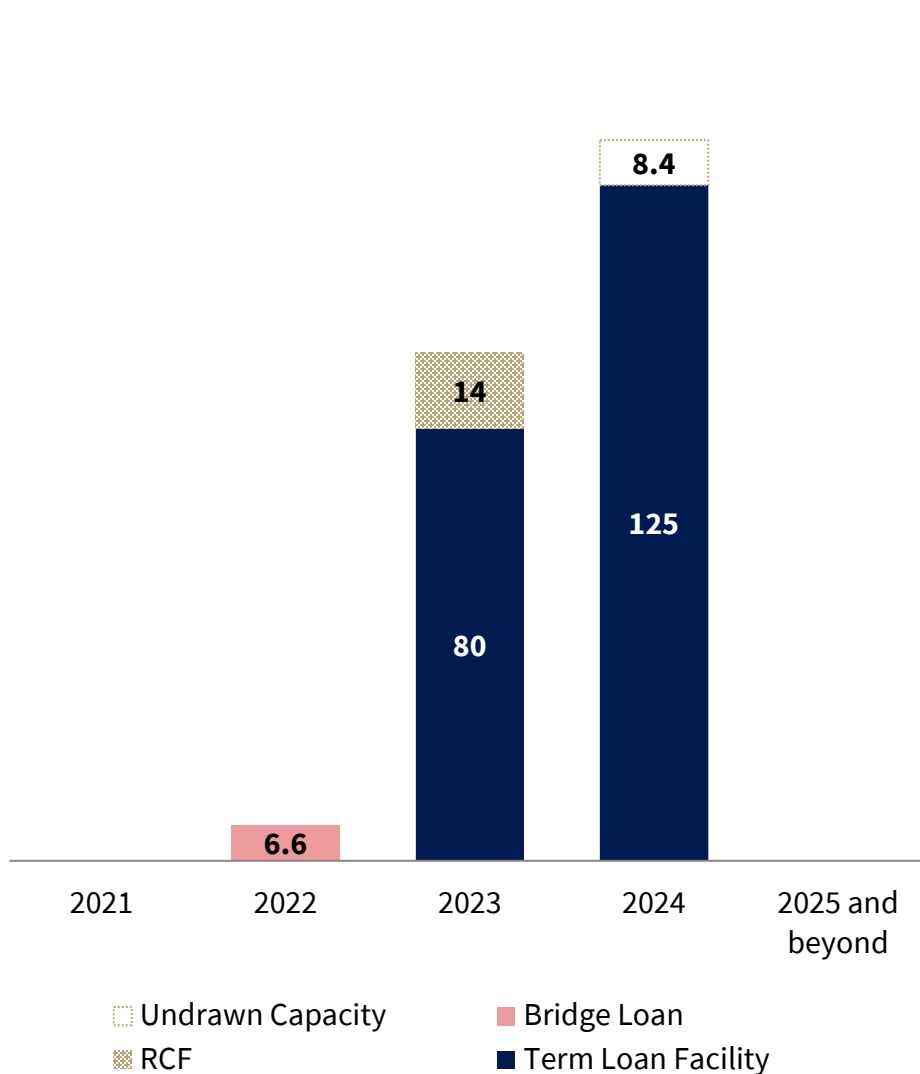
	30 Sep 2021 £'000
Non-current assets	516,528 ⁽¹⁾
Current assets	22,723
Total assets	539,251
Non-current liabilities	218,642
Current liabilities	19,651
Total liabilities	238,293
Net assets / Unitholders' funds	300,958
Units in issue and issuable ('000)	475,468
Net asset value per unit (£)	0.63

Notes:

