

## ELITE REIT SECURES UP TO £135 MILLION OF DEBT FOR REFINANCING

- ***New lending relationships established to diversify sources of borrowing***
- ***Net gearing ratio<sup>1</sup> remains stable at 40.9% with ample debt headroom of £55.9 million<sup>2</sup>***
- ***Strong interest coverage ratio of 3.1 times<sup>3</sup> as at end-2023***
- ***Elite REIT's credit is supported by its government-backed tenancies***

**SINGAPORE, 1 March 2024** – Elite Commercial REIT Management Pte. Ltd., the manager (the “**Manager**”) of Elite Commercial REIT (“**Elite REIT**”), is pleased to announce that it has obtained a committed offer for debt facilities of up to £135 million (“**Credit Facilities**”) from a group of financial institutions (“**Committed Offer**”).

The Committed Offer came from new lending relationships that the Manager managed to source through Elite REIT’s sponsors. The Committed Offer signifies a key milestone in the Manager’s efforts to put Elite REIT on a strong footing as it takes strides forward.

Funds from the Credit Facilities will be used for *inter alia* the refinancing of Elite REIT’s existing loan facilities. Structured as 3-year term and revolving credit facilities, the Credit Facilities will provide Elite REIT with the ability to efficiently manage its working capital.

Net gearing ratio<sup>1</sup> stood at 47.5% as at 31 December 2023. To improve gearing and financial flexibility, the Manager launched a £28 million Preferential Offering (“**Preferential Offering**”), which was successfully concluded on 18 January 2024.

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<sup>1</sup> Net gearing is calculated as aggregate debt less cash over total assets less cash. Aggregate leverage calculated according to the Property Funds Appendix would be 43.7%, including the effects of the £28 million Preferential Offering, and 50.0% as at 31 December 2023 respectively.

<sup>2</sup> Based on gearing limit of 50%, including the effects of the £28 million Preferential Offering.

<sup>3</sup> Including the effects of the £28 million Preferential Offering.



Post-Preferential Offering, Elite REIT's net gearing<sup>1</sup> stands at 40.9% and Elite REIT has a debt headroom of £55.9 million<sup>2</sup>. About 66%<sup>3</sup> of borrowings are hedged on fixed interest rates and interest coverage ratio remains strong at 3.1 times<sup>3</sup> as at 31 December 2023.

**Mr. Joshua Liaw, Chief Executive Officer of the Manager**, said: "We are grateful for our banking partners' trust in us. Securing the commitment for this refinancing illustrates the strong fundamentals and resilience of our unique portfolio of properties in providing social infrastructure assets in the UK, as well as the strength of our banking relationships.

"With the achievement of this significant milestone in Elite REIT's refinancing exercise, we are focused on further reinforcing our capital structure and maximising unitholder returns through our asset repositioning strategies. This entails divestments and repurposing vacant assets to unlock latent value in Elite REIT's real estate portfolio. Early negotiations on tenant retention and lease expiry diversification are also in progress."

**– End –**



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## About Elite Commercial REIT

Elite Commercial REIT (“**Elite REIT**”) is a Singapore real estate investment trust established with the investment strategy of principally investing, directly or indirectly, in commercial real-estate related assets in the United Kingdom (“**UK**”). Elite REIT is the first and only UK REIT listed in Pound sterling on the Singapore Exchange.

Elite REIT’s portfolio (“**Portfolio**”) comprises predominantly freehold properties strategically located mainly in town centres, and near amenities and transportation nodes, and offers a stable government-backed income stream with almost 100% of the gross rental income derived from the UK Government, backed by AA-rated sovereign credit strength. The leases are on triple net basis<sup>4</sup> and the properties in the Portfolio are 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, serving over 20 million claimants. The Portfolio is part of the crucial social infrastructure through which DWP provides services to local communities.

Elite 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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<sup>4</sup> Known as a full repairing and insuring 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 for occupied assets.



## ***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.*