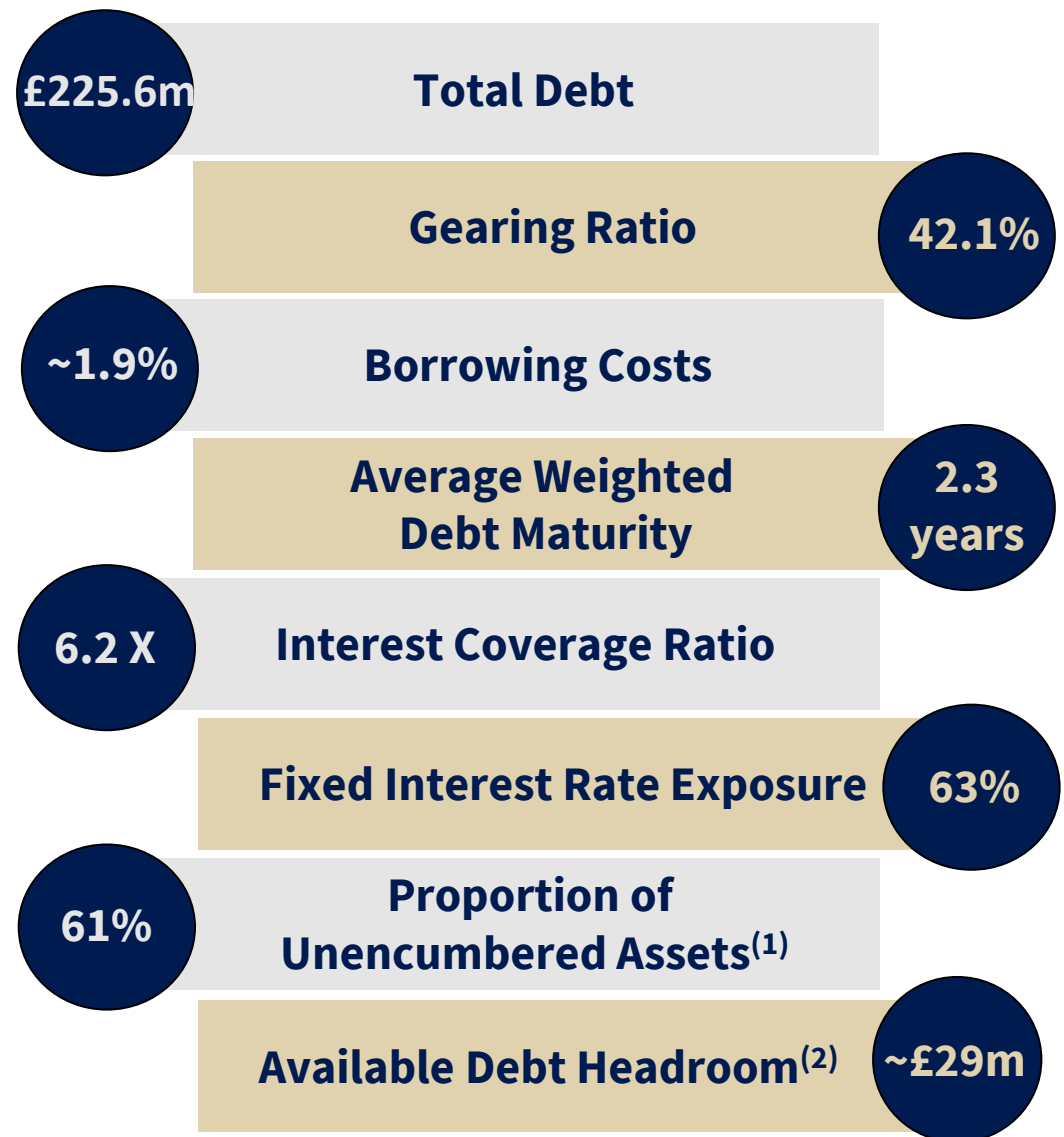
1. Non-current assets comprise mainly of investment properties, which are stated at their fair values as of 30 Sep 2021. The Manager has taken into consideration the portfolio being 100% occupied, the close to 100% rental collection statistics, the stability of market rents, the current pricing of comparable investment transactions in the UK, the yield rates and the current relatively stable condition of the UK economy and concluded that the carrying values of the investment properties as at 30 Sep 2021 approximate their fair values.

Prudent Capital Management

Debt Maturity Profile (£ m)



Credit Metrics



Notes:

1. Based on valuations; unencumbered assets refer to properties without land mortgages
2. Based on gearing ratio of 45%; available debt headroom is ~£86m based on gearing ratio of 50%

Future-Proofing the REIT

Enhancing tax efficiencies by joining the UK REIT regime



Successful technical listing of UK entity, Elite UK Commercial Holdings Limited⁽¹⁾ (“ECHL”), on The International Stock Exchange (“TISE”) with effect from 26 Aug 2021

What this means:

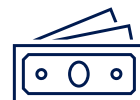
- 1 Level playing field**
ECHL and its subsidiaries qualified as a UK REIT group and tax treatment is now broadly on par with that of other listed UK REITs
- 2 Tax exemption**
UK entities enjoy UK corporate tax exemption for its UK property rental business income and gains under the UK REIT regime
- 3 Technical listing**
100% of the shares in ECHL continue to be held by Elite Commercial REIT; there is no trading of ECHL shares

Immediate Benefits:



Lower tax expenses

Reduced applicable headline tax rate from 19% to 15%⁽²⁾



Increase in Distributable Income

Pro forma DPU expected to rise by 3.0% from 2.63 pence to 2.71 pence⁽³⁾



Enhanced Net Asset Value

Pro forma NAV expected to rise by 3.2% from £0.62 to £0.64⁽⁴⁾

Notes:

1. Independent Director Nicholas David Ashmore and Chief Investment Officer Jonathan Edmunds have been appointed as directors of ECHL to meet the UK resident director requirement of a listed REIT entity.
2. Pursuant to the Double Taxation Treaty between the UK and Singapore, any UK withholding tax applicable on UK property income distributed by ECHL to Elite Commercial REIT is expected to be limited to 15%.
3. For the financial period from 1 January 2021 to 30 June 2021, as if the listing was completed on 1 January 2021, based on certain assumptions.
4. As of 30 June 2021, as if the listing was completed on 1 January 2021, based on certain assumptions.

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Enhancing tax efficiencies by joining the UK REIT regime



Successful technical listing of UK entity, Elite UK Commercial Holdings Limited (“ECHL”), on The International Stock Exchange (“TISE”) with effect from 26 Aug 2021

What this means:

4

Overall competitive advantages

- Pursuant to the Double Taxation Treaty between the UK and Singapore, any UK withholding tax applicable on UK property income distributed by ECHL to Elite Commercial REIT is expected to be limited to 15%
- Individual properties’ historical valuation is allowed to be rebased to the current valuation, compared to non-UK REITs
- Therefore, the corresponding provision of deferred tax liabilities is expected to be eliminated

Future Benefits:



Protects from future tax rises

Exemption from UK corporation tax, which is currently at 19% and is legislated to rise to 25% from 1 April 2023



On future corporate acquisitions

Any unrealised gains⁽¹⁾ on the properties upon entry is expected to be eliminated



Upon asset recycling

Any future tax on latent capital gains⁽¹⁾ is expected to be eliminated

Notes:

1. And its corresponding provision of deferred tax liabilities.



Section IV

3Q 2021 Portfolio Updates



Nutwood House, Canterbury

Resilient Portfolio with Income Visibility

Assets stay relevant as utilisation by tenant remains high

Steady Portfolio Performance

- **100% portfolio occupancy rate** as at 30 September 2021
- Long weighted average lease to expiry (WALE) of **6.4 years**

Consistent Rent Collection in Advance

- **Received in advance 100% of the rent** for the three-month period of October 2021 to December 2021, within seven days of the due date
- **Consistently** achieved ~100% of rent collection **in advance** since listing, amid Brexit and UK lockdowns

Lease Events in 3Q 2021

- **Dallas Court Units 1-2, Salford in North West**
 - Recent rent review was completed with a ~7% uplift in rent
 - It is one of the assets in the maiden acquisition and has a rent review based on open market rental value
- **John Street, Sunderland in North East**
 - Lease break option has been exercised and lease to mature on 31 March 2022
 - The Manager is currently evaluating various re-marketing and development options that are available for the asset

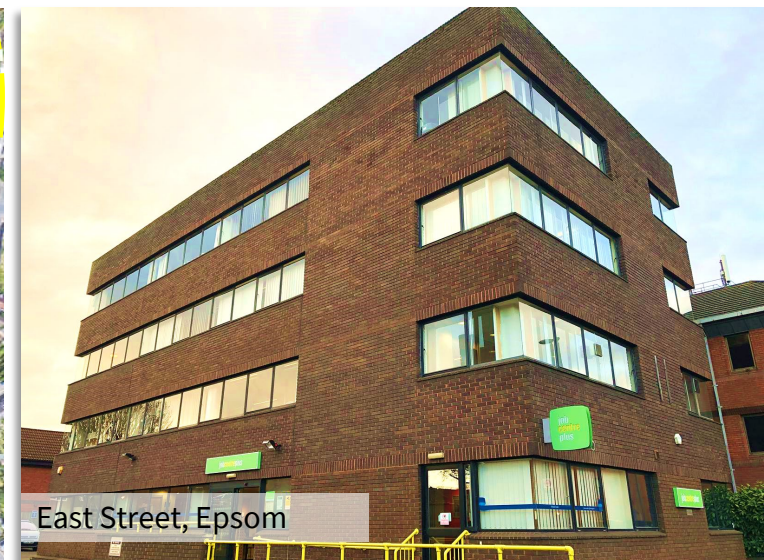


Notable Property Developments

Options under evaluation for East Street, Epsom

Demand for Well-Located Assets

- Lease break for the property at East Street, Epsom, South East, has been exercised
- Received an offer to buy asset at £2.9 million, ~**21% above valuation** of £2.4 million⁽¹⁾
- A proposal to **retain DWP as a tenant** has been submitted for DWP's considerations
- **Both options are currently under evaluation**
- The building is **well-located within Epsom**, as it is within **7 minutes' walk to the town centre** and less than **10 minutes' walk to the Epsom Railway Station**
- The asset offers potential for continued commercial use or conversion or redevelopment for alternative uses



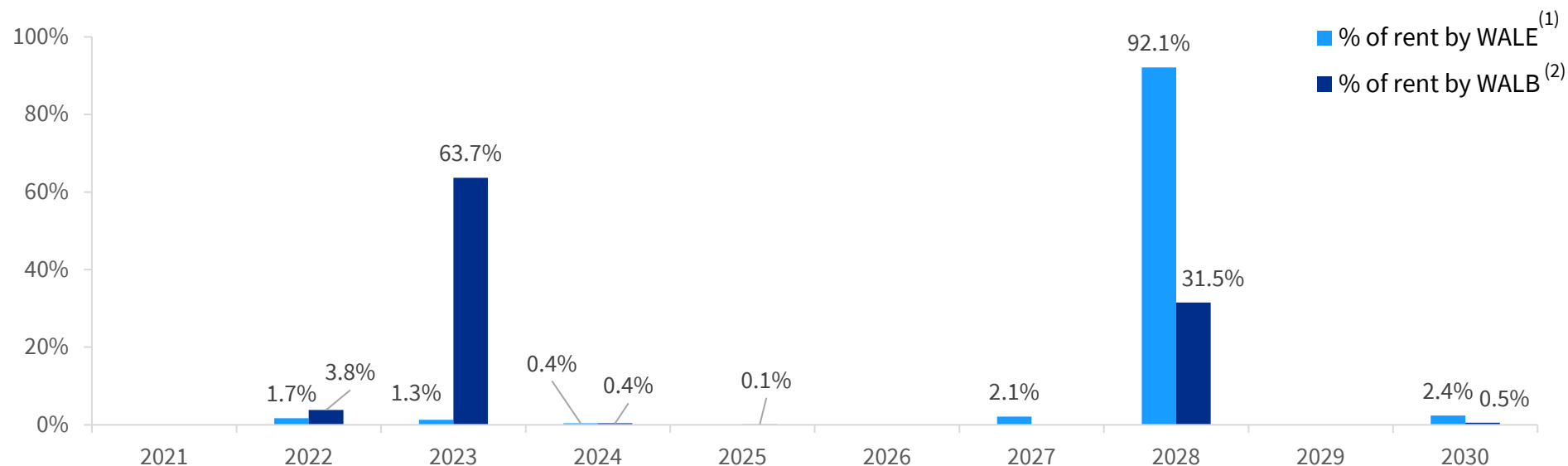
Note:

1. As at 31 December 2020.

Resilient Portfolio and Income Visibility

Full occupancy, Long WALE of 6.4 years

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



Proactive asset management steps taken



Tenant Engagement

Regular active dialogue with tenants



Management Reinforcement

Additional boots on the ground



Data Collection & Analysis

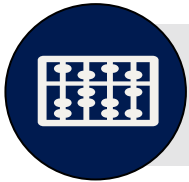
Insight into utilisation of assets by tenants

Notes:

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

Diversified and Resilient Tenant Mix

Multiple government agencies and across regions

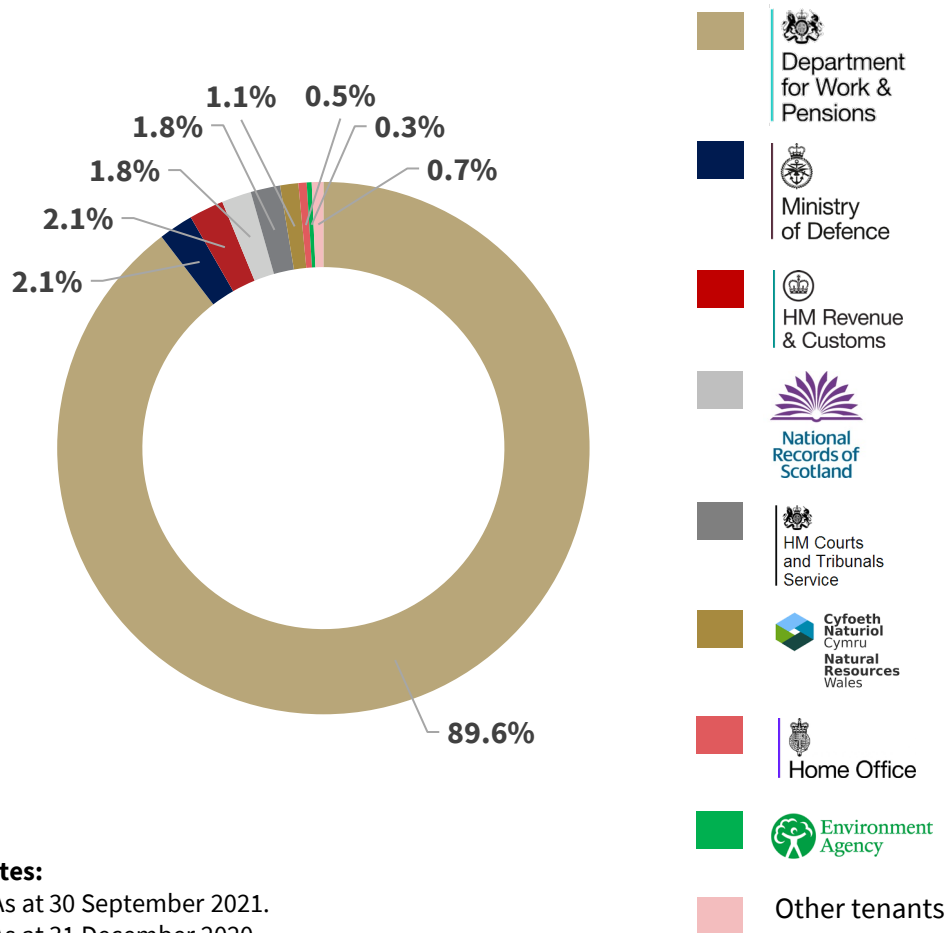


Varied exposure to UK sovereign credit

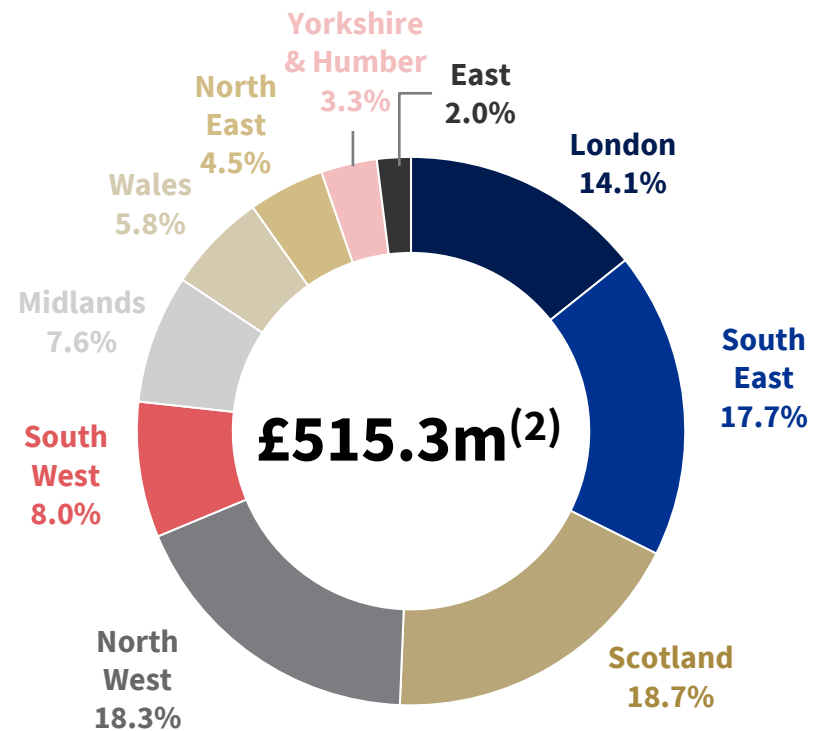
Strategic regional cities



Tenant Breakdown by Gross Rental Income⁽¹⁾



Portfolio Breakdown by Valuation

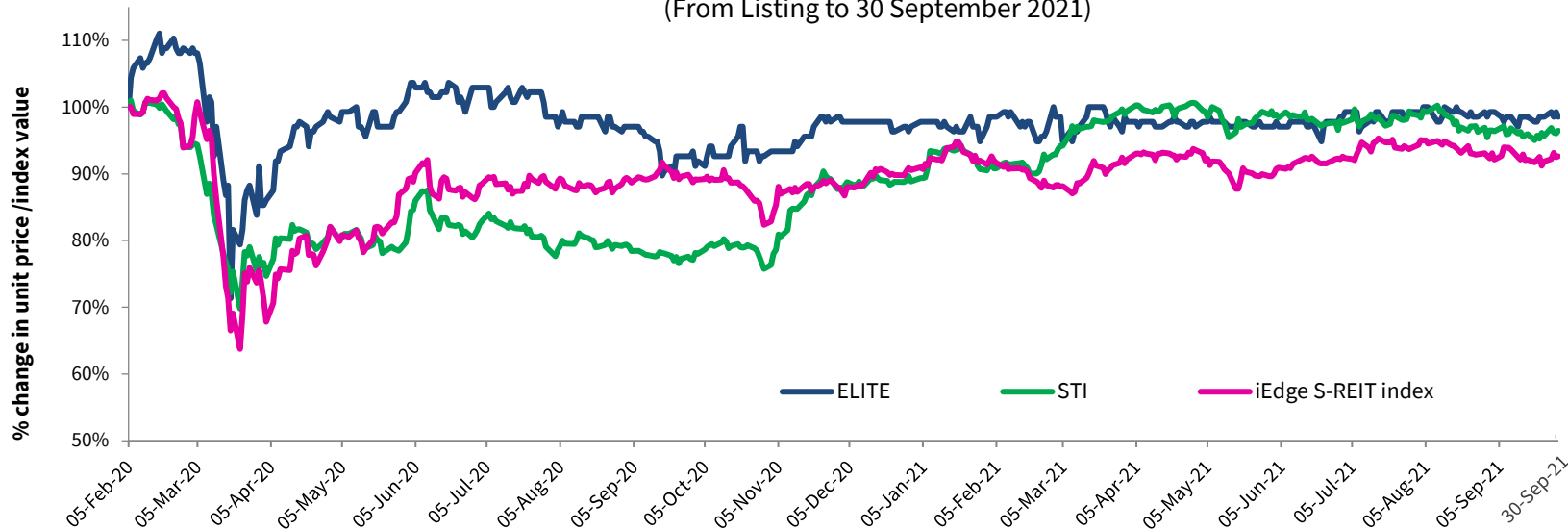


Notes:
 1. As at 30 September 2021.
 2. As at 31 December 2020.

Resilient Trading Performance

Recession-proof amid COVID-19 Pandemic and Brexit

Relative unit price performance of Elite Commercial REIT against indices
(From Listing to 30 September 2021)



ELITE: -1.5%
STI: -3.5%
iEdge S-REIT: -7.4%

Note:

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

Intensified Investor Relations Efforts

Research House Coverage



“BUY”

Target price
£0.75



“ADD”

Target price
£0.83



“BUY”

Target price
£0.95



Initiated coverage

“BUY”

Target price
£0.80



Issued **inaugural** unrated research report on Elite Commercial REIT

Public Outreach Efforts & Awards

- **SmartKarma** Corporate Webinar
- **Citi-REITAS-SGX** C-Suite Singapore REITs & Sponsors Forum 2021
- **Maybank Kim Eng** Investor Webinar
- **The Edge Singapore** Investival 2021 - Corporate presentation, panel discussion, virtual booth and quiz
- Featured in **The Business Times**’ Topline column
- Inaugural Annual Report won a Bronze in international **ARC Awards 2021**



Section IV Market Outlook

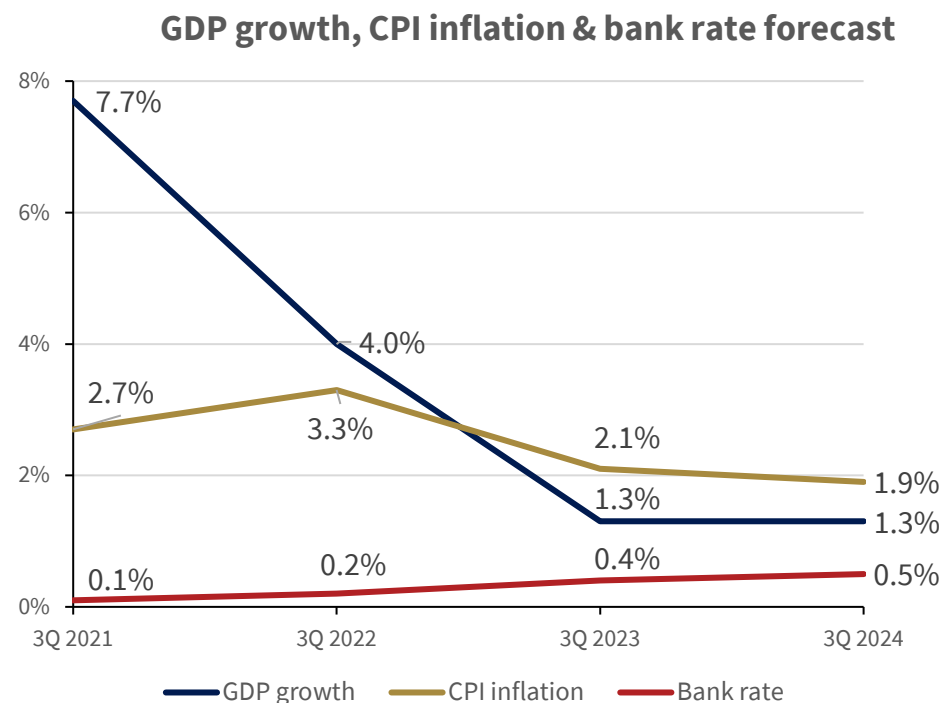
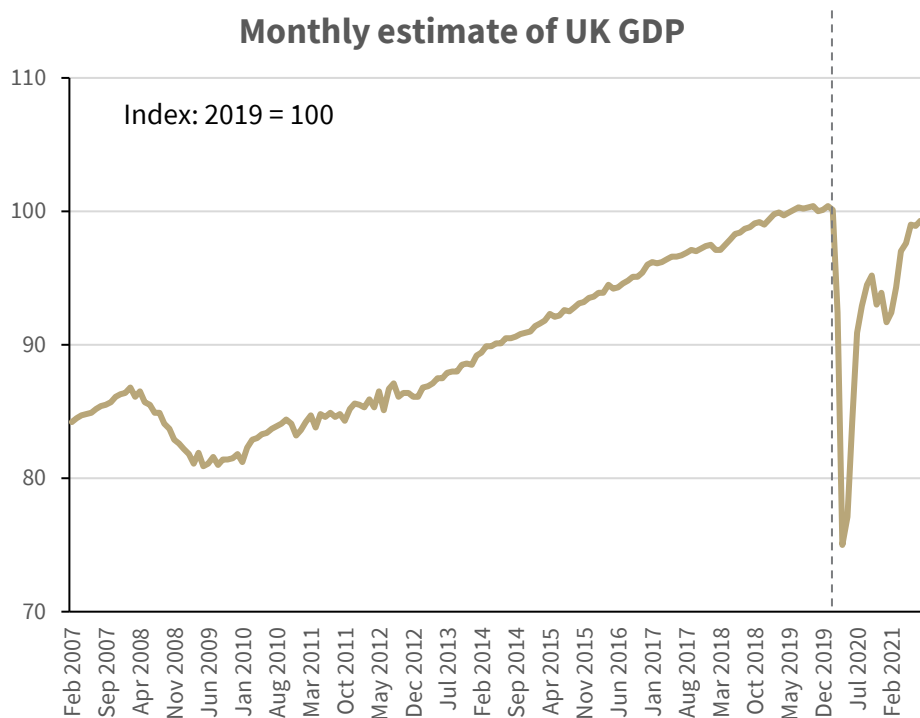


Nutwood House, Canterbury

Market Outlook

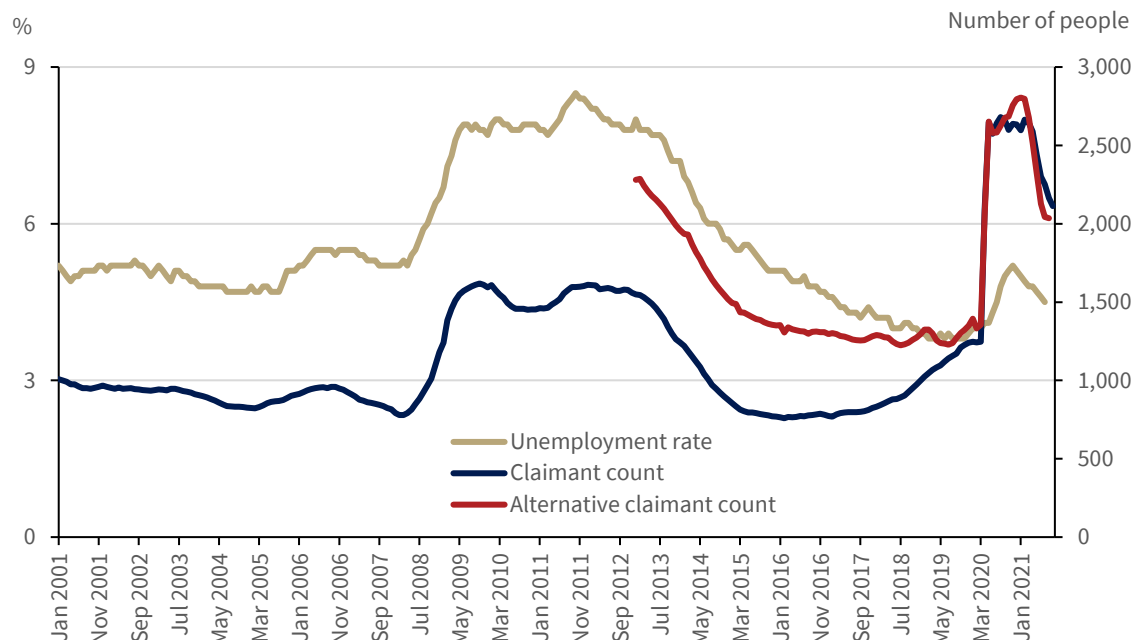
UK GDP growth rebounded but remains below its pre-pandemic level

- Boosted by a waning impact from COVID-19, UK economy is estimated to have grown by 0.4% in August 2021 and remains 0.8% below its pre-pandemic level in February 2020. UK economy is forecasted to grow at 7.25% in 2021
- Consumer Prices Index (CPI) in the 12 months to Sep 2021 was 3.1%; Inflation is projected to temporarily rise in 4Q 2021 to 4% largely due to developments in energy and goods prices but is projected to fall back to close to the 2% target in the medium term
- The Bank of England Monetary Policy Committee (MPC) decided at the September 2021 meeting that the existing monetary policies remain appropriate and bank rate to be maintained at 0.1% by unanimous vote. However, the MPC had in its August Monetary Report forecasted a gradual increase in the bank rate to 0.2% in 3Q 2022, 0.4% in 3Q 2023 and 0.5% in 3Q 2024

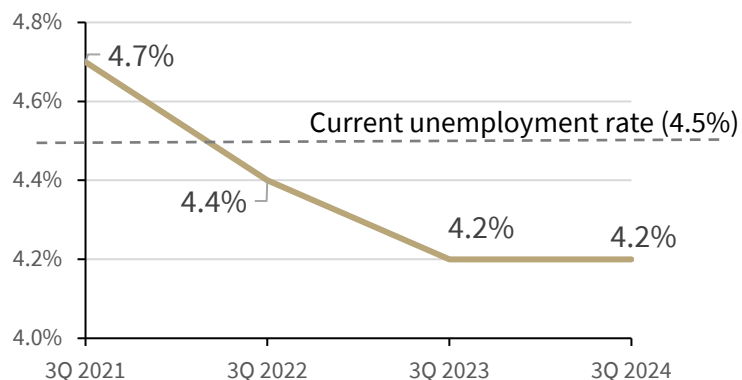


Claimant count & alternative claimant count remain above pre-pandemic levels

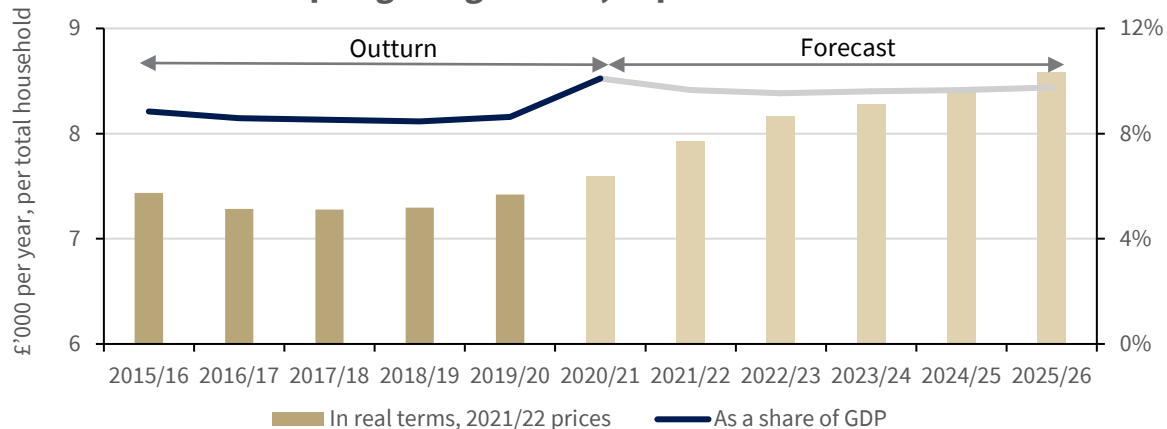
- Unemployment rate in UK stood at 4.5% for June to August 2021, the lowest in 2021. The labour market was supported in part by the furlough scheme (Coronavirus Job Retention Scheme) which has since expired on 30 September 2021
- DWP's claimant count of 2.11 million in September 2021 remains high compared to pre-pandemic
- Following the end of furlough scheme, the UK government announced a £500 million Plan for Jobs Expansion to support the labour market in the near term



Unemployment rate forecast



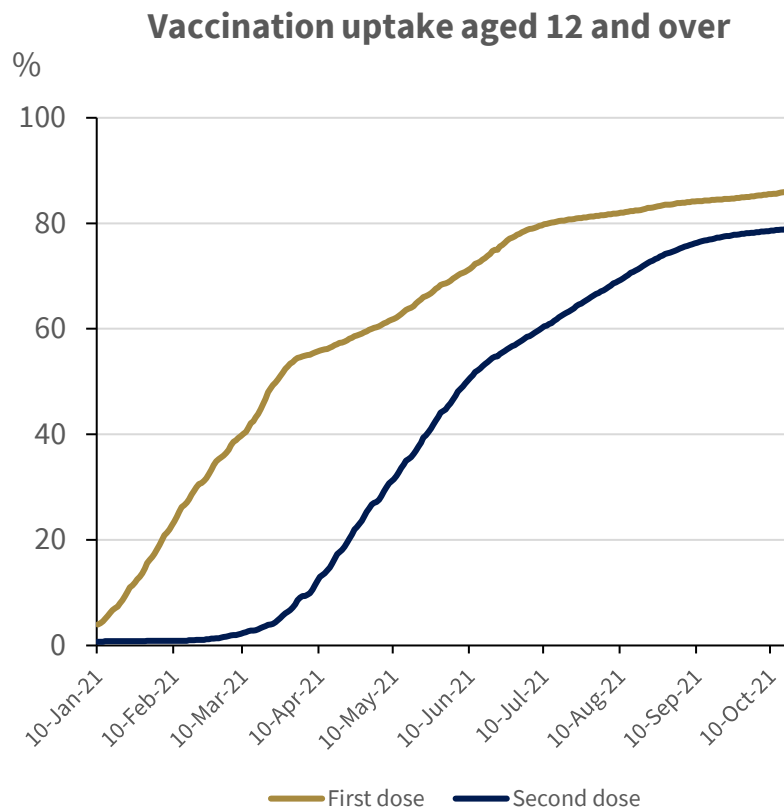
DWP Spring Budget 2021, Expenditure forecast



Covid-19 Updates

Close to 80% of the UK population is vaccinated

- About 78.9% of the UK population aged 12 and over have received two doses of Covid-19 vaccination, while 85.9% have received the first dose⁽¹⁾⁽²⁾
- Links between cases, hospitalisations and deaths have weakened significantly since the start of the pandemic⁽³⁾
- Number of deaths and hospital admissions due to Covid-19 has remained relatively stable over the past month⁽³⁾



Notes:

1. As at 16 October 2021.
2. [Coronavirus.data.gov.uk](https://coronavirus.data.gov.uk) website.
3. Covid-19 Response: Autumn and Winter Plan 2021, September 2021.

UK's Covid-19 Pandemic Management Plan

- Plan A and Plan B have been outlined to manage the situation
- Hinges on the National Health Service's (NHS) ability to cope with the development of Covid-19 and seasonal flu during winter

1

Plan A

- Continuing with the country's vaccination and tracing efforts and providing support to the NHS

2

Plan B

- Contingency measures should the NHS face unsustainable pressures, which includes mandatory face coverings, vaccinated-only individuals in certain settings and people to work from home again, subject to how the situation pans out

Moving Forward

Steady Operations



Stable income

- Minimal impact from Covid-19 on business and rental collection
- Long WALE and full occupancy provides income visibility
- Consistent almost 100% rent collection in advance provides stable cashflow

Growth Potential



Acquisition Opportunities

- Right of first refusal (ROFR) pipeline of properties from the Sponsors
- Opportunities from third-party transactions in the open market
- Land banking in the portfolio provides potential for organic growth

Robust Financials



Election of Fees in Cash

- The Manager to elect receiving 100% of its Management Fees in cash from FY2022 onwards
- To strengthen REIT's financial position in the long term
- Preserve Unitholder value by minimising unit base dilution
- Current yield profile allows for a comfortable transition
- The Manager will review the election mix periodically



Key Investment Merits

1

Attractive & resilient yields through economic cycles

Over 99% leased to the AA-rated UK Government

2

Geographically diversified

A network of assets across the UK covering strategic regional cities

3

Crucial public infrastructure

Primarily occupied by the Department for Work and Pensions

4

Well-located assets

Primarily in town centres, close to transportation nodes & amenities

5

Future growth potential

Acquisition pipelines, asset enhancement & redevelopment potential



Thank You

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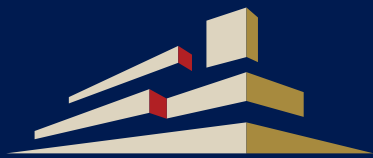
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ELITECREIT
Website



ELITE COMMERCIAL REIT



Section V Appendix



Nutwood House, Canterbury

Crucial Public Infrastructure

Primary occupier is Department for Work & Pensions



UK's Largest Public Service Department

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

Front Line in UK's Emergency Economic Response

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

Built-in Upside from Inflation-Linked Rental Uplift

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

Notes:

1. “National Statistics, DWP benefits statistics: February 2021”, Gov.UK, 23 February 2021
2. “Corporate report, DWP Annual Report & Accounts 2020 to 2021”, Gov.UK, 15 July 2021
3. Work Coaches provide jobseekers with tailored support to build their skills, develop CVs and find new jobs in expanding sectors
4. “Government delivers 13,500 Work Coaches to boost Britain's Jobs Army”, Gov.UK, 29 March 2021

Crucial Public Infrastructure

For the provision of essential social welfare services by DWP

Front of house – primarily Jobcentre Plus and other ancillary services

1

Jobcentre Plus - Usage highly correlated with unemployment

- Staff readily on hand to assist customers with mock interviews, “Back to Work” plan, etc.
- Computers and free wifi for customers to job-surf, write CVs or make claims

2

Pension Services - Usage expected to increase as population ages

- Face-to-face meetings to claim benefits
- IT training to assist retirees with no internet access or difficulty using online services

3

Child Maintenance Services - Stable usage regardless of economic conditions

- Face-to-face meetings to discuss more complicated child maintenance cases
- Registration and declaration of child maintenance received

4

Disability Services - Stable usage regardless of economic conditions

- On-site medical examination centres as part of the Work Capability Assessment for disability benefit
- Training programmes such as Specialist Employability Support and Work and Health Programmes

Front of House⁽¹⁾
85.6%⁽²⁾



Department
for Work &
Pensions

Back of house – various support functions without public-facing element

5

Support functions – Usually larger, critical centres for supporting the administration of DWP services

- Service roll out planning (e.g. Universal Credit)
- Claims processing, finance and accounts
- Fraud detection and investigation
- Call centre & IT support

Back of House
14.4%⁽²⁾

Notes:

1. Including mixed use properties with a medical centre, back office or retail component in addition to the Jobcentre Plus.
2. Of DWP's assets in the portfolio post-merger acquisition.

Source: Independent Market Report,
Department for Work & Pensions